

CHAFFEE COUNTY, COLORADO

ANNUAL FINANCIAL REPORT

FOR THE

YEAR ENDED DECEMBER 31, 2021

CHAFFEE COUNTY, COLORADO
ELECTED AND APPOINTED OFFICIALS
December 31, 2021

ELECTED OFFICIALS

Keith Baker, Commissioner District #1
Greg Felt, Commissioner District #2
Rusty Granzella, Commissioner District #3
Dee Dee Copper, County Treasurer
Jeffery Graf, County Coroner
Lori Mitchell, County Clerk and Recorder
Brenda Mosby, County Assessor
John Spezze, County Sheriff

MANAGEMENT

Dan Short, Director of Finance and Personnel
Robert Christiansen, Director of General Administration

INDEPENDENT AUDITOR

Scott C. Wright
Certified Public Accountant

CHAFFEE COUNTY, COLORADO

ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED DECEMBER 31, 2021

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CHAFFEE COUNTY, COLORADO

COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED DECEMBER 31, 2021

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EAGLE, COLORADO 81631
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Board of County Commissioners
Chaffee County, Colorado
Salida, Colorado

INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Financial Statements

Opinions

I have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Chaffee County, Colorado as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Chaffee County, Colorado, 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.

Basis for Opinions

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of the Chaffee County, Colorado and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Responsibilities of Management 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, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Chaffee County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, I:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Chaffee County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Chaffee County's ability to continue as a going concern for a reasonable period of time.

I am required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4-13 and 49-51 be presented to supplement the basic financial statements. Such information is the

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

Supplemental Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Chaffee County's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards, as required by 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 my opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated April 30, 2022 on my consideration of Chaffee County, Colorado's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Chaffee County, Colorado's internal control over financial reporting and compliance

Scott Wright

Eagle, Colorado
April 30, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Chaffee County, we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of Chaffee County for the fiscal year ended December 31, 2021.

Financial Highlights

- The assets and deferred outflows of the County exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$47,889,041 (net position). Of this amount, \$14,916,860 is unrestricted and may be used to meet the County's ongoing obligations to citizens and creditors in accordance with the County's fund designation and fiscal policies.
- The County's total net position increased by \$6,666,620.
- As of the close of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$35,405,984, an increase of \$13,881,719 in comparison with the prior year. Approximately twenty-nine percent (29%) of this total amount, or \$10,198,217, is available for use within the County's policies (unassigned fund balance).
- At the end of the current fiscal year, the unassigned fund balance for the general fund represented fifty-five percent (55%) of total general fund expenditures and other financing uses.

Overview of the Financial Statements

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

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private sector business.

The *statement of net position* presents information on all of the County's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The *statement of activities* presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include

general government, community and economic development, public safety, health and welfare, public works, parks and recreation, and airport operations. The business-type activities of the County include solid waste landfill operations, emergency services and sewer debt recovery operations.

The government-wide financial statements include not only the County itself (known as the *primary government*), but also the Chaffee County Facilities Corporation (Facilities Corporation) which was created with the sole purpose of facilitating County financings. The Facilities Corporation is included in the County's financial statements because the County has financial accountability for the Facilities Corporation and they, in turn, are fiscally dependent upon the County. The Facilities Corporation activities are reported as a debt service fund.

The government-wide financial statements can be found on pages 15-17 of this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflow and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

The County maintains nineteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, road and bridge fund, health and human services fund, and capital expenditures fund, all of which are considered to be major funds. Data from the other fifteen nonmajor governmental funds (airport fund, conservation trust fund, retirement fund, contingent reserve fund, asset replacement fund, lodging visitors bureau fund, American Rescue Plan fund, animal shelter fund, marijuana excise tax fund, forest health fund, rural conservation fund, recreation impact fund, unallocated 2018 1A fund, Chaffee housing fund and Chaffee County Facilities Corporation fund) are combined into a single, aggregate presentation.

Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report. The basic governmental fund financial statements can be found on pages 18-21 of this report.

Proprietary funds. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The County maintains two different types of proprietary funds. *Enterprise funds* are used to report the same function presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for its solid waste landfill operations, emergency services, and sewer debt recovery operations. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses an internal service fund to account for the cost of insurance and estimated damaged property claims allocated to County departments. Because this cost allocation predominately effects governmental rather than business-type functions, it has been included within *governmental activities* in the government-wide financial statements.

The basic proprietary fund financial statements can be found on pages 22-25 of this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support Chaffee County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on page 26-27 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 29-47 of this report.

Required Supplemental Information. In addition to the basic financial statements and accompanying notes, this report also presents certain other required supplemental information. The County adopts an annual appropriated budget for its general fund and major special revenue funds. Budgetary comparison statements have been provided for the general fund, road and bridge fund, and health and human services fund to demonstrate compliance with these budgets and can be found on pages 49-51 of this report.

Other Supplemental Information. The combining statements referred to earlier in connection with nonmajor governmental funds are presented under other supplemental information immediately following the required supplemental information on pages 54-60. Individual fund statements and schedules and other miscellaneous schedules can also be found in this section on pages 61-92 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Chaffee County, assets and deferred outflows exceeded liabilities and deferred inflows of resources by \$47,889,041 as of December 31, 2021.

A large portion of the County's net position (17%) reflects its investment in capital assets (land, construction in progress, buildings and improvements, vehicles, and machinery and equipment), net of any related debt used to acquire those assets that is still outstanding. The County uses these assets to provide services to citizens, consequently, these assets are not available for future spending. Although the County's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net position (51%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* (\$14,916,860) may be used to meet the County's ongoing obligations to citizens and creditors.

Condensed Net Position

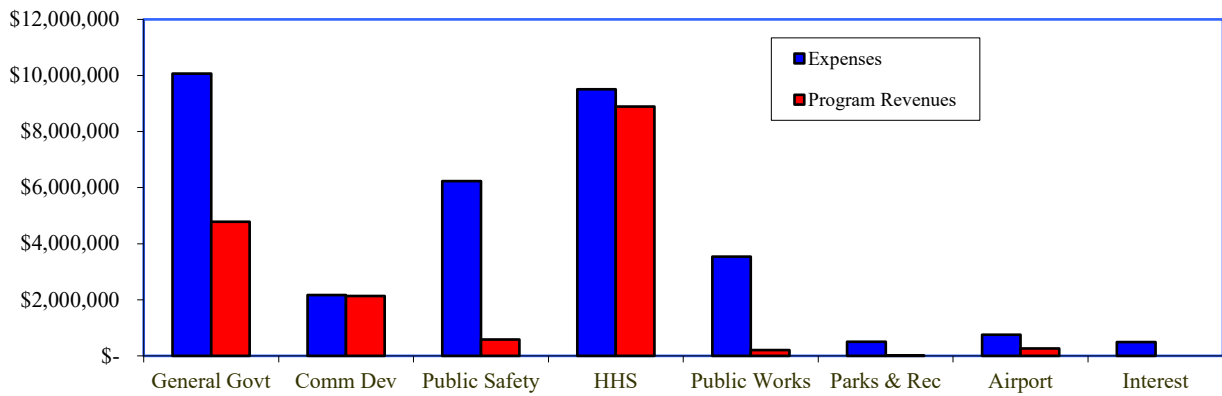
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Government</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Current and Other Assets	\$43,362,425	\$27,223,779	\$4,687,942	\$3,975,843	\$48,050,367	\$31,199,622
Restricted Assets	-	327,025	-	-	-	327,025
Capital Assets, net	<u>19,906,835</u>	<u>18,783,847</u>	<u>4,309,916</u>	<u>4,045,297</u>	<u>24,216,751</u>	<u>22,829,144</u>
Total Assets	<u>63,269,260</u>	<u>46,334,651</u>	<u>8,997,858</u>	<u>8,021,140</u>	<u>72,267,118</u>	<u>54,355,791</u>
Deferred Outflows of Resources	<u>96,567</u>	<u>96,567</u>	<u>-</u>	<u>-</u>	<u>96,567</u>	<u>96,567</u>
Other Liabilities	2,237,098	882,649	360,001	550,412	2,597,099	1,433,061
Noncurrent Liabilities	<u>16,411,275</u>	<u>6,856,140</u>	<u>612,216</u>	<u>403,088</u>	<u>17,023,491</u>	<u>7,259,228</u>
Total Liabilities	<u>18,648,373</u>	<u>7,738,789</u>	<u>972,217</u>	<u>953,500</u>	<u>19,620,590</u>	<u>8,692,289</u>
Deferred Inflows of Resources	<u>4,854,054</u>	<u>4,537,648</u>	<u>-</u>	<u>-</u>	<u>4,854,054</u>	<u>4,537,648</u>
Net Position:						
Net Investment in Capital Assets	4,639,566	13,000,376	3,918,790	3,642,209	8,558,356	16,642,585
Restricted	24,413,825	13,071,494	-	-	24,413,825	13,071,494
Unrestricted	<u>10,810,009</u>	<u>8,082,911</u>	<u>4,106,851</u>	<u>3,425,431</u>	<u>14,916,860</u>	<u>11,508,342</u>
Total Net Position	<u>\$39,863,400</u>	<u>\$34,154,781</u>	<u>\$8,025,641</u>	<u>\$7,067,640</u>	<u>\$47,889,041</u>	<u>\$41,222,421</u>

Change in Net Position

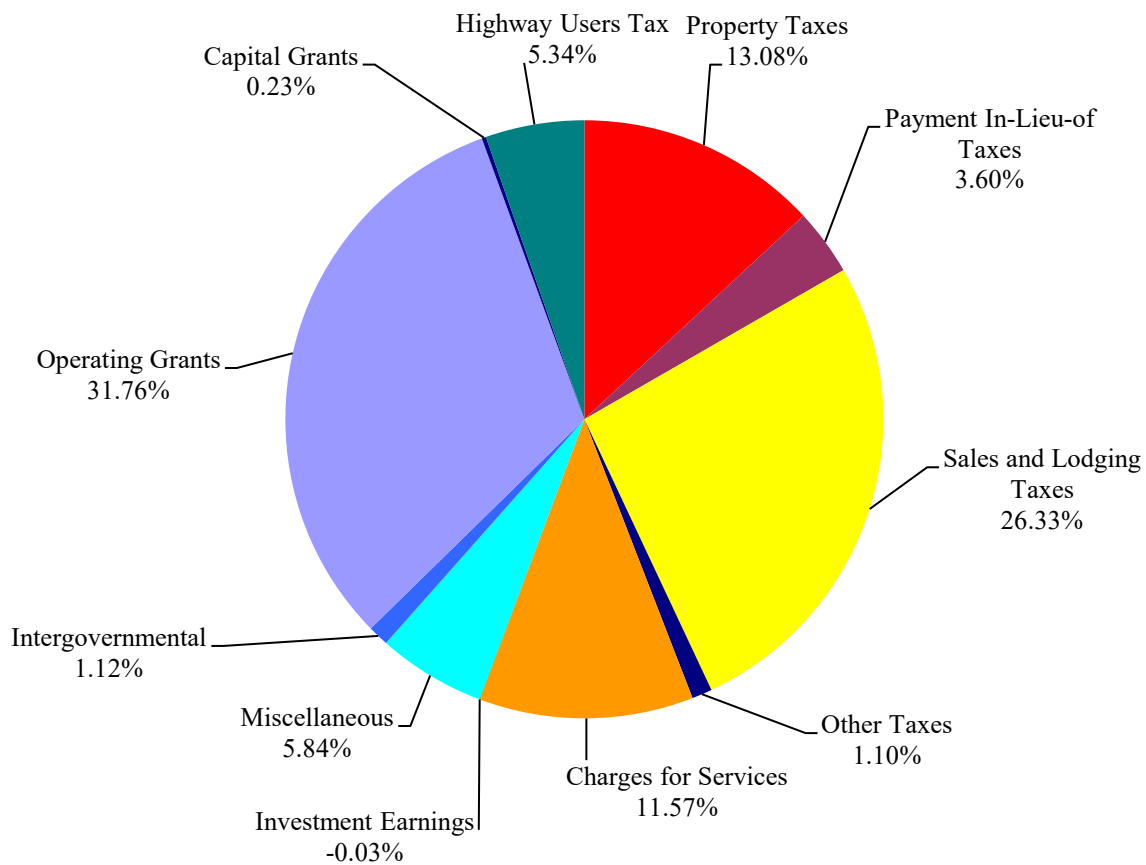
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Government</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
REVENUES						
Program Revenues:						
Charges for Services	\$ 4,502,896	\$ 3,353,165	\$ 3,337,219	\$ 2,952,581	\$ 7,840,115	\$ 6,305,746
Operating Grants and Contributions	12,362,161	10,924,409	162,941	143,373	12,525,102	11,067,782
Capital Grants and Contributions	89,898	943,343	-	-	89,898	943,343
General Revenues:						
Taxes:						
Property Taxes	5,093,080	4,865,798	-	-	5,093,080	4,865,798
Sales and Lodging Taxes	10,246,857	8,156,548	3,270,341	2,628,054	13,517,198	10,784,602
Payment In-Lieu-of Taxes	1,402,322	1,372,649	-	-	1,402,322	1,372,649
Highway Users Tax	2,079,311	1,789,862	-	-	2,079,311	1,789,862
Other Taxes	426,894	318,816	-	-	426,894	318,816
Unrestricted Investment Earnings (Loss)	(11,059)	203,477	477	8,410	(10,582)	211,887
Intergovernmental	436,605	265,198	-	-	436,605	265,198
Miscellaneous	<u>2,272,436</u>	<u>1,302,088</u>	<u>-</u>	<u>-</u>	<u>2,272,436</u>	<u>1,302,088</u>
Total Revenues	<u>39,901,401</u>	<u>33,495,353</u>	<u>6,770,978</u>	<u>5,732,418</u>	<u>46,672,379</u>	<u>39,227,771</u>
EXPENSES						
Program Activities:						
Governmental Activities:						
General Government	10,071,322	8,872,103	-	-	10,071,322	8,872,103
Community / Economic Development	2,173,138	1,992,517	-	-	2,173,138	1,992,517
Public Safety	6,232,793	5,963,223	-	-	6,232,793	5,963,223
Health and Welfare	9,507,175	8,808,479	-	-	9,507,175	8,808,479
Public Works	3,533,395	4,964,958	-	-	3,533,395	4,964,958
Parks and Recreation	498,211	421,662	-	-	498,211	421,662
Airport Operations	754,097	675,007	-	-	754,097	675,007
Interest on Long-term Debt	495,653	217,374	-	-	495,653	217,374
Business-type Activities:						
Landfill Operations	-	-	1,422,330	1,463,764	1,422,330	1,463,764
Emergency Services	-	-	4,285,100	4,221,559	4,285,100	4,221,559
Sewer Enterprise	<u>-</u>	<u>-</u>	<u>32,545</u>	<u>36,246</u>	<u>32,545</u>	<u>36,246</u>
Total Expenses	<u>33,265,784</u>	<u>31,915,323</u>	<u>5,739,975</u>	<u>5,721,569</u>	<u>39,005,759</u>	<u>37,636,892</u>
Excess (Deficiency) Before Transfers and Contributions	5,635,617	1,580,030	1,031,003	10,849	6,666,620	1,590,879
Contributions In (Out)	(61,408)	(38,750)	61,408	38,750	-	-
Transfers In (Out)	<u>134,410</u>	<u>179,410</u>	<u>(134,410)</u>	<u>(179,410)</u>	<u>-</u>	<u>-</u>
Increase (Decrease) in Net position	5,708,619	1,720,690	958,001	(129,811)	6,666,620	1,590,879
Net Position, Beginning	<u>34,154,781</u>	<u>32,434,091</u>	<u>7,067,640</u>	<u>7,197,451</u>	<u>41,222,421</u>	<u>39,631,542</u>
Net Position, Ending	<u>\$39,863,400</u>	<u>\$34,154,781</u>	<u>\$ 8,025,641</u>	<u>\$ 7,067,640</u>	<u>\$47,889,041</u>	<u>\$41,222,421</u>

Governmental Activities. Governmental activities increased the County's net position by \$5,708,619 in 2021. The cost of all governmental activities in 2021 was \$33,265,784, a 4.23% increase from the prior year. Revenues from governmental activities increased 19.13% from the prior year.

