

HINSDALE COUNTY, COLORADO
FINANCIAL STATEMENTS AND REPORT OF
INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

December 31, 2021

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INDEPENDENT AUDITOR'S REPORT

To the City Board of County Commissioners
Hinsdale County, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Hinsdale County, Colorado (the County) 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 our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County, as of December 31, 2021, 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

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 the 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

Our objectives are 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 our 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 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



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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, we:

- 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 the 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 our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are 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 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual nonmajor fund financial statements, additional budgetary schedules as listed in the table of



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Hinsdale County, Colorado
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contents, and the Local Highway Finance Report are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, additional budgetary comparison schedules and the Local Highway Finance Report are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Chadwick, Steinkirchner, Davis & Co., P.C.

Chadwick, Steinkirchner, Davis & Co., P.C.
September 29, 2022

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HINSDALE COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021

This management's discussion and analysis of Hinsdale County financial statements provides an overview of the County's financial activities for the fiscal year ended December 31, 2021. The intent of this discussion and analysis is to look at the County's financial performance as a whole; it should be read in conjunction with the basic financial statements and notes to enhance the reader's understanding of the County's overall financial performance.

USING THE BASIC FINANCIAL STATEMENTS

This annual report consists of four parts—management's discussion and analysis (this section), the basic financial statements, the supplementary information, and the single audit, if applicable. The basic financial statements include two types of information on the same statement that present different views of the County:

- Government-wide financial statements report information on all of the activities of County and its component units, except for County fiduciary activity.
- Fund financial statements of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, deferred inflows, fund equity, revenues, and expenditures or expenses.

Government-wide Statements

The government-wide statements include the Statement of Net Position and the Statement of Activities. The effect of interfund activity has been removed from these statements. Governmental activities, which are normally supported by taxes, charges for services and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on user charges for support.

These two statements, the Statement of Net Position and the Statement of Activities, report the County's net position and changes in it. The County's net position—the difference of assets, liabilities, and deferred inflows—are one way to measure the County's financial health, or financial position. Over time, increases or decreases in the County's net position are one indicator of whether its financial health is improving or deteriorating. Other non-financial factors, however, such as changes in the County's property tax base and the condition of the infrastructure, are needed to assess the overall health of the County.

HINSDALE COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021

Fund Financial Statements

The fund financial statements provide more detailed information about the County's funds, focusing on its most significant funds—not the County as a whole. The County's major governmental funds include the General Fund, the Road and Bridge Fund, and the Sheriff Department Fund.

Governmental funds – The County's activities are reported in twelve governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending in future periods. The funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash.

The Proprietary Fund is accounted for using the accrual basis of accounting as follows:

- Revenues are recognized when earned, and expenses are recognized when the liabilities are incurred.
- Current-year contributions, administrative expenses, and premium payments, which are not received or paid until the subsequent year, are accrued.

Fiduciary Fund Financial Statements consist of the Trust and Agency Funds and are custodial in nature (assets equal liabilities) and do not involve measurement or results of operations.

THE COUNTY AS A WHOLE

Statement of Net Position

The perspective of the Statement of Net Position is of the County as a whole. Following is a summary of the County's net position for the fiscal years 2020 and 2021.

	2020			2021		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Current and Other assets	3,531,768	81,990	3,613,758	3,676,466	139,149	3,815,615
Capital Assets	4,096,947	41,674	4,138,621	4,140,044	35,651	4,175,695
Total Assets	7,628,715	123,664	7,752,379	7,816,510	174,800	7,991,310
Long-Term Liabilities outstanding	23,575	0	23,575	23,575	0	23,575
Other Liabilities	212,995	18,842	231,837	233,248	9,039	242,287
Deferred Inflows: Property Taxes	1,032,903	0	1,032,903	1,057,502	0	1,057,502
Total Liabilities	1,269,473	18,842	1,283,315	1,314,325	9,039	1,323,364
Net Position:						
Net investment in Capital Assets	4,096,947	41,674	4,138,621	4,140,044	35,651	4,175,695
Restricted for TABOR	116,448	0	116,448	124,658	0	124,658
Unrestricted	2,145,847	63,148	2,208,995	2,237,481	130,110	2,367,591
Total Net Position	6,359,242	104,822	6,464,064	6,502,183	165,761	6,667,944

HINSDALE COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021

The County shows a positive balance in net position. The most significant item on the statement of net position is an increase in Capital Assets.

Statement of Activities

The perspective of the Statement of Activities is of the County as a whole. The Statement of Activities reflects the cost of program services and the charges for services and sales, grants and contributions offsetting those services. The following detail reflects the total cost of services supported by program revenues, sales taxes, and general property taxes, as well as other general revenues, resulting in the overall change in net position for the fiscal years 2020 and 2021.

	2020			2021		
REVENUES:	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Program Revenues:						
Charges for Services	535,137	216,600	751,737	534,899	234,769	769,668
Grants & Contributions	670,879	0	670,879	1,006,388	0	1,006,388
General Revenues:						
Taxes	2,649,202	0	2,649,202	2,861,908	0	2,861,809
Interest & Other Revenue	1,515,387	0	1,515,387	28,395	0	28,395
Total Revenues	5,370,605	216,600	5,587,205	4,413,590		4,413,590
EXPENSES:						
General Government	1,550,983	0	1,550,983	1,735,898	0	1,735,898
Public Safety	477,238	0	477,238	587,583	0	587,583
Health & Welfare	350,511	0	350,511	344,209	0	344,209
Highways & Streets	1,515,470	0	1,515,470	1,526,315	0	1,526,315
Culture & Recreation	57,894	0	57,894	89,645	0	89,645
Transfer Station/Recreation		200,176	200,176		178,829	178,829
Interest Expense	0	0	0	0	0	0
Total Expenses	3,952,096	200,176	4,152,272	4,283,650	178,829	4,462,479
Increase (Decrease) in net position:	1,418,509	16,424	1,434,933	142,941	60,940	203,8814
Net Position January 1	4,940,733	88,398	5,029,131	6,359,242	104,821	6,464,063
Prior Period Adj	0	0	0			
Net Position January 1 restated	4,940,733	88,398	5,029,131	6,359,242	104,821	6,464,063
Net Position December 31	6,359,342	104,822	6,464,064	6,502,183	165,761	6,667,944

The County's primary sources of revenue are from taxes and grants. These revenues are used to pay the cost of the general government and capital asset improvements.

The County operated at an increase in net position for governmental activities in 2021.

HINSDALE COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021

The County's Major Funds

The County's procedures in establishing budgetary data reflected in the financial statements are summarized in Note B of the financial statements. An amended budget was adopted by the County during the fiscal year 2021.

General Fund Budgetary Highlights

General Fund Resources (Inflows)

The County's final revenues in the amount of \$2,749,900 were lower than the budget expectations of \$3,245,737 by \$495,837 due to the revenue "is net of the amounts passed through to other entities including the Town." Hinsdale County did not receive any Federal Leasing funds in 2021. The Water Grant was also pushed to 2022.

General Fund Charges to Appropriations (Outflows)

The County's final expenditures of \$2,450,858 is less than the appropriated budget of \$3,059,585 by \$608,727 due to expenditures are "net of the amounts passed through to other entities including the Town". Administrative and courthouse offices expenditures were down as well.

Road and Bridge Budgetary Highlights

Road and Bridge Fund Resources (Inflows)

The County's final revenues in the amount of \$1,335,080 were more than the budget expectations of \$1,276,560 by \$58,520 mainly due to an increase in donations, HUTF and sales of materials.

Road and Bridge Fund Resources (Outflows)

The County's final expenditures in the amount of \$1,520,294 was more than the budget expectations of \$1,492,460 by \$27,834 mostly due to an increase in fuel costs.

Sheriff Fund Budgetary Highlights

Sheriff Fund Resources (Inflows)

The County's final revenues in the amount of \$187,599 were more than the budget expectations of \$177,724 by \$9,875 due to a Search and Rescue grant.

Sheriff Fund Resources (Outflows)

The County's final expenditures of \$572,837 were less than the budget expectations of \$615,793 by \$42,956 due to the prisoner expenses not being used, but budgeted for. The payroll was also down due to deputy position not being filled.

HINSDALE COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021

CAPITAL ASSETS

At the end of 2021, the County had a total \$4,140,044 invested in capital assets of governmental activities. The amount of capital assets for business-type activities totalled \$35,651 after accumulated depreciation. See Note E Capital Assets.

LONG-TERM DEBT

The balance of Long-Term Debt at the end of 2021 is \$97,426 in Compensated balances.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our residents, customers, taxpayers, investors, and creditors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have any questions regarding this report or need additional financial information, please contact:

HINSDALE COUNTY
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Hinsdale County, Colorado

Statement of Net Position

December 31, 2021

	Primary Government		Total	Component Unit
	Governmental Activities	Business-Type Activities		Silver Thread
Assets				
Current Assets:				
Cash and investments	\$ 2,271,785	\$ 135,295	\$ 2,407,080	\$ 438,980
Accounts receivable	254,639	3,854	258,493	-
Intergovernmental receivable	-	-	-	215,874
Interfund receivable (payable)	-	-	-	-
Property taxes receivable	1,057,502	-	1,057,502	-
Inventories	92,540	-	92,540	-
Total current assets	3,676,466	139,149	3,815,615	654,854
Noncurrent Assets				
Capital assets:				
Land	2,307,400	6,327	2,313,727	-
Buildings	2,439,887	-	2,439,887	-
Machinery and equipment	2,661,496	287,000	2,948,496	-
Vehicles	1,255,369	-	1,255,369	-
Less accumulated depreciation	(4,524,108)	(257,676)	(4,781,784)	-
Total noncurrent assets	4,140,044	35,651	4,175,695	-
Total Assets	7,816,510	174,800	7,991,310	654,854
Liabilities				
Current Liabilities				
Accounts payable	154,623	2,439	157,062	3,614
Accrued liabilities	4,774	-	4,774	-
Deposits payable	-	6,600	6,600	-
Unearned grant revenue	-	-	-	-
Compensated absences	73,851	-	73,851	-
Total current liabilities	233,248	9,039	242,287	3,614
Noncurrent liabilities				
Compensated absences	23,575	-	23,575	-
Total noncurrent liabilities	23,575	-	23,575	-
Total Liabilities	256,823	9,039	265,862	3,614
Deferred inflows				
Property taxes	1,057,502	-	1,057,502	-
Net Position				
Investment in capital assets	4,140,044	35,651	4,175,695	-
Restricted for :				
TABOR	124,658	-	124,658	14,627
Unrestricted	2,237,481	130,110	2,367,591	636,613
Total Net Position	\$ 6,502,183	\$ 165,761	\$ 6,667,944	\$ 651,240

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

Hinsdale County, Colorado
Statement of Activities
For the year ended December 31, 2021

					Net (Expense) Revenue and Changes in Net Position			
Program Revenues					Primary Government			Component Unit
Functions/Programs	Expenses	Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Governmental Activities	Business-Type Activities	TOTAL	Silver Thread
Primary Government:								
Governmental Activities:								
General government	\$ 1,735,898	\$ 166,117	\$ 301,308	\$ 30,622	\$ (1,237,851)	\$ -	\$ (1,237,851)	\$ -
Public safety	587,583	121,776	87,249	-	(378,558)	-	(378,558)	-
Health and welfare	344,209	84,980	93,081	173,594	7,446	-	7,446	-
Highways and streets	1,526,315	162,026	289,801	-	(1,074,488)	-	(1,074,488)	-
Culture and recreation	89,645	-	10,042	15,691	(63,912)	-	(63,912)	-
Total Governmental Activities	4,283,650	534,899	781,481	219,907	(2,747,363)	-	(2,747,363)	-
Business-Type Activities								
Recreation	16,265	47,235	-	-	-	30,970	30,970	-
Transfer station	162,564	187,534	5,000	-	-	29,970	29,970	-
Total Business-Type Activities	178,829	234,769	5,000	-	-	60,940	60,940	-
Total Primary Government	\$ 4,462,479	\$ 769,668	\$ 786,481	\$ 219,907	(2,747,363)	60,940	(2,686,423)	-
Component unit								
Public Health	\$ 711,675	\$ 130,988	\$ 684,570	\$ -				103,883
General Revenues:								
Taxes:								
					1,051,410	-	1,051,410	-
					93,995	-	93,995	-
					623,538	-	623,538	-
					811,998	-	811,998	-
					280,968	-	280,968	-
					27,205	-	27,205	-
					(26)	-	(26)	-
					1,216	-	1,216	-
					2,890,304	-	2,890,304	-
					142,941	60,940	203,881	103,883
					6,359,242	104,821	6,464,063	547,357
					\$ 6,502,183	\$ 165,761	\$ 6,667,944	\$ 651,240

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

Hinsdale County, Colorado

Balance Sheet
Governmental Funds

December 31, 2021

	General Fund	Road and Bridge Fund	Other Governmental Funds	Total Governmental Funds
Assets				
Cash and investments	\$ 1,944,664	\$ 177,508	\$ 187,563	\$ 2,309,735
Accounts receivable	201,149	53,490	-	254,639
Intergovernmental receivable	-	-	-	-
Property taxes receivable	983,585	57,172	16,745	1,057,502
Due from other funds	56,458	-	-	56,458
Inventory	20,899	71,641	-	92,540
Total assets	3,206,755	359,811	204,308	3,770,874
Liabilities				
Accounts payable	124,684	14,961	14,978	154,623
Accrued liabilities	4,774	-	-	4,774
Unearned revenue	-	-	-	-
Due to pooled cash	-	-	37,950	37,950
Due to other funds	-	-	56,458	56,458
Total liabilities	129,458	14,961	109,386	253,805
Deferred inflows				
Property taxes	983,585	57,172	16,745	1,057,502
Fund balance				
Non-spendable				
Inventory	20,899	71,641	-	92,540
Restricted				
TABOR emergency reserve	124,658	-	-	124,658
Human services	-	-	-	-
Marketing and advertising	-	-	2,466	2,466
Open space	19,077	-	18,074	37,151
Retirement	63,350	-	-	63,350
Snow grooming	-	-	17,804	17,804
Schools and roads	-	-	28,985	28,985
Road maintenance and construction	-	216,037	-	216,037
Public safety	346,045	-	-	346,045
Assigned				
Capital purchases	-	-	54,663	54,663
Unassigned	1,519,682	-	(43,815)	1,475,867
Total fund balance	\$ 2,093,711	\$ 287,678	\$ 78,177	\$ 2,459,566

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

Hinsdale County, Colorado

Reconciliation of Governmental Fund Balance to
The Statement of Net Position

December 31, 2021

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

Total fund balance - governmental funds	\$ 2,459,566
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Capital assets used in governmental activities are not current financial resources and therefore, are not reported in the funds

Cost	\$ 8,664,152	
Accumulated depreciation	<u>(4,524,108)</u>	4,140,044

Long-term liabilities including leases payable and compensated absences are not due and payable in the current period and therefore are not reported in the funds.

Compensated absences	<u>(97,426)</u>
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Total government wide activities net position	<u><u>\$ 6,502,184</u></u>
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The accompanying footnotes are an integral part of these financial statements.

Hinsdale County, Colorado

Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds

For the year ended December 31, 2021

	General Fund	Road and Bridge Fund	Other Governmental Funds	Total Governmental Funds
Revenues				
Taxes	\$ 1,689,704	\$ 881,159	\$ 132,583	\$ 2,703,446
Intergovernmental revenue	715,191	280,634	209,574	1,205,399
Licenses and permits	30,533	-	-	30,533
Interest on investments	1,638	-	-	1,638
Charges for services	256,498	120,293	-	376,791
Reimbursement	39,895	83	-	39,978
Miscellaneous	16,441	52,911	55	69,407
Total Revenues	<u>2,749,900</u>	<u>1,335,080</u>	<u>342,212</u>	<u>4,427,192</u>
Expenditures				
Current expenditures				
General government	1,639,381	-	-	1,639,381
EMS services	238,640	-	-	238,640
Public safety	572,837	-	-	572,837
Health and welfare	-	-	54,056	54,056
Highways and streets	-	1,455,898	-	1,455,898
Culture and recreation	-	-	89,645	89,645
Capital outlay	-	64,396	197,994	262,390
Total Expenditures	<u>2,450,858</u>	<u>1,520,294</u>	<u>341,695</u>	<u>4,312,847</u>
Excess (deficiency) of revenue over expenditures	<u>299,042</u>	<u>(185,214)</u>	<u>517</u>	<u>114,345</u>
Other financing sources (uses)				
Transfer in	-	-	47,000	47,000
Transfer out	9,500	-	(56,500)	(47,000)
Total other financing sources (uses)	<u>9,500</u>	<u>-</u>	<u>(9,500)</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	308,542	(185,214)	(8,983)	114,345
Fund balance at beginning of year	<u>1,785,169</u>	<u>472,892</u>	<u>87,160</u>	<u>2,345,221</u>
Fund balance at end of year	<u>\$ 2,093,711</u>	<u>\$ 287,678</u>	<u>\$ 78,177</u>	<u>\$ 2,459,566</u>

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

Hinsdale County, Colorado

Reconciliation of the Statement of Revenues, Expenditures
And Changes in Fund Balances of the Governmental Funds
To the Statement of Activities

For the year ended December 31, 2021

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

Net change in fund balances - total governmental funds	\$ 114,345
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Governmental funds report capital outlays as expenditures. However, in the
statement of activities the cost of those assets is allocated over their estimated
useful lives and reported as depreciation expense.