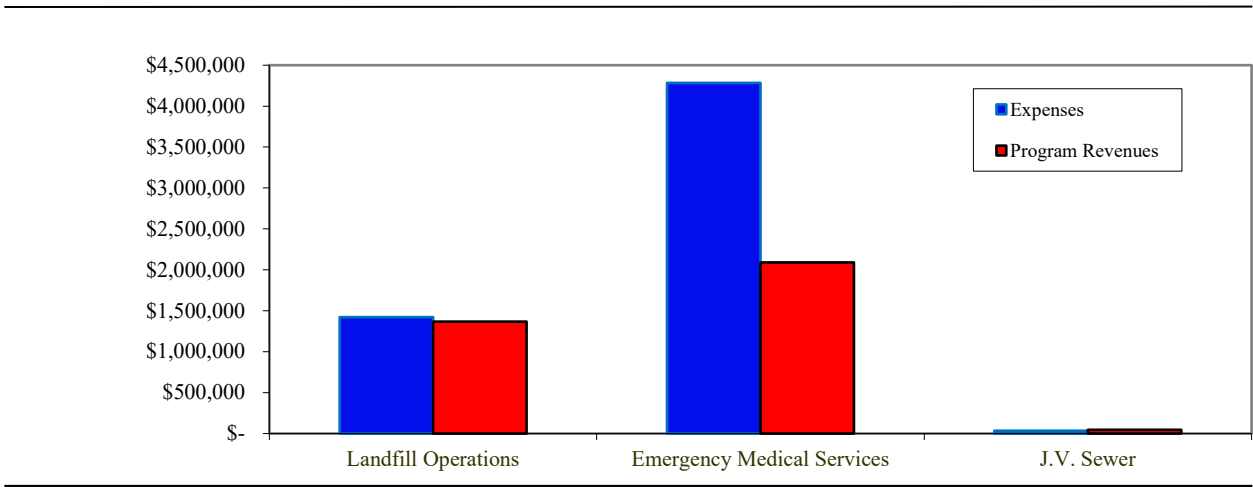
Expenses and Program Revenues – Governmental Activities



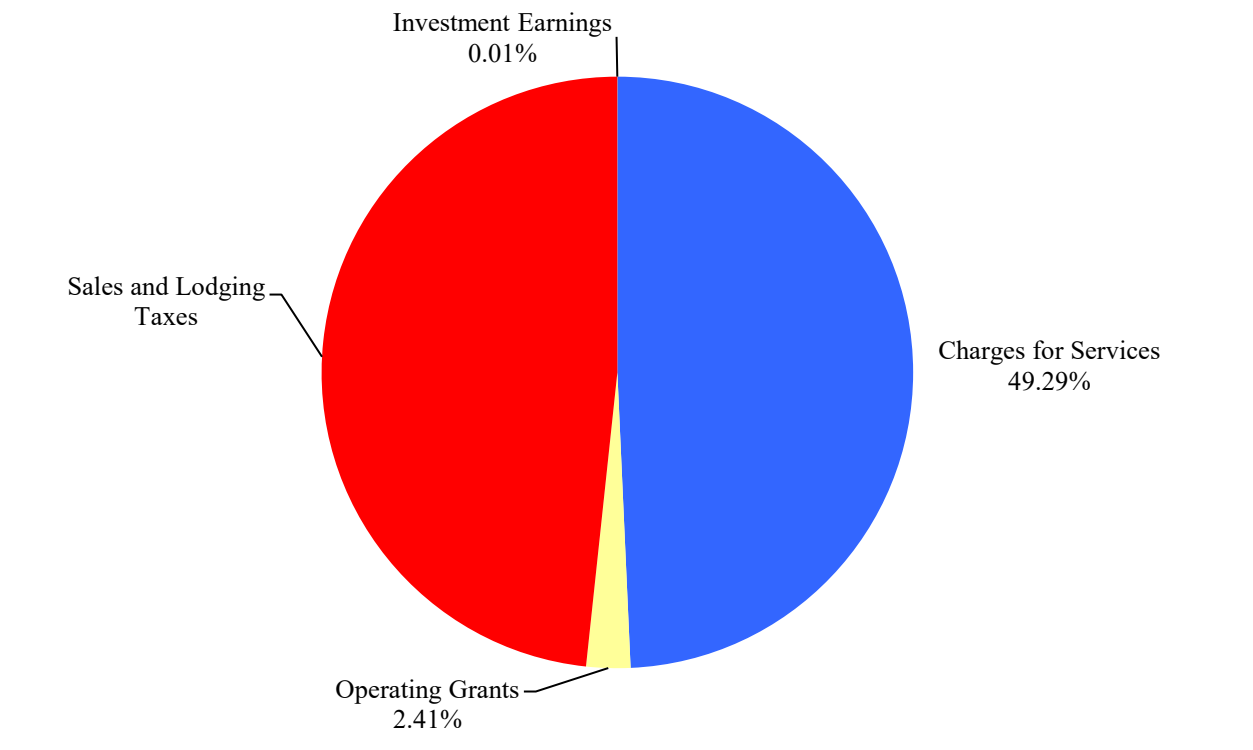
Revenues by Source – Governmental Activities



Expenses and Program Revenues – Business-type Activities



Revenues by Source – Business-type Activities



Financial Analysis of the County's Funds

The following schedule presents a summary of governmental fund revenues for the year ended December 31, 2021 and the amount and percentage of increases and decreases in relation to the prior year.

<u>Revenues</u>	2021 <u>Amount</u>	Percent of <u>Total</u>	2020 <u>Amount</u>	Amount of Increase (Decrease)	Percent Increase (Decrease)
Taxes	\$15,766,831	40.71%	\$13,341,162	\$ 2,425,669	18.18%
Licenses and Permits	2,041,746	5.27%	1,314,247	727,499	55.35%
Intergovernmental	16,370,297	42.27%	15,401,211	969,086	6.29%
Charges for Services	2,182,924	5.64%	1,782,349	400,575	22.47%
Fines and Forfeitures	158,026	0.41%	27,409	130,617	476.55%
Investment Earnings	(11,306)	(0.03%)	199,752	(211,058)	(1,766.78%)
Miscellaneous	<u>2,217,622</u>	<u>5.73%</u>	<u>1,275,252</u>	<u>942,370</u>	<u>73.90%</u>
Total	<u>\$38,726,140</u>	<u>100.00%</u>	<u>\$33,341,382</u>	<u>\$ 5,384,758</u>	

The following schedule presents a summary of governmental fund expenditures for the year ended December 31, 2020, and the amount and percentage of increases and decreases in relation to the prior year.

<u>Expenditures</u>	2021 <u>Amount</u>	Percent of <u>Total</u>	2020 <u>Amount</u>	Amount of Increase (Decrease)	Percent Increase (Decrease)
Current:					
General Government	\$10,209,667	29.54%	\$ 8,100,133	\$ 2,109,534	20.66%
Community / Economic Development	2,188,607	6.33%	1,971,484	217,123	9.92%
Public Safety	6,095,068	17.64%	5,824,310	270,758	4.44%
Health and Welfare	9,415,280	27.24%	8,701,200	714,080	7.58%
Public Works	3,111,200	9.00%	3,652,600	(541,400)	(17.40%)
Parks and Recreation	414,673	1.20%	321,244	93,429	22.53%
Airport Operations	381,180	1.10%	323,764	57,416	15.06%
Capital Outlay	1,883,515	5.45%	2,357,309	(473,794)	(25.15%)
Debt Service:					
Principal	370,000	1.07%	360,000	10,000	2.70%
Interest	316,711	0.92%	234,319	82,392	26.01%
Debt Issuance Costs	172,939	0.50%	-	172,939	100.00%
Fiscal Charges	<u>3,001</u>	<u>0.01%</u>	<u>3,011</u>	<u>(10)</u>	<u>(.33%)</u>
Total	<u>\$ 34,561,841</u>	<u>100.00%</u>	<u>\$ 31,849,374</u>	<u>\$ 2,712,467</u>	

Fund Balances

The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources at the end of the year.

The County's governmental funds reported combined ending fund balances of \$35,405,984, an increase of \$13,881,719 from the prior year. Of this total, \$24,413,825 is restricted due to

external limitations on its use, such as by debt covenants and legal restrictions. A total of \$173,082 is considered unspendable because it has been used for prepaid items (inventories). A total of \$620,860 has been committed or assigned meaning there are limitations resulting from its intended use, such as construction of capital assets, and for other purposes. The remaining \$10,198,217 is unassigned and can be used for any lawful purpose.

The general fund is the main operating fund of the County. At the end of the current fiscal year, unassigned fund balance of the general fund was \$10,125,555. The fund balance of the general fund increased by \$2,187,720 or 26.6%, in 2021. As a measure of the general fund's liquidity, it can be useful to compare unassigned fund balances to total fund expenditures. Unassigned fund balance represents 64.3% of total fund expenditures or the equivalent of over 7 months of operations. The County's fund balance provides the resources necessary to be financially adaptable to unforeseen circumstances.

Capital Asset and Debt Administration

Capital assets. The County's investment in capital assets for its governmental and business-type activities as of December 31, 2021, totals \$24,216,751 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings and improvements, vehicles, and machinery and equipment (see table below). The total increase in the County's net capital assets for the current fiscal year was 1.3% (a 6% increase for governmental activities and a 6.54% increase for business-type activities).

Major capital assets purchased or constructed during the current fiscal year include a building and land at 185 Quigot Lane (\$711,593), vehicles for the Building Dept. (\$26,802), Sheriff (\$169,353), and Road and Bridge (\$684,808).

County's Capital Assets (net of depreciation)

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Land	\$ 1,993,386	\$ 1,886,886	\$ 281,526	\$ 281,526	\$ 2,274,912	\$ 2,168,412
Const. in Prog.	861,706	145,014	-	-	861,706	145,014
Buildings & Imp.	14,127,324	14,210,283	781,590	844,744	14,908,914	15,055,027
Utility Lines	-	-	367,307	381,865	367,307	381,865
Vehicles	2,043,816	1,589,085	910,185	790,789	2,954,001	2,379,874
Mach. & Equip	<u>880,603</u>	<u>952,579</u>	<u>1,969,308</u>	<u>1,746,373</u>	<u>2,849,911</u>	<u>2,698,952</u>
Total	<u>\$19,906,835</u>	<u>\$18,783,847</u>	<u>\$ 4,309,916</u>	<u>\$ 4,045,297</u>	<u>\$24,216,751</u>	<u>\$22,829,144</u>

Additional information on the County's capital assets can be found in Notes 4 on pages 40-41 of this report.

Long-term debt. At the end of the current fiscal year, the County had total long-term debt outstanding in the amount of \$13,971,126. Of this amount, \$13,580,000 are Certificates of Participation which evidence assignments of proportionate interests in the right to receive payments pursuant to annually renewable lease agreements. The remainder of the County's debt, \$391,126, represents bonds secured solely by specified revenue sources (i.e. revenue bonds).

County's Outstanding Debt

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Revenue Bonds	\$ -	\$ -	\$ 391,126	\$ 403,088	\$ 391,126	\$ 403,088
Certificates of Participation	<u>13,580,000</u>	<u>5,685,000</u>	<u>-</u>	<u>-</u>	<u>13,580,000</u>	<u>5,685,000</u>
Total	<u>\$13,580,000</u>	<u>\$ 5,685,000</u>	<u>\$ 391,126</u>	<u>\$ 403,088</u>	<u>\$13,971,126</u>	<u>\$ 6,088,088</u>

The County's total outstanding debt increased by a net \$7,883,038 during the current fiscal year. The County issued a total of \$8,265,000 in new debt during the fiscal year. All scheduled debt service payments on long-term debt obligations were made during the current fiscal year.

Additional information on the County's long-term debt can be found in Note 4 on pages 41-43 of this report.

Requests for Information

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the County's fiscal management. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Chaffee County Finance Department, 132 Crestone, Salida, CO 81201.

BASIC FINANCIAL STATEMENTS

CHAFFEE COUNTY, COLORADO

STATEMENT OF NET POSITION DECEMBER 31, 2021

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and Investments	\$ 35,672,787	\$ 3,708,765	\$ 39,381,552
Receivables	7,511,556	979,177	8,490,733
Inventory	173,082	-	173,082
Deposits	5,000	-	5,000
Capital Assets, net of accumulated depreciation:			
Nondepreciable	2,855,092	281,526	3,136,618
Depreciable	17,051,743	4,028,390	21,080,133
Total Assets	63,269,260	8,997,858	72,267,118
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Charge on Refunding of Debt	96,567	-	96,567
Total Deferred Outflows of Resources	96,567	-	96,567
LIABILITIES			
Accounts Payable	405,115	76,943	482,058
Retainages Payable	35,820	-	35,820
Accrued Liabilities	85,884	281,562	367,446
Accrued Interest Payable	40,606	1,496	42,102
Deposits and Reserves	407,326	-	407,326
Unearned Revenues	1,262,347	-	1,262,347
Noncurrent Liabilities:			
Due Within One Year	1,674,403	233,624	1,908,027
Due In More Than One Year	14,736,872	378,592	15,115,464
Total Liabilities	18,648,373	972,217	19,620,590
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	4,854,054	-	4,854,054
Total Deferred Inflows of Resources	4,854,054	-	4,854,054
NET POSITION			
Net Investment in Capital Assets	4,639,566	3,918,790	8,558,356
Restricted For:			
Emergencies	911,173	-	911,173
Capital Expenditures	12,996,117	-	12,996,117
Purposes of Grantors	8,039,943	-	8,039,943
Forest Health and Conservation	2,466,592	-	2,466,592
Unrestricted	10,810,009	4,106,851	14,916,860
Total Net Position	\$ 39,863,400	\$ 8,025,641	\$ 47,889,041

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

CHAFFEE COUNTY, COLORADO

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2021

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General Government	\$ 10,071,322	\$ 1,477,058	\$ 3,301,509	\$ -
Community / Economic Development	2,173,138	2,108,542	25,000	-
Public Safety	6,232,793	478,836	105,656	-
Health and Welfare	9,507,175	25,214	8,871,571	89,898
Public Works	3,533,395	146,529	58,425	-
Parks and Recreation	498,211	1,800	-	-
Airport Operations	754,097	264,917	-	-
Interest and Fiscal Charges on Long-term Debt	495,653		-	-
Total Governmental Activities	33,265,784	4,502,896	12,362,161	89,898
Business-type Activities:				
Landfill Operations	1,422,330	1,366,011	-	-
Emergency Medical Services	4,285,100	1,926,670	162,941	-
Sewer	32,545	44,538	-	-
Total Business-type Activities	5,739,975	3,337,219	162,941	-
Total Primary Government	\$ 39,005,759	\$ 7,840,115	\$ 12,525,102	\$ 89,898

General Revenues:

Property Taxes, Levied for General Purposes
 Sales and Lodging Taxes
 Payment In-Lieu-of Taxes
 Highway Users Tax
 Other Taxes
 Grants and Contributions Not Restricted to
 Specific Programs
 Unrestricted Investment Earnings
 Miscellaneous
 Contributions and Transfers

Total General Revenues and Transfers

Increase (Decrease) in Net Position

Net Position - Beginning of Year

Net Position - End of Year

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

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-type Activities	Total
\$ (5,292,755)	\$ -	\$ (5,292,755)
(39,596)	-	(39,596)
(5,648,301)	-	(5,648,301)
(520,492)	-	(520,492)
(3,328,441)	-	(3,328,441)
(496,411)	-	(496,411)
(489,180)	-	(489,180)
(495,653)	-	(495,653)
<u>(16,310,829)</u>	<u>-</u>	<u>(16,310,829)</u>
-	(56,319)	(56,319)
-	(2,195,489)	(2,195,489)
-	11,993	11,993
<u>-</u>	<u>(2,239,815)</u>	<u>(2,239,815)</u>
<u>(16,310,829)</u>	<u>(2,239,815)</u>	<u>(18,550,644)</u>
5,093,080	-	5,093,080
10,246,857	3,270,341	13,517,198
1,402,322	-	1,402,322
2,079,311	-	2,079,311
426,894	-	426,894
436,605	-	436,605
(11,059)	477	(10,582)
2,272,436	-	2,272,436
73,002	(73,002)	-
<u>22,019,448</u>	<u>3,197,816</u>	<u>25,217,264</u>
5,708,619	958,001	6,666,620
<u>34,154,781</u>	<u>7,067,640</u>	<u>41,222,421</u>
<u>\$ 39,863,400</u>	<u>\$ 8,025,641</u>	<u>\$ 47,889,041</u>

CHAFFEE COUNTY, COLORADO

BALANCE SHEET GOVERNMENTAL FUNDS DECEMBER 31, 2021

	General Fund	Road and Bridge Fund	Health and Human Services Fund	Capital Expenditures Fund
ASSETS				
Cash and Investments	\$ 9,467,438	\$ 2,093,957	\$ 2,464,511	\$ 13,008,288
Receivables:				
- Interest	10,824	66	-	537
- Taxes	3,129,886	82,821	849,517	165,642
- Accounts	-	-	148,755	-
- Intergovernmental	1,610,324	134,583	209,740	1,271
Inventories	-	106,594	-	-
Deposits	-	-	-	-
Total Assets	\$ 14,218,472	\$ 2,418,021	\$ 3,672,523	\$ 13,175,738
LIABILITIES				
Accounts Payable	\$ 219,640	\$ 18,829	\$ 36,500	\$ -
Accrued Liabilities	41,606	-	-	-
Retainages Payable	-	-	-	13,979
Deposits and Reserves	407,326	-	-	-
Unearned Revenues	-	-	304,524	-
Total Liabilities	668,572	18,829	341,024	13,979
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue - Property Taxes	3,129,886	82,821	843,042	165,642
FUND BALANCES				
Nonspendable:				
Inventories	-	106,594	-	-
Restricted For:				
TABOR Emergency Reserve	278,651	-	-	-
Capital Expenditures	-	-	-	12,996,117
Purposes of Grantors	15,808	2,209,777	2,488,457	-
Forest Health and Conservation	-	-	-	-
Assigned For:				
Capital Improvements	-	-	-	-
Unassigned	10,125,555	-	-	-
Total Fund Balances	10,420,014	2,316,371	2,488,457	12,996,117
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 14,218,472	\$ 2,418,021	\$ 3,672,523	\$ 13,175,738

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

**RECONCILIATION OF TOTAL GOVERNMENTAL
FUND BALANCE TO NET POSITION OF
GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2021**

Other Governmental Funds	Total
\$ 7,731,123	\$ 34,765,317
32	11,459
632,663	4,860,529
5,351	154,106
529,523	2,485,441
66,488	173,082
5,000	5,000
<u>\$ 8,970,180</u>	<u>\$ 42,454,934</u>
\$ 128,550	\$ 403,519
44,278	85,884
21,841	35,820
-	407,326
<u>957,823</u>	<u>1,262,347</u>
<u>1,152,492</u>	<u>2,194,896</u>
<u>632,663</u>	<u>4,854,054</u>
66,488	173,082
632,522	911,173
-	12,996,117
3,325,901	8,039,943
2,466,592	2,466,592
620,860	620,860
<u>72,662</u>	<u>10,198,217</u>
<u>7,185,025</u>	<u>35,405,984</u>
<u>\$ 8,970,180</u>	<u>\$ 42,454,934</u>

Total Governmental Fund Balances

\$ 35,405,984

*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 governmental funds:

- Capital assets	40,443,323
- Accumulated depreciation	<u>(20,536,488)</u>
	<u>19,906,835</u>

Some liabilities, including bonds, notes and leases payable, and
compensated absences are not due and payable in the current
period and therefore are not reported in the governmental funds:

- Certificates of Participation payable	(13,580,000)
- Capital Leases Payable	(496,750)
- Unamortized Loss on Refunding	96,567
- Unamortized bond premium	(1,287,086)
- Compensated absences payable	<u>(1,047,439)</u>
	<u>(16,314,708)</u>

Accrued interest payable is recognized for governmental activities
but is not due and payable in the current period and therefore is
not reported as a liability in the governmental funds.