Capital outlays	\$ 253,021	
Depreciation expense	<u>(209,924)</u>	43,097

Accrued liabilities for employees compensation benefits are considered long-term
liabilities and as such are not recognized in the funds but are recognized in the
government-wide financial statements.

Increase in compensated absences	<u>(14,501)</u>
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Change in net position of governmental activities	<u><u>\$ 142,941</u></u>
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The accompanying footnotes are an integral part of these financial statements.

Hinsdale County, Colorado

Statement of Net Position
Proprietary Funds

December 31, 2021

	Business-type Activities - Enterprise Funds		
	Transfer Station Fund	Recreation Fund	Total
Assets			
Cash and cash equivalents	\$ 34,184	\$ 101,111	\$ 135,295
Accounts receivable	3,854	-	3,854
Land	291	6,036	6,327
Machinery and equipment	236,633	50,367	287,000
Accumulated depreciation	(216,948)	(40,728)	(257,676)
Total Assets	<u>58,014</u>	<u>116,786</u>	<u>174,800</u>
Liabilities			
Accounts payable	2,423	16	2,439
Deposits payable	6,600	-	6,600
Total Liabilities	<u>9,023</u>	<u>16</u>	<u>9,039</u>
Net Position			
Unrestricted	48,991	116,770	165,761
Total Net Position	<u>\$ 48,991</u>	<u>\$ 116,770</u>	<u>\$ 165,761</u>

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

Hinsdale County, Colorado

Statement of Revenue, Expenses and Changes in Fund Net Position
Proprietary Funds

For the year ended December 31, 2021

	Transfer Station Fund	Recreation Fund	Total Current Year
Operating revenues			
Intergovernmental	\$ 5,000	\$ -	\$ 5,000
Disposal fees	187,534	-	187,534
Campground fees	-	47,235	47,235
Total operating revenues	<u>192,534</u>	<u>47,235</u>	<u>239,769</u>
Operating expenses			
Payroll expenses	29,561	(1)	29,560
Insurance	1,263	271	1,534
Sanitation and maintenance expenses	118,262	14,817	133,079
Supplies	2,038	3,123	5,161
Depreciation	8,432	(2,409)	6,023
Miscellaneous	3,008	464	3,472
Total operating expenses	<u>162,564</u>	<u>16,265</u>	<u>178,829</u>
Increase (decrease) in net position	29,970	30,970	60,940
Net position at beginning of year	19,021	85,800	104,821
Net position at end of year	<u>\$ 48,991</u>	<u>\$ 116,770</u>	<u>\$ 165,761</u>

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

Hinsdale County, Colorado

Statement of Cash Flows
Proprietary Funds

For the year ended December 31, 2021

	Transfer Station Fund	Recreation Fund	Total
Cash flows from operating activities			
Cash received from customers	\$ 187,361	\$ 47,234	\$ 234,595
Cash payments to suppliers for goods and services	(128,297)	(18,658)	(146,955)
Cash payments to employees for services	(28,024)	-	(28,024)
Net cash provided (used) by operating activities	31,040	28,576	59,616
Net increase (decrease) in cash and cash equivalents	31,040	28,576	59,616
Cash and cash equivalents, beginning of year	3,144	72,535	75,679
Cash and cash equivalents, end of year	<u>\$ 34,184</u>	<u>\$ 101,111</u>	<u>\$ 135,295</u>
Reconciliation of operating income (loss) to net cash			
Provided (used) by operating activities:			
Income (loss) from operations	\$ 29,970	\$ 30,969	\$ 60,939
Adjustments to reconcile income (loss) from operations			
to net cash provided (used) by operating activities:			
Depreciation	8,431	(2,409)	6,022
(Increase) decrease in accounts receivable	(5,872)	-	(5,872)
Increase (decrease) in deposits payable	700	-	700
(Increase) decrease in prepaid expenses	-	-	-
Increase (decrease) in accounts payable	(2,189)	16	(2,173)
Net cash provided (used) by operating activities	<u>\$ 31,040</u>	<u>\$ 28,576</u>	<u>\$ 59,616</u>

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

Hinsdale County, Colorado

Statement of Fiduciary Net Position
Fiduciary Funds

December 31, 2021

	Custodial Funds
Cash and cash equivalents	100,351
Due from other governments	155,649
Total assets	256,000
Due to other governments	172,169
Total liabilities	172,169
Net position, restricted for other governments	\$ 83,831

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

Hinsdale County, Colorado

Statement of Changes in Net Position
Fiduciary Funds

December 31, 2021

	Custodial Funds
Additions:	
Collections for other governments	\$ 2,176,301
Public Trustee Activity	3,152
Total additions	<u>2,179,453</u>
Disbursements:	
Disbursements to other governments	2,226,576
Public Trustee expense	2,946
Total disbursements	<u>2,229,522</u>
Change in net position	(50,069)
Beginning net position	<u>133,900</u>
Ending net position	<u>\$ 83,831</u>

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

Silver Thread Public Health District

Balance Sheet
General Fund

December 31, 2021

Assets	
Cash and investments	\$ 438,980
Accounts receivable	215,874
Total assets	654,854
Liabilities	
Accounts payable	3,614
Total liabilities	3,614
Fund balance	
Restricted	
TABOR emergency reserve	14,627
Unassigned	636,613
Total fund balance	\$ 651,240

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

Silver Thread Public Health District

Statement of Revenues, Expenditures and Changes in Fund Balance - General Fund

For the year ended December 31, 2021

Revenues	
Intergovernmental revenue	\$ 617,900
Charges for services	130,988
Miscellaneous	<u>66,670</u>
Total Revenues	<u>815,558</u>
Expenditures	
Current expenditures	
Public Health	<u>711,675</u>
Total Expenditures	<u>711,675</u>
Excess (deficiency) of revenue over expenditures	<u>103,883</u>
Fund balance at beginning of year	<u>547,357</u>
Fund balance at end of year	<u><u>\$ 651,240</u></u>

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

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of the County reflected in the accompanying financial statements conform to accounting principles generally accepted in the United States of America applicable to state and local governments. Accounting principles generally accepted in the United States of America for local governments are those promulgated by the Governmental Accounting Standards Board (GASB) in *Government Accounting and Financial Reporting Standards*.

1. Reporting Entity

Primary Government

The County is a political subdivision organized under the statutes of the State of Colorado. The County is governed by a three-member elected Board of County Commissioners (the Board). There are also five other elected officials – assessor, clerk and recorder, sheriff, district attorney, and treasurer. The treasurer is also the County Public Trustee. The County provides a wide range of services to its residents including public safety, highways and streets, parks and open spaces, health and social services, public improvements, planning, zoning, and general administration.

Component Unit

Silver Thread Public Health District (the “District”) was formed in 2016 to provide health information, programs, services, and resources to the residents and visitors of Hinsdale and Mineral Counties. The District is governed by a 5 member board appointed by a committee composed of one commissioner from each of the counties comprising the District. The District is funded through contributions from each of the counties it serves as well as through grants from federal, state and local sources, and through user fees. Hinsdale County provides the District’s facilities, and performs all financial accounting and reporting functions for the District. The County handles all payroll for the District’s employees and its employees participate in the County’s benefit programs. Due to the integration of Silver Thread’s accounting systems, people, and assets with Hinsdale County, management determined that it should be reported as a discretely presented component unit of the County. The District follows the accounting policies of Hinsdale County.

2. Government-Wide Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. Government-wide statements report information on all of the activities of the County and its component units, except for County fiduciary activity. The effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes, charges for services and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on user charges for support.

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES- CONTINUED

The statement of activities reflects the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include:

- Charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and
- Grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segments. Taxes and other items not properly included in program revenues are reported as general revenues.

3. Fund Financial Statements

The accounts of the County are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows, liabilities, deferred inflows, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to, and accounted for, in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

All governmental funds are accounted for on a flow of current financial resources basis. Balance sheets for these funds generally include only current assets, current liabilities, and appropriate deferred inflows. Reported fund balances are considered a measure of available, spendable resources. Operating statements for these funds present a summary of available, spendable resources and expenditures for the period.

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

The County reports the following major governmental funds:

- The General Fund is the general operating fund of the County. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. Principal sources of revenues for this fund are property taxes, licenses and permits, intergovernmental assistance, and charges for services. Primary expenditures are for functions related to public safety, planning and zoning, property valuation, tax collection, vehicle licensing, document recording, and other County administrative functions. The general fund is reported with the EMS, Sheriff and Retirement sub-funds.

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES- CONTINUED

- The Road and Bridge Fund is a special revenue fund used to account for the maintenance and improvements of streets and highways. The sources of funds include property taxes, highway user fees, and PILT money. By state law, Colorado counties are required to establish a Road and Bridge Fund with a portion of any property taxes assessed for this purpose to be allocated to cities and towns located within that county.

The County also reports six nonmajor governmental funds. These include one capital fund that accumulates resources for ambulance replacements and five special revenues funds, each of which has a restricted revenue sources that is used to fund the purpose of the fund. The special revenue funds are used to account for revenues and expenditures related to human services, tourism, conservation, wildfire prevention, and snow grooming.

The Proprietary Funds are accounted for using the accrual basis of accounting which means that revenues are recognized when earned, and expenses are recognized when the liabilities are incurred. The proprietary funds recognize all long-term liabilities and assets.

Fiduciary Fund Financial Statements consist of the Trust and Agency Fund established to record transactions relating to assets held by the County in a trustee capacity or as an agent for individuals, governmental entities, and non-public organizations. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement or results of operations.

4. Measurement Focus and Basis of Accounting

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

The modified accrual basis of accounting is used by all governmental funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). “Measurable” means the amount of the transaction can be determined. “Available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred. Exceptions to this general rule include: (1) principal and interest on general long-term debt, which is recognized when due and (2) compensated absences, which are recognized when the obligations are expected to be liquidated with expendable available resources.

Those revenues susceptible to accrual are interest revenue and charges for services. Entitlement revenues are not susceptible to accrual because, generally, they are not measurable until received. Grant revenues are recognized as they are earned.

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES- CONTINUED

5. Assets, Liabilities, and Net Position or Equity

Cash

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

Investments

Investments are stated at fair value based on quoted market values, with the exception of money market funds and external investments pools, which are stated at cost, which is equal to fair value.

Property Taxes

Property taxes are levied on January 1 based on assessed valuation as of the previous January 1 when an enforceable lien is placed on the property. Property taxes payable in the following year are reported as a receivable on December 31. All current taxes receivable are offset by the full amount of the deferred inflow of property taxes. Taxes are payable in full by April 30, or in two equal installments due February 28 and June 15.

Receivables

General receivables are reported at gross unless management has determined that there is a significant amount that will not be collected. The majority of the receivables balance relates to intergovernmental payments for grant reimbursements and receivables for user fees related to EMT services.

Allowance for doubtful accounts

The allowance for doubtful accounts is based on the expected collectability of current receivable based on actual historical experience.

Inter-fund transactions

There are transactions between funds that are treated as revenues and expenditures if the services provided are reasonably equivalent in value to the amount paid. Transactions that constitute reimbursement of a fund for expenditures initially made from that fund, which are properly applicable to another fund, are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other inter-fund transactions are reported as transfers. Outstanding balances between funds at the end of the year are reported as due to/from other funds.

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES- CONTINUED**5. Assets, Liabilities, and Net Position or Equity - continued***Inventories and Prepaid Items*

Inventory is valued at cost (first-in, first-out). Inventory in the Special Revenue Funds consists of expendable supplies held for use. Reported inventories are reported as non-spendable fund balance, which indicates that they do not constitute “available spendable resources” even though they are a component of net current assets. Inventory policy on government-wide statements is consistent with fund statements.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The expenditures will be recognized using the consumption method in the period that they benefit.

Capital Assets

Capital assets, which include land, buildings and improvements, equipment, construction in progress, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental activities columns in the Government-wide Financial Statements. The County defines capital assets as assets with an initial, individual cost of more than \$5,000 and a life of more than one year. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at their estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Building	40
Furniture & Fixtures	7
General Equipment	10
Vehicles	3-5

Long-Term Obligations

Long-term debt and other long-term obligations are recorded as liabilities in the Government-wide Financial Statements. In the fund financial statements for governmental fund types, debt proceeds are reported as another financing source. The County does not have any long-term debt at December 31, 2021.

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES- CONTINUED

5. Assets, Liabilities, and Net Position or Equity - continued

Compensated Absences

County policy allows employees to accumulate unused vacation and sick leave up to certain maximum hours. Retiring employees are paid 100% of unused vacation up to 240 hours, but are not paid for unused sick leave. The County has recorded the accrued liability for the accumulated vacation time as compensated absences in the accompanying financial statements.

Unearned Revenue

Revenues on grants, which are restricted by the grant document for specific purposes, are recognized as revenue only after eligible grant costs have been incurred. Grant funds received in excess of grant expenditures are recorded as unearned revenues.

Deferred inflows

Deferred inflows of resources represents an acquisition of net position of fund balance that applies to future periods and will not be recognized as an inflow of resources as revenue until applicable. Hinsdale County records property taxes receivable as of December 31 for the subsequent year's tax levy but because this acquisition of net position or fund balance applies to a future period it is offset by a deferred inflow of resources.

Fund Equity

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

Non-spendable fund balance – The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid expense and inventory), or is legally or contractually required to be maintained intact.

Restricted fund balance – The portion of fund balance constrained to being used for a specific purpose by external parties (such as grantors or bondholders), constitutional provisions or enabling legislation.

Committed fund balance – The portion of fund balance constrained for specific purposes according to resolution passed by the County's highest level of decision making authority, the Board of County Commissioners, prior to the end of the current fiscal year. The constraint may be removed or changed only through resolution by the Board of County Commissioners. Commitments are created through adoption and subsequent amendment of the budget.

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES- CONTINUED**5. Assets, Liabilities, and Net Position or Equity - continued**

Assigned fund balance – The portion of fund balance set aside for planned or intended purposes. The intended use may be expressed by the Board of County Commissioners or other individuals authorized to assign funds to be used for a specific purpose.

Unassigned fund balance – The residual portion of fund balance that does not meet any of the above criteria. The general fund is the only fund that reports a positive unassigned fund balance.

If both restricted and unrestricted amounts of fund balance are available for use when an expenditure is incurred, it is County policy to use restricted amounts first. Unrestricted fund balance will be used in the following order; committed, assigned and unassigned.

Use of Estimates

The preparation of the financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

NOTE B - CASH, DEPOSITS, AND INVESTMENTS

A summary of cash and investments as of December 31, 2021 follows:

Petty cash	\$ 1,625
Cash deposits	397,473
Investments	<u>2,638,417</u>
Total cash and investments	<u>\$ 3,037,516</u>

Cash and investments are reported in the financial statements as follows:

Pooled cash and investments	\$ 2,407,080
Agency cash and investments	<u>100,351</u>
Total county cash and investments	<u>2,507,431</u>
Silver Thread Public Health District	
Pooled cash and investments	<u>438,980</u>
Total pooled cash and investments	<u>\$ 3,037,516</u>

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

NOTE B - CASH, DEPOSITS, AND INVESTMENTS – CONTINUED

1. Cash Deposits

Colorado State Statutes govern the County's deposits of cash. The statutes specify eligible depositories for public cash deposits, which must be Colorado institutions and must maintain federal insurance (FDIC) on deposits held.

The Colorado Public Deposit Protections Act (PDPA) requires that all units of local government deposit cash in eligible public depositories determined by state regulators. Eligibility is determined by state regulations. Amounts on deposits in excess of federal insurance levels must be collateralized in accordance with the PDPA. PDPA allows the institution to create a single collateral pool for all public funds to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least 102% of the aggregate uninsured deposits.