(40,606)

The internal service fund is used by management to charge the
cost of insurance to individual funds. The assets and liabilities
of the internal service fund is included in governmental activities
in the Statement of Net Position.

905,895

Net Position of Governmental Activities

\$ 39,863,400

CHAFFEE COUNTY, COLORADO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE YEAR ENDED DECEMBER 31, 2021

	General Fund	Road and Bridge Fund	Health and Human Services Fund	Capital Expenditures Fund
Revenues				
Taxes	\$ 10,783,295	\$ 69,253	\$ 905,259	\$ 175,176
Licenses and Permits	2,031,434	10,312	-	-
Intergovernmental	3,836,734	2,268,048	8,871,571	-
Charges for Services	1,904,227	13,780	-	-
Fines and Forfeitures	158,026	-	-	-
Investment Earnings	(19,478)	817	131	3,035
Other Revenues	1,239,961	66,575	-	616,562
Total Revenues	19,934,199	2,428,785	9,776,961	794,773
Expenditures				
Current:				
General Government	7,221,559	-	-	4,668
Community / Economic Development	1,289,929	-	-	-
Public Safety	6,095,068	-	-	-
Health and Welfare	87,766	-	9,327,514	-
Public Works	748,938	2,362,262	-	-
Parks and Recreation	294,373	-	-	-
Airport Operations	-	-	-	-
Capital Outlay	-	884,841	-	765,339
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Debt Issuance Costs	-	-	-	172,939
Fiscal Charges	-	-	-	-
Total Expenditures	15,737,633	3,247,103	9,327,514	942,946
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,196,566	(818,318)	449,447	(148,173)
Other Financing Sources (Uses)				
Debt Issuance Proceeds	-	-	-	8,265,000
Premium on Debt Issued	-	-	-	1,111,325
Capital Lease Proceeds	-	556,685	-	-
Transfers In	519,700	900,000	-	82,070
Transfers Out	(2,528,546)	(10,000)	(80,000)	(3,386)
Total Other Financing Sources (Uses)	(2,008,846)	1,446,685	(80,000)	9,455,009
Net Change in Fund Balances	2,187,720	628,367	369,447	9,306,836
Fund Balances, Beginning of Year	8,232,294	1,688,004	2,119,010	3,689,281
Fund Balances, End of year	\$ 10,420,014	\$ 2,316,371	\$ 2,488,457	\$ 12,996,117

**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, 2021**

Other Governmental Funds	Total
\$ 3,833,848	\$ 15,766,831
-	2,041,746
1,393,944	16,370,297
264,917	2,182,924
-	158,026
4,189	(11,306)
294,524	2,217,622
5,791,422	38,726,140
2,983,440	10,209,667
898,678	2,188,607
-	6,095,068
-	9,415,280
-	3,111,200
120,300	414,673
381,180	381,180
233,335	1,883,515
370,000	370,000
316,711	316,711
-	172,939
3,001	3,001
5,306,645	34,561,841
484,777	4,164,299
-	8,265,000
-	1,111,325
-	556,685
1,491,272	2,993,042
(586,700)	(3,208,632)
904,572	9,717,420
1,389,349	13,881,719
5,795,676	21,524,265
\$ 7,185,025	\$ 35,405,984

Net Change in Fund Balances - Total Governmental Funds \$ 13,881,719

***Amounts reported for governmental activities in the
Statement of Activities are different because:***

Governmental funds report capital outlays as expenditures. However, for governmental activities, those capital outlays other than the noncapitalizable items, are reported in the Statement of Activities and the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

- Capital Outlay	2,625,802
- Depreciation	<u>(1,502,814)</u>
	<u>1,122,988</u>

Debt issuance proceeds and premiums on debt issues are reported as Other Financing Sources in the governmental funds, but are reported as noncurrent liabilities in the Statement of Net Position. (9,933,010)

Repayment of bond and lease principal are reported as an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position:

- Capital Lease Retirements	59,935
- Certificates of Participation retirements	<u>370,000</u>
	<u>429,935</u>

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:

- Loss on Disposal of Capital Assets	
- Change in compensated absences payable	(69,074)
- Change in accrued interest payable on outstanding bonds	(22,279)
- Amortization of deferred gain on refunding and bond premium	<u>19,277</u>
	<u>(72,076)</u>

The internal service fund is used by management to charge the cost of insurance to individual funds. The net income of the internal service fund is included in governmental activities. 279,063

Change in Net Position of Governmental Activities \$ 5,708,619

CHAFFEE COUNTY, COLORADO

STATEMENT OF NET POSITION PROPRIETARY FUNDS DECEMBER 31, 2021

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Waste Disposal Fund	Emergency Services Fund	J.V. Sewer	Totals	
ASSETS					
Current Assets:					
Cash and Investments	\$ 1,670,240	\$ 1,933,399	\$ 105,126	\$ 3,708,765	\$ 907,470
Receivables:					
- Interest	28	-	-	28	21
- Accounts, net	55,777	411,332	-	467,109	-
- Intergovernmental	-	512,040	-	512,040	-
Total Current Assets	1,726,045	2,856,771	105,126	4,687,942	907,491
Capital Assets:					
- Land and Improvements	135,678	139,848	6,000	281,526	-
- Buildings and Improvements	1,548,645	980,321	-	2,528,966	-
- Utility Lines	-	-	710,585	710,585	-
- Vehicles	460,397	1,607,288	-	2,067,685	-
- Machinery and Equipment	2,981,566	2,148,917	-	5,130,483	-
- Accumulated Depreciation	(3,093,429)	(2,972,622)	(343,278)	(6,409,329)	-
Net Capital Assets	2,032,857	1,903,752	373,307	4,309,916	-
Total Assets	3,758,902	4,760,523	478,433	8,997,858	907,491
LIABILITIES					
Current Liabilities:					
Accounts Payable	15,455	61,488	-	76,943	1,596
Accrued Closure and Post-Closure Costs	281,562	-	-	281,562	-
Accrued Interest Payable	-	-	1,496	1,496	-
Compensated Absences Payable	73,784	147,306	-	221,090	-
Revenue Bonds Payable - Current	-	-	12,534	12,534	-
Total Current Liabilities	370,801	208,794	14,030	593,625	1,596
Noncurrent Liabilities:					
Revenue Bonds Payable	-	-	378,592	378,592	-
Total Liabilities	370,801	208,794	392,622	972,217	1,596
NET POSITION					
Net Investment in Capital Assets	2,032,857	1,903,752	(17,819)	3,918,790	-
Unrestricted	1,355,244	2,647,977	103,630	4,106,851	905,895
Total Net Position	\$ 3,388,101	\$ 4,551,729	\$ 85,811	\$ 8,025,641	\$ 905,895

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

CHAFFEE COUNTY, COLORADO

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS PROPRIETARY FUNDS FOR THE YEAR ENDED DECEMBER 31, 2021

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Waste Disposal Fund	Emergency Services Fund	J.V. Sewer	Totals	
Operating Revenues:					
Charges for Services	\$ 1,183,542	\$ 1,877,833	\$ 44,538	\$ 3,105,913	\$ 497,670
Other Operating Revenues	93,856	48,837	-	142,693	54,814
Total Operating Revenues	1,277,398	1,926,670	44,538	3,248,606	552,484
Operating Expenses:					
Cost of Operations	1,105,266	3,858,069	-	4,963,335	623,668
Depreciation and Amortization	317,064	348,290	14,558	679,912	-
Total Operating Expenses	1,422,330	4,206,359	14,558	5,643,247	623,668
Operating Income (Loss)	(144,932)	(2,279,689)	29,980	(2,394,641)	(71,184)
Nonoperating Revenues (Expenses):					
Sales Tax Revenues	-	3,270,341	-	3,270,341	-
Grant Revenues	-	162,941	-	162,941	-
Gain on Disposal of Capital Assets	88,613	(78,741)	-	9,872	-
Interest Income	477	-	-	477	247
Interest Expense	-	-	(17,987)	(17,987)	-
Total Nonoperating Revenues (Expenses)	89,090	3,354,541	(17,987)	3,425,644	247
Income (Loss) Before Contributions and Transfers	(55,842)	1,074,852	11,993	1,031,003	(70,937)
Capital Contributions and Transfers					
Contributed Capital In (Out)	38,385	23,023	-	61,408	-
Transfers In (Out)	(34,000)	(100,410)	-	(134,410)	350,000
Total Capital Contributions and Trans	4,385	(77,387)	-	(73,002)	350,000
Change in Net Position	(51,457)	997,465	11,993	958,001	279,063
Net Position, Beginning of Year	3,439,558	3,554,264	73,818	7,067,640	626,832
Net Position, End of Year	\$ 3,388,101	\$ 4,551,729	\$ 85,811	\$ 8,025,641	\$ 905,895

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

CHAFFEE COUNTY, COLORADO

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS FOR THE YEAR ENDED DECEMBER 31, 2021

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Waste Disposal Fund	Emergency Medical Services	J.V. Sewer	Totals	
Cash Flows From Operating Activities					
Cash Received from Customers and Users	\$ 1,188,756	\$ 1,682,238	\$ 44,538	\$ 2,915,532	\$ -
Cash Received from Interfund Services Provided	-	-	-	-	497,670
Cash Payments to Suppliers	(518,983)	(663,077)	-	(1,182,060)	(622,495)
Cash Payments to Employees	(502,341)	(3,128,010)	-	(3,630,351)	-
Cash Payments for Interfund Services Used	(37,500)	(82,700)	-	(120,200)	-
Other Operating Revenues	93,856	48,837	-	142,693	54,814
Net Cash Provided by (Used in) Operating Activities	<u>223,788</u>	<u>(2,142,712)</u>	<u>44,538</u>	<u>(1,874,386)</u>	<u>(70,011)</u>
Cash Flows From Noncapital Financing Activities					
Sales Taxes Received	-	3,207,578	-	3,207,578	-
Grants Received	-	162,941	-	162,941	-
Transfers In from Other Funds	-	-	-	-	350,000
Transfers Out to Other Funds	(34,000)	(100,410)	-	(134,410)	-
Net Cash Provided by (Used In) Noncapital Financing Activities	<u>(34,000)</u>	<u>3,270,109</u>	<u>-</u>	<u>3,236,109</u>	<u>350,000</u>
Cash Flows From Capital Financing Activities					
Acquisition and Construction of Fixed Assets	(551,856)	(538,895)	-	(1,090,751)	-
Sales of Capital Assets	118,000	99,500	-	217,500	-
Interest Paid on Long-term Debt	-	-	(18,032)	(18,032)	-
Principal Paid on Long-term Debt	-	-	(11,962)	(11,962)	-
Net Cash Used in Capital Financing Activities	<u>(433,856)</u>	<u>(439,395)</u>	<u>(29,994)</u>	<u>(903,245)</u>	<u>-</u>
Cash Flows From Investing Activities					
Interest Received from Investments	549	-	-	549	279
Net Cash Provided by Investing Activities	<u>549</u>	<u>-</u>	<u>-</u>	<u>549</u>	<u>279</u>
Net Increase in Cash and Cash Equivalents	(243,519)	688,002	14,544	459,027	280,268
Cash and Cash Equivalents, Beginning of Year	<u>1,913,759</u>	<u>1,245,397</u>	<u>90,582</u>	<u>3,249,738</u>	<u>627,202</u>
Cash and Cash Equivalents, End of Year	<u>\$ 1,670,240</u>	<u>\$ 1,933,399</u>	<u>\$ 105,126</u>	<u>\$ 3,708,765</u>	<u>\$ 907,470</u>

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

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Waste Disposal Fund	Emergency Medical Services	J.V. Sewer	Totals	
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES					
Operating Income (Loss)	<u>\$ (144,932)</u>	<u>\$ (2,279,689)</u>	<u>\$ 29,880</u>	<u>\$ (2,394,741)</u>	<u>\$ (71,184)</u>
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities					
Depreciation and Amortization	317,064	348,290	14,558	679,912	-
Change in Assets and Liabilities:					
(Increase) Decrease in Accounts Receivable	5,214	(195,595)	-	(190,381)	-
(Increase) Decrease in Intergov. Receivable	-	-	-	-	-
Increase (Decrease) in Accounts Payable	959	16,942	-	17,901	1,173
Increase in Compensated Absences Payable	4,144	(32,660)	-	(28,516)	-
Increase in Accrued Closure and Post Closure Costs	<u>41,339</u>	<u>-</u>	<u>-</u>	<u>41,339</u>	<u>-</u>
Total Adjustments	<u>368,720</u>	<u>136,977</u>	<u>14,558</u>	<u>520,255</u>	<u>1,173</u>
Net Cash Provided by (Used in) Operating Activities	<u><u>\$ 223,788</u></u>	<u><u>\$ (2,142,712)</u></u>	<u><u>\$ 44,438</u></u>	<u><u>\$ (1,874,486)</u></u>	<u><u>\$ (70,011)</u></u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES					
Noncash Transactions Affecting Financial Position					
Contributions of Capital Assets from Governmental Activities	\$ 38,385	\$ 23,023	\$ -	\$ 61,408	\$ -
Capital Assets Disposed	<u>(29,387)</u>	<u>(178,341)</u>	<u>-</u>	<u>(207,728)</u>	<u>-</u>
	<u><u>\$ 8,998</u></u>	<u><u>\$ (155,318)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (146,320)</u></u>	<u><u>\$ -</u></u>

CHAFFEE COUNTY, COLORADO

STATEMENT OF FIDUCIARY NET POSITION DECEMBER 31, 2021

	Custodial Funds
ASSETS	
Cash and Investments	<u>\$ 1,077,999</u>
Total Assets	<u><u>\$ 1,077,999</u></u>
LIABILITIES	
Due to Other Governments	\$ 269,945
Funds Held for Others	<u>808,053</u>
Total Liabilities	<u><u>\$ 1,077,998</u></u>

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

CHAFFEE COUNTY, COLORADO

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION DECEMBER 31, 2021

	Custodial Funds
ADDITIONS:	
Taxes Collected for other Governments	\$ 31,848,694
Funds Held for Others	8,389,131
Miscellaneous	<u>6,598</u>
Total Additions	<u>40,244,423</u>
DEDUCTIONS:	
Taxes Disbursed to Other Governments	31,647,482
County Treasurer Fee Disbursements	180,540
Funds Held for Others	<u>8,379,153</u>
Total Deductions	<u>40,207,175</u>
Change in Net Position	37,248
Net Position, Beginning of Year	<u>1,040,750</u>
Net Position, End of Year	<u><u>\$ 1,077,998</u></u>

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

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CHAFFEE COUNTY, COLORADO

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2021

The financial statements of Chaffee County, Colorado (County) have been prepared in conformity with accounting principles generally accepted in the United States of America (“GAAP”) as applied to governmental entities. The Governmental Accounting Standards Board (“GASB”) is the accepted standard-setting board for establishing governmental accounting and financial reporting principles. The following notes are an integral part of the County’s basic financial statements.

Note 1. Summary of Significant Accounting Policies

A. Financial Reporting Entity

As required by generally accepted accounting principles, these financial statements present Chaffee County, Colorado (the primary government) and its component units, entities for which the County is considered financially accountable. Blended component units, although legally separate entities, are, in substance, part of the County’s operations and data from these units are combined with data of the County. The County’s blended component units have a December 31 year-end.

Primary Government. Chaffee County was formed in 1879. The governing body of the County is a three-member Board of County Commissioners. The Board appoints two individuals as co-administrators to administer its policies and authority. Five other elected officials have certain statutory authority specific to their offices. These offices are the Clerk and Recorder, Treasurer, Sheriff, Coroner, and Assessor. The County’s services include general administration, community and economic development, public safety and courts, roads and bridges, parks and recreation, and health and welfare services. In addition, the County operates three enterprise activities: a solid waste landfill, emergency services, and a sewer debt recovery operation.

Blended Component Units.

Chaffee County Facilities Corporation

The Chaffee County Facilities Corporation (Corporation) was created as a nonprofit corporation in 2001 in order to assist in the financing of various County facilities. The Corporation’s activities are reported as a debt service fund. The Corporation is included in the County’s financial statements because the Corporation is fiscally dependent upon the County. This component unit does not issue separate financial statements.

Chaffee County Sewer Enterprise (Johnson Village J.V.) Fund

The Chaffee County Sewer Enterprise Fund was created to finance and construct a wastewater distribution system in an area of the County known as “Johnson Village”.

CHAFFEE COUNTY, COLORADO

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2021

Other Related Entity. The Public Trustee is a State statutorily-mandated position, appointed by the Board of County Commissioners, but whose financial transactions are independent of the County. However, all expenditures and associated revenues relating to the operations of the County Office of the Public Trustee are included in the General Fund.

B. Government-wide and Fund Financial Statements

Government-wide Financial Statements. The government-wide financial statements (i.e. the Statement of Net Position and the Statement of Activities) report information on all non-fiduciary activities of the County (the primary government) and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which primarily rely on fees and charges for support. Internal service fund activity has been eliminated to avoid “doubling up” revenues and expenses.