Custodial Credit Risk- Deposits

Custodial credit risk is the risk that in the event of the failure of a depository institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. At December 31, 2021, the County had bank deposits totaling \$552,065, of this, \$500,000 was covered by FDIC. The remaining balance of \$85,461 was covered by PDPA.

2. Investments

The County's investments are subject to interest rate, credit risk, and concentration of credit risk.

The types of investments which are authorized to be made with County funds are controlled by state statute and the investment policies of the County. Colorado statutes and the County's investment policies specify investment instruments meeting defined rating and risk criteria in which the County may invest:

- Obligations of the United States and certain U.S. Government agency securities
- Certain international agency securities
- General obligation and revenue bonds of U.S. local government entities
- Bankers' acceptances of certain banks
- Commercial paper
- Local government investment pools
- Repurchase agreements
- Money market funds
- Guaranteed investment contracts
- Corporate or bank debt issued by eligible corporations or banks

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

NOTE B - CASH, DEPOSITS, AND INVESTMENTS – CONTINUED

2. Investments - continued

Credit Risk

The County's investment policy calls for investment diversification within the portfolio to avoid unreasonable risk inherent in over investing in specific instruments, individual financial institutions or maturities. The County's investment policy allows for the County to invest in local government investment pools. As of December 31, 2021, the local government investment pools (ColoTrust and CSAFE) in which the County had invested, were rated AAAM by Standard & Poor's.

Interest Rate Risk

Colorado Revised Statutes limit investment maturities to five years or less from date of purchase. This limit on investment maturities is a means of limiting exposure to fair values arising from increasing interest rates. The County has no investments with maturities past five years.

The County is invested in Colorado Government Liquid Asset Trust (COLOTRUST), and the Colorado Surplus Asset Fund Trust (CSAFE).

COLOTRUST reports its underlying investments at fair value, CSAFE reports its underlying investments at amortized cost. Both pools are similar to money market funds, with each share valued at \$1, though this is not guaranteed. The investment pools are routinely monitored by the Colorado Division of Securities with regard to operations and investments. Investments consist of U.S. Treasury bills, notes and note strips, U.S. government agency securities, highly-rated commercial paper and corporate bonds, bank deposits, AAA money market mutual funds, and repurchase agreements collateralized by U.S. Treasury notes. The designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions of each pooled investment. All securities owned by each pooled investment are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by each pool investor. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period.

Hinsdale County, Colorado

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

NOTE D – INTER-FUND ACTIVITY

The County reports inter-fund balances between many of its funds. The balances resulted from the time lag between the dates that (1) inter-fund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. Inter-fund balances are generally expected to be repaid within one year of the financial statement date. Inter-fund transfers for the year ended December 31, 2021 are as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 15,800	\$ –
Title III	–	25,000
Lodging Tax Fund	–	37,800
Ambulance Fund	3,000	–
Human Services Fund	44,000	–
	<u>\$ 62,800</u>	<u>\$ 62,800</u>

NOTE E – CAPITAL ASSETS

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

	<u>Balance December 31, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance December 31, 2021</u>
GOVERNMENT ACTIVITIES				
Capital assets not being depreciated:				
Land	\$ 2,307,400	\$ –	\$ –	\$ 2,307,400
Construction in progress	32,530	–	(32,530)	–
Total capital assets not being depreciated	<u>2,339,930</u>	<u>–</u>	<u>(32,530)</u>	<u>2,307,400</u>
Capital assets being depreciated:				
Buildings and Improvements	2,407,357	32,530	–	2,439,887
Machinery and Equipment	2,606,469	55,027	–	2,661,496
Vehicles	1,057,375	197,994	–	1,255,369
Total capital assets being depreciated	<u>6,071,201</u>	<u>285,551</u>	<u>–</u>	<u>6,356,752</u>
Less accumulated depreciation:				
Buildings	(1,421,209)	(43,372)	–	(1,464,581)
Machinery and Equipment	(2,149,681)	(78,550)	–	(2,228,231)
Vehicles	(743,294)	(88,002)	–	(831,296)
Total accumulated depreciation	<u>(4,314,184)</u>	<u>(209,924)</u>	<u>–</u>	<u>(4,524,108)</u>
Total Capital Assets being depreciated, net	<u>1,757,017</u>	<u>75,627</u>	<u>–</u>	<u>1,832,644</u>
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	<u>\$ 4,096,947</u>	<u>\$ 75,627</u>	<u>\$ (32,530)</u>	<u>\$ 4,140,044</u>

Hinsdale County, Colorado

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

NOTE E – CAPITAL ASSETS – CONTINUED

BUSINESS- TYPE ACTIVITIES

Capital assets not be depreciated

Land	\$ 6,327	\$ –	\$ –	\$ 6,327
Total capital assets not be depreciated	<u>6,327</u>	<u>–</u>	<u>–</u>	<u>6,327</u>

Capital assets being depreciated

Equipment	<u>287,000</u>	<u>–</u>	<u>–</u>	<u>287,000</u>
Total capital assets being depreciated	<u>287,000</u>	<u>–</u>	<u>–</u>	<u>287,000</u>

Less accumulated depreciation:

Equipment	<u>(246,835)</u>	<u>(10,841)</u>	<u>–</u>	<u>(257,676)</u>
Capital assets being depreciated, net	<u>40,165</u>	<u>(10,841)</u>	<u>–</u>	<u>29,324</u>

BUSINESS- TYPE ACTIVITIES

CAPITAL ASSETS, NET	<u>\$ 46,492</u>	<u>\$ (10,841)</u>	<u>\$ –</u>	<u>\$ 35,651</u>
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Depreciation expense was charged to functions/ programs of the primary government as follows:

Governmental Activities:

General Government	\$ 72,647
Public Safety	15,347
Health and Welfare	51,513
Highways and Streets	<u>70,417</u>
Total depreciation expense – governmental activities	<u>\$ 209,924</u>

NOTE F – LONG- TERM LIABILITIES

Long- term liability balances for the year ended December 31, 2021 were as follows:

	Balance December 31, 2020	Additions	Deletions	Balance December 31, 2021	Due Within One Year
Governmental Activities:					
Compensated Absences	\$ 82,926	\$ 14,500	\$ –	\$ 97,426	\$ 54,378
Total Governmental Activities					
Long-term Liabilities	<u>\$ 82,926</u>	<u>\$ 14,500</u>	<u>\$ –</u>	<u>\$ 97,426</u>	<u>\$ 54,378</u>

NOTE G – RETIREMENT

Pension Plans

The County is a member of the Colorado Retirement Association (CRA) which offers a defined contribution pension plan 401(a), and a Section 457 deferred compensation plan. CRA was organized in 1966 pursuant to state statutes, and includes counties, municipalities and special districts.

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

NOTE G – RETIREMENT – CONTINUED

Required contributions are established by the governing board of the Association.

Defined Contribution Pension Plan

Under a defined contribution pension plan, the benefits a participant receives depend solely on the amount contributed to the participant's account plus the returns earned on investments of those contributions.

Participation is mandatory for all employees after one year of employment. Eligible employees contribute four percent (4%) of their base pay which is matched by the County. The plan has a five (5) year vesting period and is distributed upon the employee's termination or retirement. Two (2) additional voluntary plans are also offered. One plan provides for contributions up to ten percent (10%) of an employee's base pay while the other plan provides for deferred compensation in which the employee may tax shelter up to nineteen percent (19%) of their base pay.

During the year, the County's required and actual contributions amounted to \$63,512 which was four percent (4%) of its current year covered payroll of \$1,587,800. The County's total payroll for 2021 was \$1,794,768.

Deferred Compensation Plan

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all County employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are to be held in trust for the exclusive benefit of the plan participants and their beneficiaries.

The accrual basis of accounting is used for the plan. Revenues are recognized when earned and expenditures are recognized when incurred. Investments are recorded at market value.

The County has no liability for losses under the plan but does have the duty of due care what would be required of an ordinary prudent investor. The County does not administer the plan and is not the Trustee of the plan.

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

NOTE H – TABOR AMENDMENT RESERVE

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments. The amendment is complex and subject to judicial interpretation. The County believes it is in compliance with the requirements of the amendment.

Fiscal year spending and revenue limits are determined based on the prior year's spending adjusted for inflation and local growth. The voters of the County have approved a measure that allows the County to retain and spend revenue in excess of the limit.

The amendment also requires that Emergency Reserves be established. These reserves must be at least 3 percent of fiscal year spending. The Emergency Reserve has been presented as restricted fund balance in the General fund. The County is not allowed to use the Emergency Reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

NOTE I – RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft or, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance.

The County mitigates risk through the following self- insurance pools:

The County is exposed to various risks of loss related to property and casualty losses. The County joined together with other counties in the State of Colorado to form the Colorado Counties Casualty and Property Pool (CAPP), a public entity risk pool currently operating as a common risk management and insurance program for member counties. The County pays an annual contribution to CAPP for its property and casualty insurance coverage. The inter-governmental agreement of formation of CAPP provides that the pool will be financially self-sustaining through member contributions and additional assessments, if necessary, and the Pool will purchase excess insurance through commercial companies for members' claims in excess of a specified self-insured retention that is determined each policy year. There have been no significant reductions in insurance coverage. Settled claims from these risks have not exceeded insurance coverage for the current year or the three prior years.

Colorado Workers' Compensation Pool (CWCP)

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

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

NOTE I – RISK MANAGEMENT - CONTINUED

There have been no significant reductions in insurance coverage. Settled claims from these risks have not exceeded insurance coverage for the current year of the three prior years.

NOTE J – COMMITMENTS AND CONTINGENCIES

The County participates in a member of federal and state grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The amount of expenditures, if any, which may be disallowed by the granting agencies cannot be determined at this time although the County expects any such amounts to be immaterial.

NOTE K – INTERGOVERNMENTAL AGREEMENTS

The Board of County Commissioners of Hinsdale County, Colorado, the Board of Trustees of the Town of Lake City, Colorado, and the Upper Gunnison River Water Conservation District are parties to an Intergovernmental Agreement dated May 18, 2009 and amended in 2013 (IGA) for the purpose of prescribing the powers and obligations of the Board of Directors of the Lake San Cristobal Water Activity Enterprise (Enterprise). The Enterprise is governed by a six member Board of Directors with two directors appointed by each of the parties. The Enterprise provides for the financing, design, construction and operation of an outlet structure in Lake San Cristobal located in Hinsdale County. Each of the member entities pay annual assessments for base units of water in Lake San Cristobal. In 2021, the County paid a total of \$13,464 to the Enterprise.

NOTE L – BUDGET VIOLATIONS

The County had budget violations in the current year. The Road and Bridge fund was over budget by \$27,834, Title III fund was over budget by \$113, the Ambulance Replacement fund was over budget by \$1,368, the Recreation fund was over budget by \$351, and the Snow Grooming fund by \$668.

REQUIRED SUPPLEMENTARY INFORMATION

Hinsdale County, Colorado

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund

For the year ended December 31, 2021

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Taxes	\$ 2,374,303	\$ 2,374,303	\$ 1,689,704	\$ (684,599)
Intergovernmental	472,034	472,034	715,191	243,157
Licenses and permits	78,050	78,050	30,533	(47,517)
Interest on investments	22,550	22,550	1,638	(20,912)
Charges for services	146,350	146,350	256,498	110,148
Reimbursement	97,200	97,200	39,895	(57,305)
Miscellaneous	55,250	55,250	16,441	(38,809)
Total revenues	<u>3,245,737</u>	<u>3,245,737</u>	<u>2,749,900</u>	<u>(495,837)</u>
Expenditures				
Current expenditures				
General government	2,272,729	2,272,729	1,639,381	633,348
EMS services	-	-	238,640	(238,640)
Public Safety	778,856	778,856	572,837	206,019
Capital outlay	8,000	8,000	-	8,000
Total expenditures	<u>3,059,585</u>	<u>3,059,585</u>	<u>2,450,858</u>	<u>608,727</u>
Excess (deficiency) of revenues over (under) expenditures	186,152	186,152	299,042	112,890
Other financing sources (uses)				
Transfer in (out)	(161,866)	(161,866)	9,500	171,366
Total other financing sources (uses)	<u>(161,866)</u>	<u>(161,866)</u>	<u>9,500</u>	<u>171,366</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	24,286	24,286	308,542	284,256
Beginning fund balance	<u>1,785,169</u>	<u>1,785,169</u>	<u>1,785,169</u>	<u>-</u>
Fund balance at end of year	<u>\$ 1,809,455</u>	<u>\$ 1,809,455</u>	<u>\$ 2,093,711</u>	<u>\$ 284,256</u>

Hinsdale County, Colorado

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Road and Bridge Fund

For the year ended December 31, 2021

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Taxes	\$ 793,537	\$ 736,091	\$ 881,159	\$ 145,068
Intergovernmental	293,500	298,489	280,634	(17,855)
Charges for services	190,500	243,934	120,293	(123,641)
Miscellaneous	-	-	52,911	52,911
Total revenues	<u>1,277,537</u>	<u>1,278,514</u>	<u>1,335,080</u>	<u>56,566</u>
Expenditures				
Current expenditures				
Highways and streets	1,225,164	1,474,918	1,455,898	19,020
Capital outlay	13,000	17,542	64,396	(46,854)
Total expenditures	<u>1,238,164</u>	<u>1,492,460</u>	<u>1,520,294</u>	<u>(27,834)</u>
Excess (deficiency) of revenue over (under) expenditures	39,373	(213,946)	(185,214)	28,732
Other financing sources (uses)				
Sale of assets	<u>45,000</u>	<u>45,000</u>	<u>-</u>	<u>(45,000)</u>
Total other financing sources (uses)	<u>45,000</u>	<u>45,000</u>	<u>-</u>	<u>(45,000)</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	84,373	(168,946)	(185,214)	(16,268)
Beginning fund balance	<u>472,892</u>	<u>472,892</u>	<u>472,892</u>	<u>-</u>
Fund balance at end of year	<u>\$ 557,265</u>	<u>\$ 303,946</u>	<u>\$ 287,678</u>	<u>\$ (16,268)</u>

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2021

NOTE RSI 1 – BUDGETARY INFORMATION

Hinsdale County follows the procedures set for them in the Colorado Local Government Budget Law when preparing the annual budget for each fund. Budget procedures include:

- Preparation of budget documents by administrative staff, which shall be submitted to the Board no later than October 15 of each year.
- Publication of a notice stating that the budget is available for public inspection.
- Discussion of the budget in a meeting open to the public.
- Adoption of the budget in a public meeting by appropriate resolution, no later than December 31.

Formal budgetary integration is employed as a management control device for all funds of the County. All budgets are adopted on a basis consistent with U.S. generally accepted accounting principles (GAAP).

Any increases or decreases to the adopted budget at the fund level require that an amended or supplemental budget be approved by the Board of County Commissioners through formal resolution at a public meeting, with prior notice of the proposed changes.

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

SUPPLEMENTARY INFORMATION

Hinsdale County, Colorado

Combining Balance Sheet
Non-Major Governmental Funds

December 31, 2021

	Title III Fund	Human Services Fund	Lodging Tax Fund	Ambulance Replacement Fund	Conservation Trust Fund	Snow Grooming Fund	Total Non-Major Governmental Funds
Assets							
Cash and cash equivalents	\$ 65,114	\$ -	\$ 22,795	\$ 54,663	\$ 18,074	\$ 26,917	\$ 187,563
Property taxes receivable	-	16,745	-	-	-	-	16,745
Total assets	<u>65,114</u>	<u>16,745</u>	<u>22,795</u>	<u>54,663</u>	<u>18,074</u>	<u>26,917</u>	<u>204,308</u>
Liabilities							
Due to pooled cash	-	37,950	-	-	-	-	37,950
Accounts payable	-	14,590	-	-	-	388	14,978
Due to other funds	<u>36,129</u>	<u>-</u>	<u>20,329</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>56,458</u>
Total liabilities	<u>36,129</u>	<u>52,540</u>	<u>20,329</u>	<u>-</u>	<u>-</u>	<u>388</u>	<u>109,386</u>
Deferred inflows							
Property taxes	<u>-</u>	<u>16,745</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,745</u>
Fund Balance							
Restricted							
Open space	-	-	-	-	18,074	-	18,074
Snow grooming	-	-	-	-	-	26,529	26,529
Schools and roads	<u>28,985</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>28,985</u>
Assigned							
Ambulance replacement	-	-	-	54,663	-	-	54,663
Marketing and advertising	-	-	2,466	-	-	-	2,466
Unassigned	<u>-</u>	<u>(52,540)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(52,540)</u>
Total Fund Balances	<u>\$ 28,985</u>	<u>\$ (52,540)</u>	<u>\$ 2,466</u>	<u>\$ 54,663</u>	<u>\$ 18,074</u>	<u>\$ 26,529</u>	<u>\$ 78,177</u>