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

Fund Financial Statements. Fund financial statements report detailed information about the County with the focus on major funds rather than on reporting funds by type. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Nonmajor funds are aggregated and presented in a single column. The internal service fund is presented in a single column on the face of the proprietary fund statements.

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

Measurement Focus and Basis of Accounting. The government-wide financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting. This is the same approach used in the preparation of the proprietary fund financial statements. Revenues are recognized when earned and expenses are recognized when the liability is incurred regardless of the timing of related cash flows. Depreciation is computed and recorded as an operating expense. Expenditures for property, plant and equipment are shown as increases in assets and redemption of bonds and notes are recorded as a reduction in liabilities.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period (60 days). The major sources of revenue which are susceptible to accrual are property taxes, tourism and sales taxes, state share taxes, and certain intergovernmental revenues. Expenditures generally are recorded when the liability is incurred, as under full accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Financial Statement Presentation – Fund Accounting. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts which are segregated for the purpose of accounting for specific activities. The County uses funds to report results of operations and financial position, and demonstrate compliance with legal, contractual and regulatory requirements.

The County's major governmental funds are:

- *General Fund* – This is the County's primary operating fund. It is used to account for all activities of the County not required to be accounted for in another fund.
- *Road and Bridge Fund* – This fund is used to account for the cost of maintenance and construction of County roads and bridges. Colorado counties are required to maintain a road and bridge fund and to allocate a portion of the county's road and bridge property tax levy back to municipalities located within their county.
- *Health and Human Services Fund* – This fund is used to account for social service programs administered by the County under state and federal regulations. Programs include Medicaid, food assistance, foster care programs, and temporary assistance to needy families. Colorado counties are required by law to maintain a health and human services fund.
- *Capital Expenditures Fund* – This fund accounts for the acquisition or construction of major capital facilities for various departments and funds of the County

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

The County's proprietary funds are:

- *Waste Disposal Fund* – This fund is used to account for the activities involved in operating the County's solid waste landfill.

CHAFFEE COUNTY, COLORADO

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2021

- *Emergency Services Fund* – This fund is used to account for the operations of the County’s ambulance and related emergency services.
- *J.V. Sewer Fund* – This fund (a blended component unit of the County) is used to account for the collection of monies and subsequent payment of debt service related to a wastewater distributions system constructed in an area of the County known as “Johnson Village”.

The County’s only internal service fund is the Insurance Fund. This fund charges other County funds for their allocated cost of insurance premiums and estimated damaged property claims not covered by insurance.

The County’s fiduciary fund is a custodial fund used to account for property taxes and other monies collected and disbursed on behalf of other governments and agencies.

D. Budgets

Budgets are adopted by the County on a basis consistent with generally accepted accounting principles for all funds, with the exception of proprietary funds which are budgeted on the modified accrual basis of accounting. The County follows statutory guidelines regarding preparation of the annual budget and follows these procedures in establishing the budgetary data as reflected in these financial statements:

- The County budget officer is responsible for preparing a tentative budget, which is submitted to the Board of County Commissioners prior to October 15th. The budget includes proposed expenditures and the means of financing them. The budget is prepared by fund and department and includes information on the prior year, current estimates and requested appropriations and estimated revenues for the upcoming year. Public hearings are held by the Board to obtain taxpayer comments. The budget is legally adopted by the Board prior to December 31.
- Once adopted, changes may be made to budgets by adoption of supplemental amendments by resolution of the Board. During the year ended December 31, 2020, one such amendment was adopted by the Board.
- Expenditures may not legally exceed budgeted appropriations at the fund level. Budgetary comparisons in the accompanying combined financial statements and in the individual fund statements are presented at a lower-than-required level of control to facilitate detailed financial analysis.

E. Assets, Liabilities, and Deferred Inflows of Resources

Cash and Investments. Cash and investment management is administered by the County Treasurer in accordance with Colorado Revised Statutes. The County concentrates the cash resources of its various funds in order to facilitate the management of cash. The balance in

this concentration account is available to meet the County's current operating requirements. Cash resources in excess of current requirements is invested in various interest-bearing deposits and securities.

Colorado State statutes authorize the County to invest its excess funds in direct U.S. Government securities, agencies, bonds and other obligations of states and political subdivisions, corporate bonds, money market mutual funds, and local government investment pools. Investments are stated at fair value on the balance sheet except for money-market investments that have a remaining maturity at time of purchase of one year or less. Investment income is recognized when earned.

Inventories. Inventory of the County consists of aviation fuel for airport operations and consumable supplies associated with road and bridge operations. Road and bridge inventory is valued at average cost using the first-in/first-out (FIFO) method. Road and bridge inventory purchases are recorded as expenditures when purchased rather than when consumed and inventory is adjusted at year-end based on actual physical counts. An offsetting reserve of fund balance is reported in the Road and Bridge Fund which indicates that the amount of inventory reported is not available for expenditure as a component of net position.

Aviation fuel inventory is valued at cost using the FIFO method. Aviation fuel purchases are recorded as expenditures when consumed rather than when purchased.

Capital Assets. Capital assets, which include property, plant, equipment, and infrastructure assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. It is the County's policy to capitalize expenditures with a cost greater than \$5,000 and an estimated useful life of more than one year. All purchased capital assets are stated at cost or estimated historical cost if actual historical records are not available. Donated capital assets are recorded at their estimated fair market value at the date of contribution. Major outlays for capital improvement projects are capitalized as projects are completed.

The costs of normal maintenance and repair that do not add to the value of the asset or extend the estimated useful life are not capitalized but charged to operations as incurred.

Depreciation of property, plant and equipment is computed using the straight-line method over the following estimated useful lives:

Buildings and Improvements	15-50 years
Improvements Other Than Buildings	10-50 years
Infrastructure	40-50 years
Vehicles	3-20 years
Machinery and Equipment	5-20 years

CHAFFEE COUNTY, COLORADO

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2021

Deferred Outflows / Inflows of Resources. In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County currently only has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the government-wide statement 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 life of the refunding debt.

In addition to liabilities, the government-wide statement of net position and governmental funds balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The County has two types of items that qualify for reporting in this category: deferred gain on refunding of debt and unavailable revenue. In the government-wide statement of net position *deferred gain on refunding of debt* is the result of the difference between the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the life of the refunding debt. The other type of item, *unavailable revenue*, is reported in the government-wide statement of net position and governmental funds balance sheet. The County reports *unavailable revenues* from one source: property tax. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Long-term Obligations. In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt, capital leases, and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bonds payable are reported net of any applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds are reported as debt service expenditures.

F. Property Taxes

Property taxes are levied on or before December 15 of each year by the Board of County Commissioners. The levy is based on the assessed valuation of property located within the County as determined by the County Assessor generally as of January 1 of each year. The County Treasurer collects the property taxes during the ensuing calendar year for both the County and other taxing entities within the County.

Property taxes are payable in full by April 30, or if in two equal installments, by February 28 and June 15. Delinquent taxpayers are notified in August and generally sales of tax liens on delinquent properties are held in November or December. Property taxes, net of estimated uncollectible taxes, are recorded as receivable in the year levied and offset to deferred revenue since they typically do not meet the availability criterion.

G. Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused vacation and certain sick pay benefits. The liability for compensated absences is recorded as a current liability in the government-wide financial statements. In the fund financial statements governmental funds report a compensated liability payable only if they have matured, for example, as a result of employee resignations and retirements, while the proprietary funds report the liability as it is incurred. Within the governmental funds, the General Fund typically is used to liquidate any liabilities for compensated absences.

H. Fund Equity

The following fund balance classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Nonspendable fund balance – amounts that are not in a spendable form (such as inventory or prepaid/deferred charges) or are required to be maintained intact;
- Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
- Committed fund balance – amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint.
- Assigned fund balance – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or an official or body to which the governing body delegates the authority.
- Unassigned fund balance – amounts that are available for any purpose; positive amounts are reported only in the general fund.

The County establishes (and modifies or rescinds) fund balance commitments by passage of a resolution. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund. Assigned fund balance is established by the Board of County Commissioners through adoption or amendment of the budget as intended for a specific purpose (such as the purchase of fixed assets, construction, debt service, or other purposes).

CHAFFEE COUNTY, COLORADO

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2021

When fund balance resources are available for a specific purpose in more than one classification, it is the County's policy to use the most restrictive funds first in the following order: restricted, committed, assigned, and unassigned as they are needed. The County considers all unassigned fund balances to be "reserves" for future operations or capital replacement as defined within Article X, Section 20 of the Constitution of the State of Colorado (see Note 8).

I. Statements of Cash Flows

For purposes of the statement of cash flows, the County considers all highly liquid investments with a maturity when purchased of three months or less and all local government investment pools to be cash equivalents.

J. Debt Costs

Unamortized premiums of \$1,111,325 (net of accumulated amortization of \$0) are reflected in noncurrent liabilities. Premiums are amortized over the remaining life of the related debt issue using the effective interest method.

Note 2. Cash and Investments

Cash and investments as of December 31, 2021 are classified in the accompanying financial statements as follows:

Cash and Investments	\$ 39,381,552
Cash and Investments – Agency Fund	<u>1,077,999</u>
Total	<u>\$ 40,459,551</u>

Cash and investments as of December 31, 2021 consist of the following:

Cash on Hand	\$ 4,896
Deposits With Financial Institutions	4,441,400
Local Government Investment Pools	34,155,725
Investments	<u>1,857,530</u>
Total	<u>\$ 40,459,551</u>

Investments Authorized by State Statute

The table below identifies the investment types that are authorized by Colorado state statutes.

- U.S. Treasury Obligations
- Federal Agency and Federal Instrumentality Securities
- Repurchase Agreements
- Commercial Paper

General Obligation Debt
Revenue Obligation Debt
Local Government Investment Pools
Time Certificates of Deposit

Fair Value of Investments

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

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

At December 31, 2021 the County had the following recurring fair value measurements:

<u>Investments Measured at Fair Value</u>	<u>Total</u>	<u>Fair Value Measurements Using</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
U.S. Government Treasury Securities	\$456,522	\$456,522	\$ -	\$ -
U.S. Government Agency Securities	905,709	905,709	-	-
Negotiable Certificates of Deposit	<u>495,299</u>	<u>-</u>	<u>495,299</u>	<u>-</u>
Total	<u>\$1,857,530</u>	<u>\$1,362,231</u>	<u>\$ 495,299</u>	<u>\$ -</u>

<u>Investments Measured at Net Asset Value</u>	<u>Total</u>
Local Government Investment Pools	<u>\$34,155,725</u>
Total	<u>\$34,155,725</u>

Debt and equity securities classified in Level 1 are valued using prices quoted in active markets for those securities. Debt and equity securities classified in Level 2 are valued using the following approaches:

- U.S. Government treasury securities, U.S. Government agency securities, and commercial paper: quoted prices for identical securities in markets that are not active;
- Corporate and municipal bonds: quoted prices for similar securities in active markets;
- Repurchase agreements, negotiable certificates of deposit, and collateralized debt obligations: matrix pricing based on the securities' relationship to benchmark quoted prices.

CHAFFEE COUNTY, COLORADO

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2021

The CSAFE Local Government Investment Pool has elected to measure all of its investments at amortized cost. There are no limitations or restrictions on participant withdrawals.

At December 31, 2021 unrealized losses were \$10,071 which reflects changes in the fair market value of investments.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair market value to changes in market interest rates. The County manages its exposure to interest rate risk is by purchasing a combination of shorter and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Information about the sensitivity of the fair values of the County's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the County's investments by maturity:

<u>Investment Type</u>	<u>Carrying Amounts</u>	<u>Weighted Average Maturity (in Years)</u>
U.S. Government Treasury Notes	\$ 456,522	0.92
Federal Home Loan Bank	455,417	0.69
Federal Home Loan Mortgage Corp.	450,292	0.04
Negotiable Certificates of Deposit	495,299	3.83
Local Government Investment Pools	34,155,725	NA

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. U.S. Government securities explicitly or implicitly guaranteed by the U.S. Government are not considered to have credit risk exposure, including U.S. Treasury securities, securities of the Government National Mortgage Association, Federal Farm Credit Bank, Federal Home Loan Bank, Federal Home Loan Mortgage Corporation, and Federal National Mortgage Association.

Presented below is the credit rating for other investments of the County as of December 31, 2021.

<u>Ratings Standard & Poor's</u>	<u>Local Government Investment Pools</u>
AAAm	<u>\$34,155,725</u>

Concentration of Credit Risk

The County did not have any investments in any one issuer (other than U.S. Government Treasury obligation and local government investment pools) that represented 5% or more of total County investments.

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of a depository financial institution, the County would not be able to recover its deposits or would not be able to recover collateral securities that are in the possession of an outside party.

The Colorado Public Deposit Protection Act (PDPA) requires that cash be deposited in eligible public depositories and that deposits in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds with the County being a named participant in the single institution collateral pool. The minimum pledging requirement is 102% of the uninsured deposits. The Colorado State Banking Board verifies the market value at least monthly. Bank assets (usually securities) are required by PDPA to be delivered to a third-party institution for safekeeping and pledged to the Colorado Division of Banking. Based on the above, the Colorado State Auditor has concluded that there is no custodial risk for public deposits collateralized under PDPA.

Local Government Investment Pools

As of December 31, 2021, the County held investments in the Colorado Local Government Liquid Asset Trust (COLOTRUST) and Colorado Surplus Asset Trust (CSAFE), collectively referred to as the Trusts, respectively. Local government investment pools are trusts established for local government entities in Colorado to pool surplus funds.

The State Securities Commissioner administers and enforces all State statutes governing the Trusts. The Trusts operate similarly to a money market fund and each share is equal in value to \$1.00. A designated custodial bank serves as custodian pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trusts' investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the trusts.

The Trusts may invest in U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, highest rated commercial paper and repurchase agreements collateralized by certain obligations of U.S. government agencies.

CHAFFEE COUNTY, COLORADO

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2021

Note 3. Capital Assets

Capital asset activity for the year ended December 31, 2021 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$ 1,886,886	\$ 106,500	\$ -	\$ 1,993,386
Construction in Progress	<u>145,014</u>	<u>909,747</u>	<u>193,055</u>	<u>861,706</u>
Total Capital Assets, Not Being Depreciated	<u>2,031,900</u>	<u>1,016,247</u>	<u>193,055</u>	<u>2,855,092</u>
Capital Assets, Being Depreciated:				
Buildings and Improvements	25,599,552	798,148	-	26,397,700
Vehicles	4,608,783	880,963	(25,829)	5,463,917
Machinery and Equipment	<u>5,603,115</u>	<u>123,499</u>	<u>-</u>	<u>5,726,614</u>
Total Capital Assets, Being Depreciated	<u>35,811,450</u>	<u>1,802,610</u>	<u>(25,829)</u>	<u>37,588,231</u>
Less Accumulated Depreciation:				
Buildings and Improvements	(11,389,269)	(881,107)	-	(12,270,376)
Vehicles	(3,019,698)	(426,232)	25,829	(3,420,101)
Machinery and Equipment	<u>(4,650,536)</u>	<u>(195,475)</u>	<u>-</u>	<u>(4,846,011)</u>
Total Accumulated Depreciation	<u>(19,059,503)</u>	<u>(1,502,814)</u>	<u>25,829</u>	<u>(20,536,488)</u>
Total Capital Assets, Being Depreciated, Net	<u>16,751,947</u>	<u>299,796</u>	<u>-</u>	<u>17,051,743</u>
Governmental Activities Capital Assets, Net	<u>\$ 18,783,847</u>	<u>\$ 1,316,043</u>	<u>\$ 193,055</u>	<u>\$ 19,906,835</u>
Business-type Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$ 281,526	\$ -	\$ -	\$ 281,526
Construction in Progress	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Capital Assets, Not Being Depreciated	<u>281,526</u>	<u>-</u>	<u>-</u>	<u>281,526</u>
Capital Assets, Being Depreciated:				
Buildings and Improvements	2,517,146	11,820	-	2,528,966
Utility Lines	710,585	-	-	710,585
Vehicles	1,800,549	515,135	(247,998)	2,067,685
Machinery and Equipment	<u>4,819,021</u>	<u>625,205</u>	<u>(313,742)</u>	<u>5,130,483</u>
Total Capital Assets, Being Depreciated	<u>9,847,301</u>	<u>1,152,160</u>	<u>(561,740)</u>	<u>10,437,721</u>
Less Accumulated Depreciation:				
Buildings and Improvements	(1,672,402)	(74,974)	-	(1,747,376)
Utility Lines	(328,720)	(14,558)	-	(343,278)
Vehicles	(1,009,760)	(188,108)	40,368	(1,157,500)
Machinery and Equipment	<u>(3,072,648)</u>	<u>(402,270)</u>	<u>313,743</u>	<u>(3,161,175)</u>
Total Accumulated Depreciation	<u>(6,083,530)</u>	<u>(679,910)</u>	<u>354,111</u>	<u>(6,409,329)</u>
Total Capital Assets, Being Depreciated, Net	<u>3,763,771</u>	<u>(472,250)</u>	<u>736,869</u>	<u>4,028,390</u>
Business-type Activities Capital Assets, Net	<u>\$ 4,045,297</u>	<u>\$ (472,250)</u>	<u>\$ 736,869</u>	<u>\$ 4,309,916</u>

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

Governmental Activities:	
General Government	\$ 339,706
Community / Economic Development	19,104
Public Safety	303,610
Public Works	310,819
Health and Welfare	77,643
Parks and Recreation	92,297
Airport Operations	<u>359,635</u>
Total Depreciation Expense – Governmental Activities	<u>\$ 1,502,814</u>
Business-type Activities:	
Solid Waste Landfill	\$ 317,064
Emergency Services	348,290
Sewer Enterprise	<u>14,558</u>
Total Depreciation Expense – Business-type Activities	<u>\$ 679,912</u>

Note 4. Long-term Debt

Revenue Bonds. The County has issued bonds through the United States Department of Agriculture – Rural Development in order to finance the construction of a sewage collection line to be used by customers of a local sanitation district, Buena Vista Sanitation, in an area of the County known as Johnson Village. In order to repay the debt, the Sewer Enterprise entered into an intergovernmental agreement with the Buena Vista Sanitation District whereby the Sewer Enterprise would develop a monthly surcharge to be imposed on the property owners in Johnson Village who are connected to the sewage collection line. Revenue bonds outstanding at December 31, 2021, are as follows:

<u>Purpose</u>	<u>Interest Rate</u>	<u>Amount</u>
Sewage Collection Line	4.50%	<u>\$ 391,126</u>

Annual debt service requirements to maturity for revenue bonds outstanding at December 31, 2021, are as follows:

<u>Year Ending</u> <u>December 31</u>	<u>Business-type Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2022	\$ 12,534	\$ 17,460
2023	13,103	16,891
2024	13,699	16,295
2025	14,323	15,671
2026	14,975	15,019
2027- 2031	85,735	64,235
2032-2036	107,102	42,868
2037-2041	<u>129,655</u>	<u>16,056</u>
Total	<u>\$ 391,126</u>	<u>\$ 204,495</u>

CHAFFEE COUNTY, COLORADO

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2021

Certificates of Participation. In 2009, the County issued Certificates of Participation in order to finance the County's share of the acquisition and renovation of a Community Services Complex. On May 25, 2018 the County issued \$1,395,000 of Series 2018A taxable Refunding Certificates of Participation with interest rates ranging from 3.417%-4.05% in order to refund the outstanding 2009 Certificates of Participation in the aggregate principal amount of \$1,490,000. The refunding resulted in an economic gain of \$32,567 with a cash flow savings of \$265,786.

On May 25, 2018 the County issued \$3,920,000 of Series 2018B Certificates of Participation in order to finance the acquisition, construction, installation and equipping of various public improvements.

On July 20, 2021 the County issued \$8,265,000 of Series 2021 Certificates of Participation in order to (a) finance the construction, improvement and equipping of various County capital improvement projects, including, but not limited to, the construction of improvements to the County's Emergency Medical Services building, the remodeling of the County Assessor's office, the construction of a new facility for the County's Road and Bridge Department and the construction of a new addition to the County's administrative building.

Certificates of Participation outstanding at December 31, 2020, are as follows:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Amount</u>
General Government – Refunding (Community Services Complex)	3.417% - 4.050%	\$ 1,395,000
General Government – Public Improvements	3.000% - 4.000%	3,920,000
General Government – public Improvements		<u>8,265,000</u>
		<u>\$13,580,000</u>

Annual debt service requirements to maturity for Certificates of Participation outstanding at December 31, 2021 are as follows:

<u>Year Ending December 31</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2022	\$ 540,000	\$ 487,269
2023	565,000	467,156
2024	580,000	445,703
2025	600,000	423,337
2026	625,000	399,922
2027-2031	3,585,000	1,608,968
2032-2036	4,330,000	883,600
2037-2041	<u>2,755,000</u>	<u>244,700</u>
Total	<u>\$13,580,000</u>	<u>\$ 4,960,655</u>

Capital Lease Obligations. The following lease is renewable on an annual basis, at the option of the County, for consecutive one-year periods. Upon final payment, title to the leased equipment will pass to the County.

- Lease obligation for equipment with a total cost of \$556,685 and a book value net of accumulated depreciation at December 31, 2021 of \$514,934. Due in annual installments of \$59,935 through April 2025 with a final payment of \$302,180 due on April 5, 2026. Amortization is based on an imputed interest rate of 2.273%. The County may terminate the lease by paying the applicable purchase option on any scheduled payment. Balance at December 31, 2021 is \$496,750.

Annual debt service requirements to maturity for Certificates of Participation outstanding at December 31, 2021 are as follows:

Year Ending December 31	Governmental Activities	
	Principal	Interest
2022	\$ 48,642	\$ 11,293
2023	49,748	10,187
2024	50,878	9,056
2025	52,035	7,900
2026	<u>295,447</u>	<u>6,716</u>
Total	<u>\$ 496,750</u>	<u>\$ 45,152</u>

Changes in Long-term Liabilities. Long-term liability activity for the year ended December 31, 2021, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Governmental Activities:					
Certificates of Participation	\$ 5,685,000	\$ 8,265,000	\$ 370,000	\$13,580,000	\$ 540,000
Bond Premium	192,775	1,111,325	17,014	1,287,086	38,322
Capital Leases Payable	-	556,685	59,935	496,750	48,642
Compensated Absences	<u>978,365</u>	<u>69,074</u>	<u>-</u>	<u>1,047,439</u>	<u>1,047,439</u>
Total Governmental Activity					
Long-term Liabilities	<u>\$ 6,856,140</u>	<u>\$10,002,084</u>	<u>\$ 446,949</u>	<u>\$16,411,275</u>	<u>\$ 1,674,403</u>
Business-type Activities:					
Revenue Bond	\$ 403,088	\$ -	\$ 11,962	\$ 391,126	\$ 12,534
Compensated Absences	<u>249,606</u>	<u>-</u>	<u>28,516</u>	<u>221,090</u>	<u>221,090</u>
Total Business-type Activity					
Long-term Liabilities	<u>\$ 652,694</u>	<u>\$ -</u>	<u>\$ 40,478</u>	<u>\$ 612,216</u>	<u>\$ 233,624</u>

CHAFFEE COUNTY, COLORADO

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2021

Note 5. Interfund Receivables, Payables and Transfers

Interfund activities represent transactions between different funds within the County.

<u>Fund</u>	Transfers <u>In</u>	Transfers <u>Out</u>
Major Funds:		
General Fund	\$ 519,700	\$ 2,528,546
Road and Bridge Fund	900,000	10,000
Health and Human Services Fund	-	80,000
Capital Expenditures Fund	82,070	3,386
Non-major Funds:		
Airport Fund	175,000	-
Retirement Fund	-	384,000
Contingency Reserve Fund	150,000	-
Asset Replacement Fund	433,937	-
Lodging Visitors Bureau Fund	-	2,700
Forest Health Fund	125,000	-
Recreation Impact Fund	75,000	-
Unallocated 2018 1A Fund	-	200,000
Chaffee Housing Fund	175,949	-
Chaffee County Facilities Corporation	356,386	-
Waste Disposal Fund	-	34,000
Emergency Services Fund	-	100,410
Insurance Reserve Fund	350,000	-
Transfers of Non-financial Resources		
Waste Disposal Fund	38,335	
Emergency Services Fund	<u>23,023</u>	<u>-</u>
Total	<u>\$ 3,404,400</u>	<u>\$ 3,343,042</u>

In the fund financial statements, total transfers in of \$3,404,400 are greater than total transfers out of \$3,343,042 because of the treatments of transfers of non-financial resources to the Water Disposal Fund and the Emergency Services Fund. During the year, capital assets purchased related to governmental funds, with book values of \$38,335 and \$23,023, respectively were transferred to the Waste Disposal Fund and Emergency Services Funds..

Note 6. Employee Retirement Plan

The County participates in the Colorado County Officials and Employee Retirement Association (CCOERA), a multi-employer defined contribution retirement plan, of which there were 281 County participants as of December 31, 2021. A defined contribution pension plan has terms that specify how contributions to an individual's account are to be determined rather than the amount of pension benefits the individual is to receive. In a defined contribution plan, the pension benefits a participant will receive depend only on the amount contributed to the participant's account, earnings on investments of those contributions, and forfeitures of other participant's benefits that may be allocated to the

participant's account. The seven-member Governing Board of the Association makes all necessary rules and is responsible for the administration of the funds in the Retirement Plan.

Employees are eligible to participate in CCOERA after 6 months of employment and most work at least 20 hours per week. Eligible employees and the County each contribute an amount equal to 6% of the employee's base salary each month. Employees may contribute up to an additional 10% of base salary on an after-tax basis. The County does not match these additional contributions. During the year there were no differences between contribution requirements and contributions actually made by plan participants or the County.

Employees are fully vested after five years of service. In addition, if an employee reaches normal retirement age, dies, or becomes totally and permanently disabled his account becomes fully vested regardless of length of service. Forfeitures by employees who leave employment before being fully vested are applied to reduce matching employer contributions. Forfeitures totaling \$20,014 were used in 2020 to reduce matching employer contributions. Contributions made by employees and the County for the three years ended December 31, 2020, are as follows:

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Employee Contributions	\$ 762,507	\$ 557,527	\$ 572,570
County Contributions	\$ 762,507	\$ 557,527	\$ 572,570

Both the County and the covered employees each made the required 6% contributions to the plans. There are no liabilities for benefits beyond the County's matching payments. No changes in the various plan's provisions occurred in 2021.

Note 7. 457 Deferred Compensation Plan

The County offers its full-time employees an optional supplemental deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is administered by CCOERA and allows eligible participants the opportunity to accumulate additional retirement savings with certain tax advantages. Deposits into the 457 plan are not subject to state or federal income taxes at the time of deposit, and earnings on these deposits are deferred until withdrawn. As of December 31, 2021, there were 53 participants in the 457 plan.

Note 8. Commitments and Contingencies

Litigation. According to the County Attorney for Chaffee County, neither he nor any other legal counsel have represented or given substantive attention to any material loss contingencies of the County coming within the scope of the County's legal representation letter to him dated April 14, 2022.

CHAFFEE COUNTY, COLORADO

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2021

Tax, Spending and Debt Limitations. Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR) contains tax, spending, revenue and debt limitations which apply to the State of Colorado and all local governments. County officials believe they are in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases. The emergency reserve balance at December 31, 2021 totaled \$911,173.

Prior to 2008, voters within the County approved the County's request to retain its excess revenue for fiscal year spending. As such the fiscal year spending limitations and refunding of excess revenue to its citizens as defined by this amendment no longer apply. However, the County remains subject to other provisions of this amendment.

Note 9. Risk Management

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

Colorado Counties Casualty and Property Pool. The County is exposed to various risks of loss related to torts or property and casualty losses. Therefore the County joined together with other Colorado counties to form the Colorado Counties Casualty and Property Pool (CAPP). CAPP is a public entity risk pool that provides property, general and automobile liability and public officials coverage to its members. The intergovernmental agreement of formation of CAPP provides that the Pool will be financially self-sustaining through member contributions and additional assessments, if necessary, and that the Pool will purchase insurance through commercial companies for members' claims in excess of specified self-insured retention, which is determined each policy year.

Note 10. Landfill Closure and Post-Closure Care Cost

State and federal laws and regulations require the County to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. The County is required to maintain, in written documented form, current cost estimates to close its landfill site and to conduct post-

closure care of this site. Financial assurance is required to be established in amounts sufficient to ensure payment of such costs. Chaffee County uses the “Local Government Financial Test” as its financial mechanism to financially assure full payment of all closure, post-closure, and if applicable, corrective action estimated costs. Although the closure and post-closure costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and post-closure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date.

The landfill closure and post-closure care liability at December 31, 2021 is \$278,964. This liability consists of closure and post-closure cost of \$124,750 and \$154,214, respectively, and represents the cumulative amount reported to date based on the use of approximately twelve percent (12%) of the estimated capacity of the landfill.

The County will recognize the remaining estimated costs of closure and post-closure care of approximately \$2,045,942 as the remaining estimated capacity of the landfill is used. Closure costs are based on an estimate of the closure cost in 2021 dollars as adjusted for inflation. Post-closure costs are calculated based on the present value in 2021 dollars of the future annual cost to perform post-closure care over a ninety-nine year period. Actual costs may be higher or lower due to unknown factors such as changes in technology or regulations. It is estimated that the County landfill has a remaining useful life of ninety-one (90) years.

REQUIRED SUPPLEMENTAL INFORMATION

CHAFFEE COUNTY, COLORADO

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (BUDGETARY BASIS) - BUDGET AND ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2021

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget - Positive (Negative)
Revenues				
Taxes	\$ 9,357,209	\$ 9,357,209	\$ 10,783,295	\$ 1,426,086
Licenses and Permits	1,246,500	1,246,500	2,031,434	784,934
Intergovernmental	3,874,610	3,874,610	3,836,734	(37,876)
Charges for Services	1,363,200	1,363,200	1,904,227	541,027
Fines and Forfeitures	30,000	30,000	158,026	128,026
Investment Earnings	95,000	95,000	(19,478)	(114,478)
Other Revenue	1,149,570	1,149,570	1,239,961	90,391
Total Revenues	17,116,089	17,116,089	19,934,199	2,818,110
Expenditures				
Current:				
General Government	7,593,898	8,398,898	7,221,559	1,177,339
Community Development	1,321,000	1,364,000	1,289,929	74,071
Public Safety	5,940,135	6,295,135	6,095,068	200,067
Health and Welfare	93,166	93,166	87,766	5,400
Public Works	702,016	712,016	748,938	(36,922)
Parks and Recreation	285,370	285,370	294,373	(9,003)
Total Expenditures	15,935,585	17,148,585	15,737,633	1,410,952
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,180,504	(32,496)	4,196,566	4,229,062
Other Financing Sources (Uses)				
Transfers In	531,700	531,700	519,700	(12,000)
Transfers Out	(1,754,610)	(2,443,720)	(2,528,546)	(84,826)
Total Other Financing Sources (Uses)	(1,222,910)	(1,912,020)	(2,008,846)	(96,826)
Net Change in Fund Balances	(42,406)	(1,944,516)	2,187,720	4,132,236
Fund Balances, Beginning of Year	6,397,178	6,397,178	8,232,294	1,835,116
Fund Balances, End of year	\$ 6,354,772	\$ 4,452,662	\$ 10,420,014	\$ 5,967,352

CHAFFEE COUNTY, COLORADO

ROAD AND BRIDGE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (BUDGETARY BASIS) - BUDGET AND ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2021

	Budgeted Amounts Original and Final	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues			
Taxes	\$ 71,626	\$ 69,253	\$ (2,373)
Licenses and Permits	12,000	10,312	(1,688)
Intergovernmental	3,032,000	2,268,048	(763,952)
Charges for Services	35,000	13,780	(21,220)
Investment Earnings	9,000	817	(8,183)
Other Revenue	10,000	66,575	56,575
Total Revenues	<u>3,169,626</u>	<u>2,428,785</u>	<u>(740,841)</u>
Expenditures			
Current:			
Public Works	2,814,100	2,409,167	404,933
Capital Outlay	1,305,000	283,680	1,021,320
Total Expenditures	<u>4,119,100</u>	<u>2,692,847</u>	<u>1,426,253</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(949,474)</u>	<u>(264,062)</u>	<u>685,412</u>
Other Financing Sources (Uses)			
Transfers In	700,000	900,000	200,000
Transfers Out	(22,000)	(10,000)	12,000
Total Other Financing Sources (Uses)	<u>678,000</u>	<u>890,000</u>	<u>212,000</u>
Net Change in Fund Balances	<u>(271,474)</u>	<u>625,938</u>	<u>897,412</u>
Fund Balances, Beginning of Year	<u>1,389,630</u>	<u>1,690,433</u>	<u>300,803</u>
Fund Balances, End of year	<u>\$ 1,118,156</u>	<u>\$ 2,316,371</u>	<u>\$ 1,198,215</u>

CHAFFEE COUNTY, COLORADO

HEALTH AND HUMAN SERVICES FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (BUDGETARY BASIS) - BUDGET AND ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2021

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget - Positive (Negative)
Revenues				
Taxes	\$ 914,700	\$ 914,700	\$ 905,259	\$ (9,441)
Intergovernmental	7,966,100	9,129,200	8,871,571	(257,629)
Investment Earnings	-	-	131	131
Total Revenues	<u>8,880,800</u>	<u>10,043,900</u>	<u>9,776,961</u>	<u>(266,939)</u>
Expenditures				
Current:				
Health and Welfare	<u>8,880,800</u>	<u>9,900,800</u>	<u>9,407,514</u>	<u>493,286</u>
Total Expenditures	<u>8,880,800</u>	<u>9,900,800</u>	<u>9,407,514</u>	<u>493,286</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	143,100	369,447	226,347
Other Financing Sources (Uses)				
Transfers Out	<u>(80,000)</u>	<u>(80,000)</u>	<u>(80,000)</u>	<u>-</u>
Net Change in Fund Balances	<u>(80,000)</u>	<u>63,100</u>	<u>289,447</u>	<u>226,347</u>
Fund Balances, Beginning of Year	<u>1,552,600</u>	<u>1,552,600</u>	<u>2,119,010</u>	<u>566,410</u>
Fund Balances, End of year	<u>\$ 1,472,600</u>	<u>\$ 1,615,700</u>	<u>\$ 2,408,457</u>	<u>\$ 792,757</u>

OTHER SUPPLEMENTAL INFORMATION

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Airport Fund – To account for the operations and development of the Harriet Alexander Field Airport. Revenues are principally derived from rental of airport facilities, tie-down fees, sales of fuel, and federal grants.

Conservation Trust Fund – To account for State of Colorado lottery proceeds that are restricted to capital parks and recreation expenditures.

Retirement Fund – To account for County contributions to the County employee retirement plan. Financing is provided by an annual property tax levy.

Contingent Reserve Fund – To account for emergency funds set aside in compliance with Article X, Section 20 of the Colorado Constitution (known as the TABOR amendment).

Asset Replacement Fund – To account for the accumulation of reserves through capital grants and contributions by departments and funds of the County for the replacement of vehicles and equipment.