Hinsdale County, Colorado

Combining Schedule of Revenues, Expenditures and Changes in Fund Balance
Non-Major Governmental Funds

For the year ended December 31, 2021

	Title III Fund	Human Services Fund	Lodging Tax Fund	Ambulance Replacement Fund	Conservation Trust Fund	Snow Grooming Fund	Total Non-Major Governmental Funds
Revenues							
Taxes	\$ -	\$ 18,137	\$ 114,446	\$ -	\$ -	\$ -	\$ 132,583
Intergovernmental revenue	15,096	-	-	173,594	5,193	15,691	209,574
Miscellaneous	9	-	-	41	-	5	55
Total revenues	<u>15,105</u>	<u>18,137</u>	<u>114,446</u>	<u>173,635</u>	<u>5,193</u>	<u>15,696</u>	<u>342,212</u>
Expenditures							
Current expenditures							
Health and welfare	-	54,056	-	197,994	-	-	252,050
Culture and recreation	282	-	82,392	-	-	6,971	89,645
Total expenditures	<u>282</u>	<u>54,056</u>	<u>82,392</u>	<u>197,994</u>	<u>-</u>	<u>6,971</u>	<u>341,695</u>
Excess (deficiency) of revenue over expenditures	14,823	(35,919)	32,054	(24,359)	5,193	8,725	517
Other financing sources (uses)							
Transfers in	-	44,000	-	3,000	-	-	47,000
Transfers (out)	(14,500)	-	(42,000)	-	-	-	(56,500)
Total other financing sources (uses)	<u>(14,500)</u>	<u>44,000</u>	<u>(42,000)</u>	<u>3,000</u>	<u>-</u>	<u>-</u>	<u>(9,500)</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	323	8,081	(9,946)	(21,359)	5,193	8,725	(8,983)
Fund balance at beginning of year	<u>28,662</u>	<u>(60,621)</u>	<u>12,412</u>	<u>76,022</u>	<u>12,881</u>	<u>17,804</u>	<u>87,160</u>
Fund balance at end of year	<u>\$ 28,985</u>	<u>\$ (52,540)</u>	<u>\$ 2,466</u>	<u>\$ 54,663</u>	<u>\$ 18,074</u>	<u>\$ 26,529</u>	<u>\$ 78,177</u>

Hinsdale County, Colorado

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Title III

For the year ended December 31, 2021

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental revenue	\$ 15,000	\$ 15,000	\$ 15,096	\$ 96
Interest on investments	160	108	9	(99)
Total revenues	<u>15,160</u>	<u>15,108</u>	<u>15,105</u>	<u>(3)</u>
Expenditures				
Culture and recreation	<u>169</u>	<u>169</u>	<u>282</u>	<u>(113)</u>
Total expenditures	<u>169</u>	<u>169</u>	<u>282</u>	<u>(113)</u>
Other financing Sources (Uses)				
Transfers In (out)	<u>(14,500)</u>	<u>(14,500)</u>	<u>(14,500)</u>	<u>-</u>
Total other financing sources (uses)	<u>(14,500)</u>	<u>(14,500)</u>	<u>(14,500)</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures and other sources (uses)	491	439	323	(116)
Fund balance at beginning of year	<u>28,662</u>	<u>28,662</u>	<u>28,662</u>	<u>-</u>
Fund balance at end of year	<u>\$ 29,153</u>	<u>\$ 29,101</u>	<u>\$ 28,985</u>	<u>\$ (116)</u>

Hinsdale County, Colorado

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Human Services Fund

For the year ended December 31, 2021

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues				
General property taxes	\$ 16,918	\$ 16,551	\$ 16,580	\$ 29
Specific ownership taxes	1,250	1,486	1,488	2
Delinquent taxes and interest	90	105	69	(36)
Total revenues	<u>18,258</u>	<u>18,142</u>	<u>18,137</u>	<u>(5)</u>
Expenditures				
Health and welfare	<u>60,850</u>	<u>60,850</u>	<u>54,056</u>	<u>6,794</u>
Total expenditures	<u>60,850</u>	<u>60,850</u>	<u>54,056</u>	<u>6,794</u>
Excess (deficiency) of revenue over (under) expenditures	(42,592)	(42,708)	(35,919)	6,789
Other financing Sources (Uses)				
Transfers In	<u>(44,000)</u>	<u>(105,000)</u>	<u>44,000</u>	<u>149,000</u>
Total other financing sources (uses)	<u>(44,000)</u>	<u>(105,000)</u>	<u>44,000</u>	<u>149,000</u>
Excess (deficiency) of revenues over (under) expenditures and other sources (uses)	(86,592)	(147,708)	8,081	155,789
Fund balance at beginning of year	<u>(60,621)</u>	<u>(60,621)</u>	<u>(60,621)</u>	<u>-</u>
Fund balance at end of year	<u>\$ (147,213)</u>	<u>\$ (208,329)</u>	<u>\$ (52,540)</u>	<u>\$ 155,789</u>

Hinsdale County, Colorado

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Lodging Tax Fund

For the year ended December 31, 2021

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues				
Lodging tax	\$ 74,000	\$ 125,431	\$ 114,446	\$ (10,985)
Total revenues	<u>74,000</u>	<u>125,431</u>	<u>114,446</u>	<u>(10,985)</u>
Expenditures				
Culture and recreation	<u>73,600</u>	<u>125,100</u>	<u>82,392</u>	<u>42,708</u>
Total expenditures	<u>73,600</u>	<u>125,100</u>	<u>82,392</u>	<u>42,708</u>
Excess (deficiency) of revenue over expenditures	400	331	32,054	31,723
Other financing (uses)				
Transfers out	<u>-</u>	<u>-</u>	<u>(42,000)</u>	<u>(42,000)</u>
Excess (deficiency) of revenue over expenditures and other financing (uses)	400	331	(9,946)	(10,277)
Fund balance at beginning of year	<u>12,412</u>	<u>12,412</u>	<u>12,412</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 12,812</u></u>	<u><u>\$ 12,743</u></u>	<u><u>\$ 2,466</u></u>	<u><u>\$ (10,277)</u></u>

Hinsdale County, Colorado

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Ambulance Replacement Fund

For the year ended December 31, 2021

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Interest Income	\$ 600	\$ 600	\$ 41	\$ (559)
Grant Income	-	173,039	173,594	555
Total revenues	600	173,639	173,635	(4)
Expenditures	-	196,626	197,994	(1,368)
Excess (deficiency) of revenue over expenditures	600	(22,987)	(24,359)	(1,372)
Other financing sources (uses)				
Transfers in (out)	3,000	3,000	3,000	-
Total other financing sources (uses)	3,000	3,000	3,000	-
Excess (deficiency) of revenues over expenditures and other sources (uses)	3,600	(19,987)	(21,359)	(1,372)
Fund balance at beginning of year	76,022	76,022	76,022	-
Fund balance at end of year	\$ 79,622	\$ 56,035	\$ 54,663	\$ (1,372)

Hinsdale County, Colorado

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Conservation Trust Fund

For the year ended December 31, 2021

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Intergovernmental revenue	\$ 4,500	\$ 5,196	\$ 5,193	\$ (3)
Total Revenues	4,500	5,196	5,193	(3)
Expenditures	-	-	-	-
Excess of revenue over expenditures	4,500	5,196	5,193	(3)
Fund balance at beginning of year	12,881	12,881	12,881	-
Fund balance at end of year	<u>\$ 17,381</u>	<u>\$ 18,077</u>	<u>\$ 18,074</u>	<u>\$ (3)</u>

Hinsdale County, Colorado

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Snow Grooming Fund

For the year ended December 31, 2021

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Trail maintenance fees	11,300	15,691	\$ 15,691	\$ -
Miscellaneous sources	100	5	5	-
Total revenues	11,400	15,696	15,696	-
Expenditures	8,658	6,303	6,971	(668)
Excess (deficiency) of revenue over (under) expenditures	2,742	9,393	8,725	(668)
Fund balance at beginning of year	17,804	17,804	17,804	-
Fund balance at end of year	\$ 20,546	\$ 27,197	\$ 26,529	\$ (668)