Lodging Visitors Bureau Fund – To account for funds raised through a 1.9% lodging tax used for marketing and tourism promotion purposes.

American Rescue Plan Fund – To account the receipt and expenditure of State and Local Fiscal Recovery Funds authorized by the American Rescue Plan Act of 2021.

Animal Shelter Fund – To account for revenues received from a one-half mill property tax levy and remitted to the Ark-Valley Humane Society.

Marijuana Excise Tax Fund – To account for the collection of the County excise tax on the cultivation of retail marijuana.

Forest Health Fund – To account for funds generated through a .25% sales tax used to reduce the risk of catastrophic wildfires that threaten County communities, water supplies and economy.

Rural Conservation Fund – to account for funds generated through a .25% sales tax used to conserve and support County working ranches, farms and rural landscapes, protect water quality, water quantity and wildlife habitat.

Recreation Impact Fund – To account for funds generated through a .25% sales tax to help manage the impacts of growth and increased recreation by protecting County trails, campsites and scenic rivers.

Unallocated 2018 1A Fund – To account for funds generated through a .25% sales tax to be allocated among the Forest Health Fund, the Rural Conservation Fund, and the Recreation Impact Fund at the discretion of the Board of County Commissioners following the recommendation of the citizens advisory committee based on current needs and opportunity.

Chaffee Housing Fund – To account for funds received and used to support the creation of the Chaffee Housing Authority.

Debt Service Fund

Debt service funds are used for the accumulation of resources and payment of bond principal and interest from government resources.

Chaffee County Facilities Corporation – To account for the accumulation of resources and the payment of principal and interest on the County's Certificates of Participation.

CHAFFEE COUNTY, COLORADO

COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS DECEMBER 31, 2021

	Special Revenue Funds				
	Airport Fund	Conservation Trust Fund	Retirement Fund	Contingent Reserve Fund	Asset Replacement Fund
ASSETS					
Cash and Investments	\$ 406,689	\$ 403,174	\$ 538,101	\$ 632,522	\$ 620,847
Receivables:					
- Interest	-	7	7	-	13
- Taxes	-	-	331,283	-	-
- Accounts	5,351	-	-	-	-
- Intergovernmental	-	-	2,542	-	-
Inventories	66,488	-	-	-	-
Deposits	5,000	-	-	-	-
Total Assets	<u>\$ 483,528</u>	<u>\$ 403,181</u>	<u>\$ 871,933</u>	<u>\$ 632,522</u>	<u>\$ 620,860</u>
LIABILITIES					
Accounts Payable	\$ 27,650	\$ 15,000	\$ 17,022	\$ -	\$ -
Accrued Liabilities	-	-	-	-	-
Retainages Payable	-	-	-	-	-
Unearned Revenues	-	-	-	-	-
Total Liabilities	<u>27,650</u>	<u>15,000</u>	<u>17,022</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue - Property Taxes	-	-	331,283	-	-
FUND BALANCES (DEFICITS)					
Nonspendable:					
Inventories	66,488	-	-	-	-
Restricted For:					
TABOR Emergency Reserve	-	-	-	632,522	-
Purposes of Grantors	389,390	388,181	523,628	-	-
Forest Health and Conservation	-	-	-	-	-
Assigned For:					
Capital Improvements	-	-	-	-	620,860
Debt Service	-	-	-	-	-
Total Fund Balances	<u>455,878</u>	<u>388,181</u>	<u>523,628</u>	<u>632,522</u>	<u>620,860</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 483,528</u>	<u>\$ 403,181</u>	<u>\$ 871,933</u>	<u>\$ 632,522</u>	<u>\$ 620,860</u>

Special Revenue Funds						
Lodging Visitors Bureau Fund	Amercian Rescue Plan Fund	Animal Shelter Fund	Marijuana Excise Tax Fund	Forest Health Fund	Rural Conservation Fund	Recreation Impact Fund
\$ 1,137,511	\$ 979,664	\$ 250	\$ 406,585	\$ 286,318	\$ 444,644	\$ 84,420
5	-	-	-	-	-	-
-	-	301,380	-	-	-	-
-	-	-	-	-	-	-
184,376	-	2,083	84,802	64,005	63,705	12,801
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 1,321,892</u>	<u>\$ 979,664</u>	<u>\$ 303,713</u>	<u>\$ 491,387</u>	<u>\$ 350,323</u>	<u>\$ 508,349</u>	<u>\$ 97,221</u>
\$ 45,459	\$ -	\$ -	\$ 215	\$ -	\$ -	\$ 20,000
-	-	-	-	-	-	-
-	21,841	-	-	-	-	-
-	957,823	-	-	-	-	-
<u>45,459</u>	<u>979,664</u>	<u>-</u>	<u>215</u>	<u>-</u>	<u>-</u>	<u>20,000</u>
-	-	301,380	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1,276,433	-	2,333	491,172	-	-	-
-	-	-	-	350,323	508,349	77,221
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>1,276,433</u>	<u>-</u>	<u>2,333</u>	<u>491,172</u>	<u>350,323</u>	<u>508,349</u>	<u>77,221</u>
<u>\$ 1,321,892</u>	<u>\$ 979,664</u>	<u>\$ 303,713</u>	<u>\$ 491,387</u>	<u>\$ 350,323</u>	<u>\$ 508,349</u>	<u>\$ 97,221</u>

CHAFFEE COUNTY, COLORADO

COMBINING BALANCE SHEET (CONTINUED)

NONMAJOR GOVERNMENTAL FUNDS

DECEMBER 31, 2021

	Special Revenue Funds		Debt Service Fund	Total Nonmajor Governmental Funds
	Unallocated 2018 1A Fund	Chaffee Housing Fund	Chaffee County Facilities Corporation	
ASSETS				
Cash and Investments	\$ 1,415,511	\$ 302,225	\$ 72,662	\$ 7,731,123
Receivables:				
- Interest	-	-	-	32
- Taxes	-	-	-	632,663
- Accounts	-	-	-	5,351
- Intergovernmental	115,209	-	-	529,523
Inventories	-	-	-	66,488
Deposits	-	-	-	5,000
Total Assets	\$ 1,530,720	\$ 302,225	\$ 72,662	\$ 8,970,180
LIABILITIES				
Accounts Payable	\$ 21	\$ 3,183	\$ -	\$ 128,550
Accrued Liabilities	-	44,278	-	44,278
Retainages Payable	-	-	-	21,841
Unearned Revenues	-	-	-	957,823
Total Liabilities	21	47,461	-	1,152,492
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue - Property Taxes	-	-	-	632,663
FUND BALANCES (DEFICITS)				
Nonspendable:				
Inventories	-	-	-	66,488
Restricted For:				
TABOR Emergency Reserve	-	-	-	632,522
Purposes of Grantors	-	254,764	-	3,325,901
Forest Health and Conservation	1,530,699	-	-	2,466,592
Assigned For:				
Capital Improvements	-	-	-	620,860
Debt Service	-	-	72,662	72,662
Total Fund Balances	1,530,699	254,764	72,662	7,185,025
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 1,530,720	\$ 302,225	\$ 72,662	\$ 8,970,180

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CHAFFEE COUNTY, COLORADO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR THE YEAR ENDED DECEMBER 31, 2021

	Special Revenue Funds				
	Airport Fund	Conservation Trust Fund	Retirement Fund	Contingent Reserve Fund	Asset Replacement Fund
Revenues					
Taxes	\$ 6,349	\$ -	\$ 350,353	\$ -	\$ -
Intergovernmental	175,000	124,698	-	-	-
Charges for Services	264,917	-	-	-	-
Investment Earnings	-	127	129	-	159
Other Revenues	15,839	1,623	47,725	-	27,144
Total Revenues	462,105	126,448	398,207	-	27,303
Expenditures					
Current:					
General Government	-	-	-	-	-
Community / Economic Development	-	-	-	-	-
Parks and Recreation	-	120,300	-	-	-
Airport Operations	381,180	-	-	-	-
Capital Outlay	32,515	-	-	-	200,820
Debt Service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Fiscal Charges	-	-	-	-	-
Total Expenditures	413,695	120,300	-	-	200,820
Excess (Deficiency) of Revenues Over (Under) Expenditures	48,410	6,148	398,207	-	(173,517)
Other Financing Sources (Uses)					
Transfers In	175,000	-	-	150,000	433,937
Transfers Out	-	-	(384,000)	-	-
Total Other Financing Sources (Uses)	175,000	-	(384,000)	150,000	433,937
Net Change in Fund Balances	223,410	6,148	14,207	150,000	260,420
Fund Balances, Beginning of Year	232,468	382,033	509,421	482,522	360,440
Fund Balances, End of year	\$ 455,878	\$ 388,181	\$ 523,628	\$ 632,522	\$ 620,860

Special Revenue Funds						
Lodging Visitors Bureau Fund	American Rescue Plan Fund	Animal Shelter Fund	Marijuana Excise Tax Fund	Forest Health Fund	Rural Conservation Fund	Recreation Impact Fund
\$ 1,147,278	\$ -	\$ 287,173	\$ 407,824	\$ 408,793	\$ 408,493	\$ 81,759
25,000	1,019,134	-	-	-	-	-
-	-	-	-	-	-	-
93	-	-	-	-	-	-
-	-	-	-	-	-	-
1,172,371	1,019,134	287,173	407,824	408,793	408,493	81,759
-	1,019,134	290,129	270,055	669,298	402,082	136,601
898,678	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
898,678	1,019,134	290,129	270,055	669,298	402,082	136,601
273,693	-	(2,956)	137,769	(260,505)	6,411	(54,842)
-	-	-	-	125,000	-	75,000
(2,700)	-	-	-	-	-	-
(2,700)	-	-	-	125,000	-	75,000
270,993	-	(2,956)	137,769	(135,505)	6,411	20,158
1,005,440	-	5,289	353,403	485,828	501,938	57,063
\$ 1,276,433	\$ -	\$ 2,333	\$ 491,172	\$ 350,323	\$ 508,349	\$ 77,221

CHAFFEE COUNTY, COLORADO

COMBINING STATEMENT OF REVENUES, EXPENDITURES (CONTINUED) AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR THE YEAR ENDED DECEMBER 31, 2021

	Special Revenue Funds		Debt Service Fund	Total Nonmajor Governmental Funds
	Unallocated 2018 1A Fund	Chaffee Housing Fund	Chaffee County Facilities Corporation	
Revenues				
Taxes	\$ 735,826	\$ -	\$ -	\$ 3,833,848
Intergovernmental	-	50,112	-	1,393,944
Charges for Services	-	-	-	264,917
Investment Earnings	3,660	-	21	4,189
Other Revenues	-	202,193	-	294,524
Total Revenues	739,486	252,305	21	5,791,422
Expenditures				
Current:				
General Government	22,651	173,490	-	2,983,440
Community / Economic Development	-	-	-	898,678
Parks and Recreation	-	-	-	120,300
Airport Operations	-	-	-	381,180
Capital Outlay	-	-	-	233,335
Debt Service:				
Principal	-	-	370,000	370,000
Interest	-	-	316,711	316,711
Fiscal Charges	-	-	3,001	3,001
Total Expenditures	22,651	173,490	689,712	5,306,645
Excess (Deficiency) of Revenues Over (Under) Expenditures	716,835	78,815	(689,691)	484,777
Other Financing Sources (Uses)				
Transfers In	-	175,949	356,386	1,491,272
Transfers Out	(200,000)	-	-	(586,700)
Total Other Financing Sources (Uses)	(200,000)	175,949	356,386	904,572
Net Change in Fund Balances	516,835	254,764	(333,305)	1,389,349
Fund Balances, Beginning of Year	1,013,864	-	405,967	5,795,676
Fund Balances, End of year	\$ 1,530,699	\$ 254,764	\$ 72,662	\$ 7,185,025

CHAFFEE COUNTY, COLORADO

AIRPORT FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL (BUDGETARY BASIS) FOR THE YEAR ENDED DECEMBER 31, 2021

	Budgeted Amounts Original and Final	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Taxes	\$ 5,000	\$ 6,349	\$ 1,349
Intergovernmental	1,252,000	175,000	(1,077,000)
Charges for Services	206,200	264,917	58,717
Other Revenues	9,100	15,839	6,739
Total Revenues	1,472,300	462,105	(1,010,195)
Expenditures:			
Current:			
Airport Operations	208,710	218,527	(9,817)
Fuel Purchases	140,000	162,653	(22,653)
Capital Outlay	1,285,000	32,515	1,252,485
Total Expenditures	1,633,710	413,695	1,220,015
Excess (Deficiency) of Revenues Over (Under) Expenditures	(161,410)	48,410	209,820
Other Financing Sources (Uses):			
Transfers In	175,000	175,000	-
Net Change in Fund Balances	13,590	223,410	209,820
Fund Balances, Beginning of Year	172,736	232,468	59,732
Fund Balances, End of Year	\$ 186,326	\$ 455,878	\$ 269,552

CHAFFEE COUNTY, COLORADO

CONSERVATION TRUST FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

BUDGET AND ACTUAL (BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2021

	Budgeted Amounts Original and Final	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Intergovernmental	\$ 100,000	\$ 124,698	\$ 24,698
Investment Earnings	3,000	127	(2,873)
Other Revenues	-	1,623	1,623
Total Revenues	103,000	126,448	23,448
Expenditures:			
Current:			
Parks and Recreation	175,300	120,300	55,000
Total Expenditures	175,300	120,300	55,000
Net Change in Fund Balances	(72,300)	6,148	78,448
Fund Balances, Beginning of Year	370,543	382,033	11,490
Fund Balances, End of Year	\$ 298,243	\$ 388,181	\$ 89,938

CHAFFEE COUNTY, COLORADO

RETIREMENT FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL (BUDGETARY BASIS) FOR THE YEAR ENDED DECEMBER 31, 2021

	Budgeted Amounts Original and Final	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Taxes	\$ 350,182	\$ 350,353	\$ 171
Investment Earnings	1,200	129	(1,071)
Other Revenues	17,000	47,725	30,725
Total Revenues	368,382	398,207	29,825
Expenditures:			
Current:			
General Government	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	368,382	398,207	29,825
Other Financing Sources (Uses):			
Transfers Out	(384,000)	(384,000)	-
Net Change in Fund Balances	(15,618)	14,207	29,825
Fund Balances, Beginning of Year	521,758	509,421	(12,337)
Fund Balances, End of Year	\$ 506,140	\$ 523,628	\$ 17,488

CHAFFEE COUNTY, COLORADO

CONTINGENT RESERVE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL (BUDGETARY BASIS) FOR THE YEAR ENDED DECEMBER 31, 2021

	Budgeted Amounts Original and Final	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Taxes	\$ -	\$ -	\$ -
Investment Earnings	-	-	-
Other Revenues	-	-	-
Total Revenues	-	-	-
Other Financing Sources (Uses):			
Transfers In	50,000	150,000	100,000
Net Change in Fund Balances	50,000	150,000	100,000
Fund Balances, Beginning of Year	482,552	482,522	(30)
Fund Balances, End of Year	\$ 532,552	\$ 632,522	\$ 99,970

CHAFFEE COUNTY, COLORADO

ASSET REPLACEMENT FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

BUDGET AND ACTUAL (BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2021

	Budgeted Amounts Original and Final	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Investment Earnings	\$ 1,500	\$ 159	\$ (1,341)
Other Revenues	-	27,144	27,144
Total Revenues	1,500	27,303	25,803
Expenditures:			
Capital Outlay	215,000	200,820	14,180
Total Expenditures	215,000	200,820	14,180
Excess (Deficiency) of Revenues Over (Under) Expenditures	(213,500)	(173,517)	39,983
Other Financing Sources (Uses):			
Transfers In	305,000	433,937	128,937
Net Change in Fund Balances	91,500	260,420	168,920
Fund Balances, Beginning of Year	360,116	360,440	324
Fund Balances, End of Year	\$ 451,616	\$ 620,860	\$ 169,244

CHAFFEE COUNTY, COLORADO

LODGING VISTORS BUREAU FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

BUDGET AND ACTUAL (BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2021

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget - Positive (Negative)
Revenues:				
Taxes	\$ 700,000	\$ 700,000	\$ 1,147,278	\$ 447,278
Intergovernmental	-	-	25,000	25,000
Investment Earnings	800	800	93	(707)
Other Revenues	15,000	15,000	-	(15,000)
Total Revenues	715,800	715,800	1,172,371	456,571
Expenditures:				
Current:				
Economic Development	646,500	856,500	898,678	(42,178)
Total Expenditures	646,500	856,500	898,678	(42,178)
Excess (Deficiency) of Revenues Over (Under) Expenditures	69,300	(140,700)	273,693	414,393
Other Financing Sources (Uses):				
Transfers Out	(2,700)	(2,700)	(2,700)	-
Net Change in Fund Balances	66,600	(143,400)	270,993	414,393
Fund Balances, Beginning of Year	730,299	730,299	1,005,440	275,141
Fund Balances, End of Year	\$ 796,899	\$ 586,899	\$ 1,276,433	\$ 689,534

CHAFFEE COUNTY, COLORADO

AMERICAN RESCUE PLAN FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

BUDGET AND ACTUAL (BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2021

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget - Positive (Negative)
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 1,019,134	\$ 1,019,134
Total Revenues	-	-	1,019,134	1,019,134
Expenditures:				
Current:				
General Government	-	1,191,000	1,019,134	171,866
Total Expenditures	-	1,191,000	1,019,134	171,866
Net Change in Fund Balances	-	(1,191,000)	-	1,191,000
Fund Balances, Beginning of Year	-	-	-	-
Fund Balances, End of Year	\$ -	\$ (1,191,000)	\$ -	\$ 1,191,000

CHAFFEE COUNTY, COLORADO

ANIMAL SHELTER FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL (BUDGETARY BASIS) FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts Original and Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues:			
Taxes	<u>\$ 296,900</u>	<u>\$ 287,173</u>	<u>\$ (9,727)</u>
Total Revenues	<u>296,900</u>	<u>287,173</u>	<u>(9,727)</u>
Expenditures:			
Current:			
General Government	<u>296,500</u>	<u>290,129</u>	<u>6,371</u>
Total Expenditures	<u>296,500</u>	<u>290,129</u>	<u>6,371</u>
Net Change in Fund Balances	<u>400</u>	<u>(2,956)</u>	<u>(3,356)</u>
Fund Balances, Beginning of Year	<u>1,314</u>	<u>5,289</u>	<u>3,975</u>
Fund Balances, End of Year	<u><u>\$ 1,714</u></u>	<u><u>\$ 2,333</u></u>	<u><u>\$ 619</u></u>

CHAFFEE COUNTY, COLORADO

MARIJUANA EXCISE TAX FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

BUDGET AND ACTUAL (BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2021

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget - Positive (Negative)
Revenues:				
Taxes	\$ 150,000	\$ 150,000	\$ 407,824	\$ 257,824
Total Revenues	<u>150,000</u>	<u>150,000</u>	<u>407,824</u>	<u>257,824</u>
Expenditures:				
Current:				
General Government	<u>260,000</u>	<u>280,000</u>	<u>270,055</u>	<u>9,945</u>
Total Expenditures	<u>260,000</u>	<u>280,000</u>	<u>270,055</u>	<u>9,945</u>
Net Change in Fund Balances	(110,000)	(130,000)	137,769	267,769
Fund Balances, Beginning of Year	<u>263,773</u>	<u>263,773</u>	<u>353,403</u>	<u>89,630</u>
Fund Balances, End of Year	<u>\$ 153,773</u>	<u>\$ 133,773</u>	<u>\$ 491,172</u>	<u>\$ 357,399</u>

CHAFFEE COUNTY, COLORADO

FOREST HEALTH FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

BUDGET AND ACTUAL (BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2021

	Budgeted Amounts Original and Final	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Taxes	\$ 331,000	\$ 408,793	\$ 77,793
Total Revenues	<u>331,000</u>	<u>408,793</u>	<u>77,793</u>
Expenditures:			
Current:			
General Government	974,188	669,298	304,890
Total Expenditures	<u>974,188</u>	<u>669,298</u>	<u>304,890</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(643,188)	(260,505)	382,683
Other Financing Sources (Uses):			
Transfers In	635,000	125,000	(510,000)
Net Change in Fund Balances	(8,188)	(135,505)	(127,317)
Fund Balances, Beginning of Year	<u>419,810</u>	<u>485,828</u>	<u>66,018</u>
Fund Balances, End of Year	<u>\$ 411,622</u>	<u>\$ 350,323</u>	<u>\$ (61,299)</u>

CHAFFEE COUNTY, COLORADO

RURAL CONSERVATION FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

BUDGET AND ACTUAL (BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2021

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget - Positive (Negative)
Revenues:				
Taxes	\$ 331,000	\$ 331,000	\$ 408,493	\$ 77,493
Total Revenues	<u>331,000</u>	<u>331,000</u>	<u>408,493</u>	<u>77,493</u>
Expenditures:				
Current:				
General Government	<u>772,442</u>	<u>852,442</u>	<u>402,082</u>	<u>450,360</u>
Total Expenditures	<u>772,442</u>	<u>852,442</u>	<u>402,082</u>	<u>450,360</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(441,442)	(521,442)	6,411	527,853
Other Financing Sources (Uses):				
Transfers In	<u>377,000</u>	<u>377,000</u>	<u>-</u>	<u>(377,000)</u>
Net Change in Fund Balances	(64,442)	(144,442)	6,411	150,853
Fund Balances, Beginning of Year	<u>427,410</u>	<u>427,410</u>	<u>501,938</u>	<u>74,528</u>
Fund Balances, End of Year	<u>\$ 362,968</u>	<u>\$ 282,968</u>	<u>\$ 508,349</u>	<u>\$ 225,381</u>

CHAFFEE COUNTY, COLORADO

RECREATION IMPACT FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

BUDGET AND ACTUAL (BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2021

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget - Positive (Negative)
Revenues:				
Taxes	\$ 66,000	\$ 66,000	\$ 81,759	\$ 15,759
Total Revenues	<u>66,000</u>	<u>66,000</u>	<u>81,759</u>	<u>15,759</u>
Expenditures:				
Current:				
General Government	<u>108,000</u>	<u>213,000</u>	<u>136,601</u>	<u>76,399</u>
Total Expenditures	<u>108,000</u>	<u>213,000</u>	<u>136,601</u>	<u>76,399</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(42,000)	(147,000)	(54,842)	92,158
Other Financing Sources (Uses):				
Transfers In	<u>40,000</u>	<u>40,000</u>	<u>75,000</u>	<u>35,000</u>
Net Change in Fund Balances	(2,000)	(107,000)	20,158	127,158
Fund Balances, Beginning of Year	<u>41,482</u>	<u>41,482</u>	<u>57,063</u>	<u>15,581</u>
Fund Balances, End of Year	<u>\$ 39,482</u>	<u>\$ (65,518)</u>	<u>\$ 77,221</u>	<u>\$ 142,739</u>

CHAFFEE COUNTY, COLORADO

UNALLOCATED 2018 1A FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL (BUDGETARY BASIS) FOR THE YEAR ENDED DECEMBER 31, 2021

	Budgeted Amounts Original and Final	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Taxes	\$ 595,000	\$ 735,826	\$ 140,826
Investment Earnings	5,000	3,660	(1,340)
Total Revenues	600,000	739,486	139,486
Expenditures:			
Current:			
General Government	55,500	22,651	32,849
Total Expenditures	55,500	22,651	32,849
Excess (Deficiency) of Revenues Over (Under) Expenditures	544,500	716,835	172,335
Other Financing Sources (Uses):			
Transfers Out	(1,052,000)	(200,000)	852,000
Net Change in Fund Balances	(507,500)	516,835	1,024,335
Fund Balances, Beginning of Year	891,501	1,013,864	122,363
Fund Balances, End of Year	\$ 384,001	\$ 1,530,699	\$ 1,146,698

CHAFFEE COUNTY, COLORADO

CHAFFEE HOUSING FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL (BUDGETARY BASIS) FOR THE YEAR ENDED DECEMBER 31, 2021

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget - Positive (Negative)
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 50,112	\$ 50,112
Other Revenues	-	-	202,193	202,193
Total Revenues	-	-	252,305	252,305
Expenditures:				
Current:				
General Government	-	212,370	173,490	38,880
Total Expenditures	-	212,370	173,490	38,880
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(212,370)	78,815	291,185
Other Financing Sources (Uses):				
Transfers In	-	64,820	175,949	111,129
Net Change in Fund Balances	-	(147,550)	254,764	402,314
Fund Balances, Beginning of Year	-	-	-	-
Fund Balances, End of Year	\$ -	\$ (147,550)	\$ 254,764	\$ 402,314

CHAFFEE COUNTY, COLORADO

CHAFFEE COUNTY FACILITIES CORPORATION SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL (BUDGETARY BASIS) FOR THE YEAR ENDED DECEMBER 31, 2021

	Budgeted Amounts Original and Final	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Investment Earnings	\$ -	\$ 21	\$ 21
Total Revenues	<u>-</u>	<u>21</u>	<u>21</u>
Expenditures:			
Debt Service:			
Principal	370,000	370,000	-
Interest	186,000	316,711	(130,711)
Fiscal Charges	100	3,001	(2,901)
Total Expenditures	<u>556,100</u>	<u>689,712</u>	<u>(133,612)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(556,100)	(689,691)	(133,591)
Other Financing Sources (Uses):			
Transfers In	<u>556,000</u>	<u>356,386</u>	<u>(199,614)</u>
Net Change in Fund Balances	<u>(100)</u>	<u>(333,305)</u>	<u>(333,205)</u>
Fund Balances, Beginning of Year	<u>78,547</u>	<u>405,967</u>	<u>327,420</u>
Fund Balances, End of Year	<u>\$ 78,447</u>	<u>\$ 72,662</u>	<u>\$ (5,785)</u>

CHAFFEE COUNTY, COLORADO

CAPITAL EXPENDITURES FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

BUDGET AND ACTUAL (BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2021

	Budgeted Amounts Original and Final	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Taxes	\$ 174,741	\$ 175,176	\$ 435
Intergovernmental	100,000	-	(100,000)
Investment Earnings	44,000	3,035	(40,965)
Other Revenues	44,200	616,562	572,362
Total Revenues	362,941	794,773	431,832
Expenditures:			
Current:			
General Government	4,300	4,668	(368)
Capital Outlay	6,310,000	765,339	5,544,661
Debt Service:			
Debt Issuance Costs	-	172,939	(172,939)
Total Expenditures	6,314,300	942,946	5,371,354
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,951,359)	(148,173)	5,803,186
Other Financing Sources (Uses):			
Debt Issuance Proceeds	4,000,000	8,265,000	4,265,000
Premium on Debt Issued	-	1,111,325	1,111,325
Transfers In	82,070	82,070	-
Transfers Out	-	(3,386)	(3,386)
Total Other Financing Sources (Uses)	4,082,070	9,455,009	5,372,939
Net Change in Fund Balances	(1,869,289)	9,306,836	11,176,125
Fund Balances, Beginning of Year	3,226,777	3,689,281	462,504
Fund Balances, End of Year	\$ 1,357,488	\$ 12,996,117	\$ 11,638,629

ENTERPRISE FUNDS

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the Board of County Commissioners is that the costs of providing goods and services to the general public on a continuing basis be financed or recovered through user charges; or where the Board of County Commissioners has decided that periodic determination of net income is appropriate for accountability purposes.

Waste Disposal Fund – To account for the activities involved in operating the County’s solid waste landfill.

Emergency Services Fund – To account for the operations of the County’s emergency services, dispatch center, and the emergency management department.

J.V. Sewer Fund - To account for the collection of monies and subsequent payment of debt service related to a wastewater distribution system constructed in an area of the County known as “Johnson Village”.

CHAFFEE COUNTY, COLORADO

WASTE DISPOSAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL (BUDGETARY BASIS) FOR THE YEAR ENDED DECEMBER 31, 2021

	Budgeted Amounts Original and Final	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Charges for Services:			
Garbage Collection Fees	\$ 1,100,000	\$ 1,183,542	\$ 83,542
Investment Earnings	6,000	477	(5,523)
Other Revenues	60,000	93,856	33,856
Total Revenues	1,166,000	1,277,875	111,875
Expenditures:			
Operations:			
Personnel Costs	493,600	543,985	(50,385)
Closure and Post Closure Costs	70,000	59,143	10,857
Other Operating Costs	520,800	497,595	23,205
New Landfill Construction	80,000	4,543	75,457
Capital Outlay	560,000	551,856	8,144
Total Expenditures	1,724,400	1,657,122	67,278
Excess (Deficiency) of Revenues Over (Under) Expenditures	(558,400)	(379,247)	179,153
Other Financing Sources (Uses):			
Transfers Out	(54,000)	(34,000)	(20,000)
Sales of Capital Assets	150,000	118,000	(32,000)
Total Other Financing Sources (Uses)	96,000	84,000	(52,000)
Net Change in Fund Balances	(462,400)	(295,247)	127,153
Fund Balances, Beginning of Year	1,808,898	1,650,491	(158,407)
Fund Balances, End of Year	\$ 1,346,498	\$ 1,355,244	\$ (31,254)

Fund Balances at December 31, 2021, is computed as follows:

Current Assets	\$ 1,726,045
Less: Current Liabilities	(370,801)
Fund Balances - December 31, 2021	\$ 1,355,244

**RECONCILIATION OF NET CHANGE IN FUND BALANCES (BUDGETARY BASIS)
TO CHANGE IN NET POSITION (GAAP BASIS)**

Net Change in Fund Balances (Budgetary Basis)	<u>\$ (295,247)</u>
Adjustments to Reconcile Budgetary Basis to GAAP Basis	
Transfers In of Non-financial Resources	38,385
Book Value of Capital Assets Disposed	(29,387)
Capitalization of Fixed Assets	551,856
Depreciation	<u>(317,064)</u>
Total Adjustments	<u>243,790</u>
Change in Net Position (GAAP Basis)	<u><u>\$ (51,457)</u></u>

CHAFFEE COUNTY, COLORADO

EMERGENCY SERVICES FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

BUDGET AND ACTUAL (BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2021

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget - Positive (Negative)
Revenues:				
Taxes:				
Sales Taxes	\$ 2,400,000	\$ 2,400,000	\$ 3,270,341	\$ 870,341
Charges for Services:				
Ambulance Fees	1,200,000	1,200,000	1,375,557	175,557
E911 Dispatch	276,000	276,000	276,000	-
Wildland Reimbursement	-	-	226,276	226,276
Intergovernmental	65,000	65,000	162,941	97,941
Other Revenues	1,500	1,500	48,837	47,337
Total Revenues	3,942,500	3,942,500	5,359,952	1,417,452
Expenditures:				
Operations:				
Personnel Costs	2,783,970	3,098,970	3,095,350	3,620
Other Operating Costs	684,500	754,500	762,719	(8,219)
Capital Outlay	351,900	591,900	538,895	53,005
Total Expenditures	3,820,370	4,445,370	4,396,964	48,406
Excess (Deficiency) of Revenues Over (Under) Expenditures	122,130	(502,870)	962,988	1,465,858
Other Financing Sources (Uses):				
Transfers Out	(100,470)	(100,470)	(100,410)	(60)
Sales of Capital Assets	20,000	20,000	99,500	79,500
Total Other Financing Sources (Uses)	(80,470)	(80,470)	(910)	79,440
Net Change in Fund Balances	41,660	(583,340)	962,078	1,545,298
Fund Balances, Beginning of Year	1,110,669	1,110,669	1,685,899	575,230
Fund Balances, End of Year	\$ 1,152,329	\$ 527,329	\$ 2,647,977	\$ 2,120,528

Fund Balances at December 31, 2021, is computed as follows:

Current Assets	\$ 2,856,771
Less: Current Liabilities	(208,794)
Fund Balances - December 31, 2021	\$ 2,647,977

**RECONCILIATION OF NET CHANGE IN FUND BALANCES (BUDGETARY BASIS)
TO CHANGE IN NET POSITION (GAAP BASIS)**

Net Change in Fund Balances (Budgetary Basis)	<u>\$ 962,078</u>
Adjustments to Reconcile Budgetary Basis to GAAP Basis	
Transfers In of Non-financial Resources	23,023
Book Value of Capital Assets Disposed	(178,341)
Capitalization of Fixed Assets	538,895
Depreciation	<u>(348,290)</u>
Total Adjustments	<u>35,287</u>
Change in Net Position (GAAP Basis)	<u><u>\$ 997,365</u></u>

CHAFFEE COUNTY, COLORADO

J.V. SEWER FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL (BUDGETARY BASIS) 5FOR THE YEAR ENDED DECEMBER 31, 2021

	Budgeted Amounts Original and Final	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Charges for Services:			
Sewer Surcharge	\$ 35,600	\$ 44,538	\$ 8,938
Total Revenues	<u>35,600</u>	<u>44,538</u>	<u>8,938</u>
Expenditures:			
Debt Service:			
Principal	11,500	11,962	(462)
Interest	<u>18,500</u>	<u>17,987</u>	<u>513</u>
Total Expenditures	<u>30,000</u>	<u>29,949</u>	<u>51</u>
Net Change in Fund Balances	5,600	14,589	8,989
Fund Balances, Beginning of Year	<u>84,861</u>	<u>89,041</u>	<u>4,180</u>
Fund Balances, End of Year	<u>\$ 90,461</u>	<u>\$ 103,630</u>	<u>\$ 13,169</u>

Fund Balances at December 31, 2021, is computed as follows:

Current Assets	\$ 105,126
Less: Current Liabilities	(14,030)
Add: Current Portion of Revenue Bonds Payable	<u>12,534</u>
Fund Balances - December 31, 2021	<u>\$ 103,630</u>

**RECONCILIATION OF NET CHANGE IN FUND BALANCES (BUDGETARY BASIS)
TO CHANGE IN NET POSITION (GAAP BASIS)**

Net Change in Fund Balances (Budgetary Basis)	<u>\$ 14,589</u>
Adjustments to Reconcile Budgetary Basis to GAAP Basis	
Principal Paid On Revenue Bonds	11,962
Depreciation and Amortization	<u>(14,558)</u>
Total Adjustments	<u>(2,596)</u>
Change in Net Position (GAAP Basis)	<u><u>\$ 11,993</u></u>

INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the County or other government units, on a cost reimbursement basis.

Insurance Fund - This fund charges other County funds for their allocated cost of insurance premiums and estimated damaged property claims not covered by insurance.

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CHAFFEE COUNTY, COLORADO

INSURANCE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL (BUDGETARY BASIS) FOR THE YEAR ENDED DECEMBER 31, 2021

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget - Positive (Negative)
Revenues:				
Charges for Services:				
Insurance Contribution	\$ 520,000	\$ 520,000	\$ 497,670	\$ (22,330)
Investment Earnings	2,000	2,000	247	(1,753)
Other Revenues	8,000	8,000	54,814	46,814
Total Revenues	530,000	530,000	552,731	22,731
Expenditures:				
Current:				
Administrative, Legal and Claims	10,000	10,000	-	10,000
CAPP Pool Contributions	260,000	260,000	258,584	1,416
Workers Compensation Pool Contributions	280,000	310,000	304,991	5,009
Income Protection	-	-	15,903	(15,903)
Property and Casualty Claims	30,000	60,000	43,540	16,460
Miscellaneous	7,200	7,200	650	6,550
Total Expenditures	587,200	647,200	623,668	23,532
Excess (Deficiency) of Revenues Over (Under) Expenditures	(57,200)	(117,200)	(70,937)	(801)
Other Financing Sources (Uses):				
Transfers In	-	-	350,000	350,000
Net Change in Fund Balances	(57,200)	(117,200)	279,063	349,199
Fund Balances, Beginning of Year	599,517	599,517	626,832	27,315
Fund Balances, End of Year	\$ 542,317	\$ 482,317	\$ 905,895	\$ 376,514

Fund Balances at December 31, 2021, is computed as follows:

Current Assets	\$ 907,491
Less: Current Liabilities	(1,596)
Fund Balances - December 31, 2021	<u>\$ 905,895</u>

**RECONCILIATION OF NET CHANGE IN FUND BALANCES (BUDGETARY BASIS)
TO CHANGE IN NET POSITION (GAAP BASIS)**

Net Change in Fund Balances (Budgetary Basis)	<u>\$ 279,063</u>
Adjustments to Reconcile Budgetary Basis to GAAP Basis	
Total Adjustments	<u>-</u>
Change in Net Position (GAAP Basis)	<u><u>\$ 279,063</u></u>

CHAFFEE COUNTY, COLORADO

DETAILED SCHEDULE OF GENERAL FUND EXPENDITURES (BUDGETARY BASIS) - BUDGET AND ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2021

Description	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
General Government:				
Board of County Commissioners	\$ 1,085,800	\$ 1,150,800	\$ 1,107,757	\$ 43,043
Administrative Support	477,390	647,390	716,423	(69,033)
Safety	23,000	23,000	18,925	4,075
County Attorney	453,100	483,100	458,464	24,636
Budget Officer	30,100	30,100	26,074	4,026
Audit	26,000	26,000	25,000	1,000
County Clerk and Recorder	831,237	831,237	815,237	16,000
Elections	115,000	125,000	108,159	16,841
County Treasurer and Public Trustee	352,857	352,857	344,756	8,101
County Assessor	780,737	780,737	754,190	26,547
Small Business Development Center	164,100	164,100	199,957	(35,857)
Public Health Nurse	1,556,807	2,051,807	1,981,942	69,865
Housing	167,370	167,370	46	167,324
County Extension Service	141,760	141,760	137,030	4,730
Veterans Service Officer	30,400	30,400	28,211	2,189
Secure Rural Schools	30,000	40,000	36,799	3,201
Miscellaneous	1,328,240	1,353,240	462,589	890,651
Total General Government	7,593,898	8,398,898	7,221,559	1,177,339
Community Development:				
Planning and Zoning	377,910	377,910	353,698	24,212
Building Inspector	834,650	877,650	830,788	46,862
Environmental Health	-	-	89	(89)
Engineering	108,440	108,440	105,354	3,086
Total Community Development	1,321,000	1,364,000	1,289,929	70,985
Public Safety:				
District Attorney	518,544	518,544	512,559	5,985
Sheriff	2,572,089	2,762,089	2,737,167	24,922
Jail	2,572,200	2,737,200	2,620,059	117,141
Coroner	277,302	277,302	225,283	52,019
Total Public Safety	5,940,135	6,295,135	6,095,068	200,067

Description	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Health and Welfare				
Victims Assistance Program	\$ 93,166	\$ 93,166	\$ 87,766	\$ 5,400
Total Health and Welfare	93,166	93,166	87,766	5,400
Public Works:				
Buildings and Grounds	280,684	280,684	363,601	(82,917)
Touber Building and Grounds	241,562	251,562	232,681	18,881
Weed Management	179,770	179,770	152,656	27,114
Total Public Works	702,016	712,016	748,938	(36,922)
Parks and Recreation:				
Fairgrounds	285,370	285,370	294,373	(9,003)
TOTAL EXPENDITURES	<u>\$ 15,935,585</u>	<u>\$ 17,148,585</u>	<u>\$ 15,737,633</u>	<u>\$ 1,407,866</u>

CHAFFEE COUNTY, COLORADO

DETAILED SCHEDULE OF GENERAL FUND REVENUES (BUDGETARY BASIS) - BUDGET AND ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2021

Description	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Taxes:				
General Property Tax	\$ 2,941,209	\$ 2,941,209	\$ 2,941,067	\$ (142)
General Property Tax - Delinquent Collections	-	-	(84)	(84)
General Property Tax - Interest and Penalties	7,000	7,000	6,641	(359)
Specific Ownership Tax	349,000	349,000	370,963	21,963
Sales Tax	6,060,000	6,060,000	7,464,708	1,404,708
Total Taxes	9,357,209	9,357,209	10,783,295	1,426,086
Licenses and Permits:				
Advertising	2,000	2,000	2,010	10
Liquor Licenses	3,500	3,500	3,470	(30)
Building Permits	1,100,000	1,100,000	1,880,798	780,798
Septic Permits	50,000	50,000	86,858	36,858
F/S Inspections	91,000	91,000	58,298	(32,702)
Total Licenses and Permits	1,246,500	1,246,500	2,031,434	784,934
Intergovernmental:				
Federal Grants	873,300	873,300	1,003,961	130,661
Payments In-Lieu-Of Taxes	1,250,000	1,250,000	1,402,322	152,322
State Grants and Contracts	1,720,110	1,720,110	1,392,384	(327,726)
Other	31,200	31,200	38,067	6,867
Total Intergovernmental	3,874,610	3,874,610	3,836,734	(37,876)
Charges for Services:				
Departmental Fees	1,176,700	1,176,700	1,558,203	381,503
Public Safety Fees	133,000	133,000	320,810	187,810
Health and Welfare Fees	53,500	53,500	25,214	(28,286)
Total Charges for Services	1,363,200	1,363,200	1,904,227	541,027
Fines and Forfeitures				
Traffic Fines	30,000	30,000	158,026	128,026
Investment Earnings	95,000	95,000	(19,478)	(114,478)
Miscellaneous Revenues:				
Rents and Royalties	192,250	192,250	203,555	11,305
Cost Allocations	32,000	32,000	23,510	(8,490)
Miscellaneous Nonclassified Revenues	925,320	925,320	1,012,896	87,576
Total Miscellaneous Revenues	1,149,570	1,149,570	1,239,961	90,391
TOTAL REVENUES	\$ 17,116,089	\$ 17,116,089	\$ 19,934,199	\$ 2,818,110

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

LOCAL HIGHWAY FINANCE REPORT		City or County:
		Chaffee
		YEAR ENDING :
This Information From The Records Of (example - City of _ or County of _)		Prepared By:
County of Chaffee		Phone:
		Dan Short
		719-530-5596

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Receipts from local sources:	
1. Local highway-user taxes	
a. Motor Fuel (from Item I.A.5.)	
b. Motor Vehicle (from Item I.B.5.)	
c. Total (a.+b.)	
2. General fund appropriations	
3. Other local imposts (from page 2)	79,566
4. Miscellaneous local receipts (from page 2)	981,172
5. Transfers from toll facilities	
6. Proceeds of sale of bonds and notes:	
a. Bonds - Original Issues	
b. Bonds - Refunding Issues	
c. Notes	
d. Total (a. + b. + c.)	0
7. Total (1 through 6)	1,060,738
B. Private Contributions	
C. Receipts from State government (from page 2)	2,239,123
D. Receipts from Federal Government (from page 2)	28,924
E. Total receipts (A.7 + B + C + D)	3,328,785

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway disbursements:	
1. Capital outlay (from page 2)	0
2. Maintenance:	2,437,142
3. Road and street services:	
a. Traffic control operations	46,727
b. Snow and ice removal	194,951
c. Other	
d. Total (a. through c.)	241,678
4. General administration & miscellaneous	24,028
5. Highway law enforcement and safety	
6. Total (1 through 5)	2,702,848
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	0
2. Notes:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	0
3. Total (1.c + 2.c)	0
C. Payments to State for highways	
D. Payments to toll facilities	
E. Total disbursements (A.6 + B.3 + C + D)	2,702,848

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
	1,486,635	3,328,785	2,702,848	0	2,112,572

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT		STATE: Colorado	
		YEAR ENDING : December 2021	

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	59,431	a. Interest on investments	817
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	0
4. Licenses	10,312	f. Charges for Services	0
5. Specific Ownership &/or Other	9,823	g. Other Misc. Receipts (& Transfers In)	980,355
6. Total (1. through 5.)	20,135	h. Other	0
c. Total (a. + b.)	79,566	i. Total (a. through h.)	981,172
	(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	2,079,310	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	0
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	69,915	d. Federal Transit Admin	
d. Other (Specify) - CTB 313 Grant	11,415	e. U.S. Corps of Engineers	
e. Other (Specify) - CR 397 Bridge G	78,483	f. Other Federal (Severance)	28,924
f. Total (a. through e.)	159,813	g. Total (a. through f.)	28,924
4. Total (1. + 2. + 3.f)	2,239,123	3. Total (1. + 2.g)	
			(Carry forward to page 1)

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL			
	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			0
b. Engineering Costs			0
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements			0
(3). System Preservation		0	0
(4). System Enhancement & Operation			0
(5). Total Construction (1) + (2) + (3) + (4)	0	0	0
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	0	0
			(Carry forward to page 1)

Notes and Comments:

SINGLE AUDIT SECTION

CHAFFEE COUNTY, COLORADO

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED DECEMBER 31, 2021

Federal Grantor / Pass Through Grantor / Program Or Cluster Title	Federal CFDA #	Federal Expenditures
<u>U.S. Department of Agriculture</u>		
<i>Passed Through Colorado Dept. of Human Services:</i>		
Food Assistance Administration	10.551	\$ 787
Food Assistance	10.561	133,796
<i>Passed Through Colorado State Treasury:</i>		
Schools and Roads - Grants to States - Sale of Lands and Materials	10.665	1,134
Schools and Roads - Grants to States - National Forest Reserve	10.665	227,572
Total U.S. Department of Agriculture		363,289
<u>U.S. Department of Justice</u>		
<i>Passed Through Colorado Division of Criminal Justice:</i>		
Victims of Crime Act (VOCA)	16.575	13,178
Total U.S. Department of Justice		13,178
<u>U.S. Department of Transportation</u>		
<i>Passed Through Colorado Department of Transportation:</i>		
Highway Planning and Construction	20.205	78,483
Total U.S. Department of Transportation		78,483
<u>National Highway Traffic Safety Administration</u>		
<i>Passed Through Colorado Department of Regulatory Agencies - Public Utilities Commission:</i>		
Next Generation 911 Advancement Act	20.615	10,872
Total National Highway Traffic Safety Administration		10,872
<u>U.S. Department of the Treasury</u>		
<i>Passed Through Colorado Dept. of Local Affairs:</i>		
Coronavirus Relief Fund	21.019	151,510
<i>Passed Through Colorado Department of Human Services:</i>		
Coronavirus Relief Fund	21.019	438
<i>Passed through Colorado Office of Economic Development and international Trade</i>		
Coronavirus Relief Fund - SBDC	21.019	50,135
<i>Direct Award:</i>		
Coronavirus State and Local Fiscal Recovery Funds	21.027	1,019,134
Total U.S. Department of the Treasury		1,221,217
<u>U.S. Small Business Administration</u>		
<i>Passed through Colorado Office of Economic Development and International Trade</i>		
Small Business Development Centers	59.037	83,186
Total U.S. Small Business Administration		83,186

Federal Grantor / Pass Through Grantor / Program Or Cluster Title	Federal CFDA #	Federal Expenditures
<u>U.S. Environmental Protection Agency</u>		
<i>Passed through Colorado Department of Public Health and Environment</i>		
Capitalization Grants for Clean Water	66.458	\$ 14,197
Total U.S. Environmental Protection Agency		<u>14,197</u>
<u>U.S. Department of Health and Human Services</u>		
<i>Direct Award: U.S. Food and Drug Administration</i>		
Advancing Conformance with the Voluntary National Retail Food Regulatory Program Standards	93.103	2,966
<i>Passed Through Colorado Department of Human Services:</i>		
Foster Care Title IV-E, Guardianship Assistance	93.090	1,878
Temporary Assistance for Needy Families (Child Welfare)	93.558	8,765
Temporary Assistance for Needy Families (Non Child Welfare)	93.558	424,543
Title IV D Administrative	93.563	234,628
Low Income Home Energy Assistance (LEAP)	93.568	8,863
CCDF Discretionary	93.575	40,377
CCDF	93.596	40,031
Title IV B Child Welfare	93.645	4,909
Title IV E Foster Care	93.658	195,782
Title IV E Adoption	93.659	7,661
Title XX (Child Welfare)	93.667	44,995
Title XX (Non Child Welfare)	93.667	9,262
Title IV-E Ind. Living	93.674	6,970
Medical Assistance Program, Medicaid Title XIX (Child Welfare)	93.778	12,191
Medical Assistance Program, Medicaid Title XIX (Non Child Welfare)	93.778	203,976
<i>Passed through Colorado Department of Public Health and Environment</i>		
Public Health Emergency Preparedness	93.069	27,488
Environmental Public Health and Emergency Response	93.070	3,652
Grants to States to Support Oral Health Workforce Activities	93.236	27,516
Immunization Cooperative Agreements	93.268	64,565
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	322,371
Partner Actions to Improve Oral Health Outcomes	93.366	38,920
Preventive Health and Health Services Block Grant	93.991	7,107
Maternal and Child Health Services Block Grant	93.994	10,219
<i>Passed through Colorado Department of Health Care Policy and Financing</i>		
Single Entry Point	93.778	105,880
Total U.S. Department of Health and Human Services		<u>1,855,515</u>
<u>U.S. Department of Homeland Security</u>		
<i>Passed Through Colorado Department of Public Safety:</i>		
Emergency Management Performance Grant	97.042	42,000
Pre-Disaster Mitigation Grant	97.047	28,086
Total U.S. Department of Homeland Security		<u>70,086</u>
Total Expenditures of Federal Awards		<u>\$ 3,710,023</u>

CHAFFEE COUNTY, COLORADO

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED DECEMBER 31, 2021

Note 1. General

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Chaffee County under programs of the federal government for the year ended December 31, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Chaffee County, it is not intended to and does not present the financial position, changes in net position, or cash flows of Chaffee County.

Note 2 – Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, whereas certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3 – Indirect Facilities and Administration Costs

The County does not use the 10% de minimis cost rate allowed in §200.414, Indirect (F&A) Costs, of the Uniform Guidance. Instead, the County prepares an annual cost allocation plan to allocate indirect costs.

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Board of County Commissioners
Chaffee County, Colorado
Salida, Colorado

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

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Chaffee County, Colorado, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise Chaffee County, Colorado's basic financial statements, and have issued my report thereon dated April 30, 2022.

Internal Control Over Financial Reporting

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

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

My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during my audit I did not identify any deficiencies in internal control that I

consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

Purpose of this Report

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

Scott Wright

Eagle, Colorado
April 30, 2022

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Salida, Colorado

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

I have audited Chaffee County, Colorado's compliance with the types of compliance requirements described in the *OMB compliance Supplement* that could have a direct and material effect on each Chaffee County, Colorado major federal programs for the year ended December 31, 2021. Chaffee County, Colorado's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In my opinion, Chaffee County, Colorado, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2021.

Basis for Opinion on Each Major Federal Program

I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). My responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of my report.

I am required to be independent of Chaffee County and to meet my other ethical responsibilities, in accordance with relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion on compliance for each major federal program. My audit does not provide a legal determination of Chaffee County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grants applicable to Chaffee County's federal programs.

Auditor's Responsibilities for the Audit of Compliance

My objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Chaffee County's compliance based on my audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Chaffee County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, I:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Chaffee County's compliance with the compliance requirements referred to above and performing such other procedures as I considered necessary in the circumstances.
- Obtain an understanding of Chaffee County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 Chaffee County's internal control over compliance. Accordingly, no such opinion is expressed.

I am required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that I identified during the audit.

Report on 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 combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

My audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of my testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose

Scott Wright

Eagle, Colorado
April 30, 2022

CHAFFEE COUNTY, COLORADO

SCHEDULE OF FINDINGS AND QUESTIONED COSTS YEAR ENDED DECEMBER 31, 2021

A. Summary of Auditor Results

- The auditor's report expresses an unmodified opinion on Chaffee County, Colorado's basic financial statements as of and for the year ended December 31, 2021.
- No reportable conditions relating to the audit of the basic financial statements are reported in the 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*.
- No instances of noncompliance material to the basic financial statements of Chaffee County, Colorado were disclosed during the audit.
- No reportable conditions relating to the audit of the major federal award programs are reported in the Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance with the Uniform Guidance.
- The auditor's report on Compliance for the Major Federal Award Programs for Chaffee County, Colorado expresses an unmodified opinion.
- There are no audit findings relative to the major federal award programs for Chaffee County, Colorado to be reported in Part C of this schedule.
- The program tested as major federal programs were:
 - CFDA 21.027 Coronavirus State and Local Fiscal Recovery Funds
 - CFDA 10.665 Schools and Roads – Grants to States – National Forest Reserve
- The threshold for distinguishing type A and B programs was \$750,000.
- Chaffee County, Colorado was determined to be a low risk auditee.

B. FINDINGS UNDER GENERALLY ACCEPTED GOVERNMENT AUDITING STANDARDS (GAGAS)

- None

C. FINDINGS AND QUESTIONED COSTS UNDER THE UNIFORM GUIDANCE

- None

CHAFFEE COUNTY, COLORADO

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS YEAR ENDED DECEMBER 31, 2021

A. Summary Schedule of Prior Audit Findings

- There were no prior year audit findings and/or questioned costs for the year ended December 31, 2020 for Chaffee County, Colorado.

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