Hinsdale County, Colorado

Schedule of Revenues, Expenditures and Changes in Net Position
Budget and Actual - Transfer Station Fund

For the year ended December 31, 2021

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original	Final	Actual	
Operating revenues:				
Intergovernmental Revenue	\$ -	\$ 5,000	\$ 5,000	\$ -
Disposal fees	165,300	187,351	187,534	183
Total revenue	165,300	192,351	192,534	183
Operating expenses:				
Operating expenses	146,204	167,613	154,132	13,481
Total expenses	146,204	167,613	154,132	13,481
Change in net position	19,096	24,738	38,402	13,664
Net position at beginning of year	19,021	19,021	19,021	-
Net position at end of year, budget basis	<u>\$ 38,117</u>	<u>\$ 43,759</u>	57,423	<u>\$ 13,664</u>
Reconciliation to GAAP basis:				
Depreciation expense			(8,432)	
Net position at end of year, GAAP basis			<u>\$ 48,991</u>	

Hinsdale County, Colorado

Schedule of Revenues, Expenditures and Changes in Net Position
Budget and Actual - Recreation Fund

For the year ended December 31, 2021

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original	Final	Actual	
Operating revenues:				
Recreation fees	\$ 36,000	\$ 47,160	\$ 47,235	\$ 11,235
Total revenues	<u>36,000</u>	<u>47,160</u>	<u>47,235</u>	<u>11,235</u>
Operating expenses	<u>34,647</u>	<u>18,324</u>	<u>18,675</u>	<u>(351)</u>
Total expenses	<u>34,647</u>	<u>18,324</u>	<u>18,675</u>	<u>(351)</u>
Change in net position	1,353	28,836	28,560	11,586
Net position at beginning of year	<u>85,801</u>	<u>85,801</u>	<u>85,801</u>	<u>-</u>
Net position at end of year, budget basis	<u>\$ 87,154</u>	<u>\$ 114,637</u>	114,361	<u>\$ (276)</u>
Reconciliation to GAAP basis:				
Depreciation expense			<u>2,409</u>	
Net position at end of year, GAAP basis			<u>\$ 116,770</u>	

Silver Thread Public Health District

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual - General Fund

For the year ended December 31, 2021

	Budget Original	Budget Final	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Intergovernmental revenue	\$ 745,366	\$ 745,366	\$ 617,900	\$ (127,466)
Charges for services	23,166	23,166	130,988	107,822
Contributions	35,500	318,682	66,670	(252,012)
Total Revenues	<u>804,032</u>	<u>1,087,214</u>	<u>815,558</u>	<u>(271,656)</u>
Expenditures				
Current expenditures				
Public Health	802,794	947,572	711,675	235,897
Total Expenditures	<u>802,794</u>	<u>947,572</u>	<u>711,675</u>	<u>235,897</u>
Excess (deficiency) of revenue over expenditures	<u>(1,606,826)</u>	<u>(2,034,786)</u>	<u>103,883</u>	<u>(35,759)</u>
Fund balance at beginning of year	<u>547,357</u>	<u>547,357</u>	<u>547,357</u>	<u>-</u>
Fund balance at end of year	<u>\$ (1,059,469)</u>	<u>\$ (1,487,429)</u>	<u>\$ 651,240</u>	<u>\$ (35,759)</u>

Hinsdale County, Colorado

Combining Balance Sheet - General Fund and Sub-Funds

December 31, 2021

	General Fund	EMS Fund	Retirement Fund	Sheriff's Fund	Total Combined General Fund
Assets					
Cash and investments	\$ 1,617,548	\$ (75,901)	\$ 63,837	\$ 339,180	\$ 1,944,664
Accounts receivable	175,488	14,912	-	10,749	201,149
Intergovernmental receivables	-	-	-	-	-
Property taxes receivable	930,958	-	52,627	-	983,585
Due from other funds	20,329	36,129	-	-	56,458
Inventory	-	20,899	-	-	20,899
Total Assets	2,744,323	(3,961)	116,464	349,929	3,206,755
Liabilities					
Accounts payable	119,526	1,596	-	3,562	124,684
Accrued liabilities	3,964	-	487	323	4,774
Unearned revenue	-	-	-	-	-
Total Liabilities	123,490	1,596	487	3,885	129,458
Deferred inflows					
Property taxes	930,958	-	52,627	-	983,585
Fund Balance					
Nonspendable					
Inventory	-	20,899	-	-	20,899
Restricted for:					
TABOR	124,658	-	-	-	124,658
Assigned to:					
Public safety	-	-	-	346,045	346,045
Retirement	-	-	63,350	-	63,350
Open space	19,077	-	-	-	19,077
Unassigned	1,546,139	(26,457)	-	-	1,519,682
Total Fund Balance	\$ 1,689,874	\$ (5,558)	\$ 63,350	\$ 346,045	\$ 2,093,711

Hinsdale County, Colorado

Combining Budget to Actual Schedule - General Fund and Sub-Funds

For the year ended December 31, 2021

	General Fund			EMS			Retirement Fund			Sheriff's Fund			Combined General Fund		
	Budget Original	Budget Final	Actual	Budget Original	Budget Final	Actual	Budget Original	Budget Final	Actual	Budget Original	Budget Final	Actual	Budget Original	Budget Final	Actual
Revenues															
Taxes	\$ 2,318,132	\$ 2,710,301	\$ 1,632,703	\$ -	\$ -	\$ -	\$ 56,171	\$ 57,027	\$ 57,001	\$ -	\$ -	\$ -	\$ 2,374,303	\$ 2,767,328	\$ 1,689,704
Intergovernmental	377,861	377,861	478,364	54,125	65,942	75,074	-	-	-	94,173	159,724	161,753	472,034	603,527	715,191
Licenses and permits	23,925	23,925	30,533	-	-	-	-	-	-	-	-	-	78,050	23,925	30,533
Interest on investments	22,550	22,550	1,638	-	-	-	-	-	-	-	-	-	22,550	22,550	1,638
Charges for services	138,050	138,050	165,046	90,000	90,000	84,980	-	-	-	8,300	8,300	6,472	146,350	236,350	256,498
Reimbursement	3,500	3,500	26,620	100	5,588	-	-	-	-	3,700	3,700	13,275	97,200	12,788	39,895
Miscellaneous	51,450	51,450	6,729	5,050	2,979	3,613	3,700	-	-	-	6,000	6,099	55,250	60,429	16,441
Total revenues	2,935,468	3,327,637	2,341,633	149,275	164,509	163,667	59,871	57,027	57,001	106,173	177,724	187,599	3,245,737	3,726,897	2,749,900
Expenditures															
Current expenditures															
General government	2,213,129	2,440,395	1,573,260	-	-	-	59,600	66,600	66,121	-	-	-	2,272,729	2,506,995	1,639,381
EMS services	-	-	-	246,068	270,038	238,640	-	-	-	-	-	-	-	270,038	238,640
Public Safety	-	-	-	-	-	-	-	-	-	532,788	615,793	572,837	778,856	615,793	572,837
Capital outlay	8,000	8,000	-	-	-	-	-	-	-	-	-	-	8,000	8,000	-
Total expenditures	2,221,129	2,448,395	1,573,260	246,068	270,038	238,640	59,600	66,600	66,121	532,788	615,793	572,837	3,059,585	3,400,826	2,450,858
Excess (deficiency) of revenue over expenditures	714,339	879,242	768,373	(96,793)	(105,529)	(74,973)	271	(9,573)	(9,120)	(426,615)	(438,069)	(385,238)	186,152	326,071	299,042
Other financing sources (uses)															
Transfers in	-	-	-	89,500	109,600	89,500	-	-	-	430,000	430,000	430,000	430,000	539,600	519,500
Transfer out	(681,366)	(785,762)	(510,000)	-	-	-	-	-	-	-	-	-	(591,866)	(785,762)	(510,000)
Total other financing sources (uses)	(681,366)	(785,762)	(510,000)	89,500	109,600	89,500	-	-	-	430,000	430,000	430,000	(161,866)	(246,162)	9,500
Excess (deficiency) of revenues over expenditures and other sources (uses)	32,973	93,480	258,373	(7,293)	4,071	14,527	271	(9,573)	(9,120)	3,385	(8,069)	44,762	24,286	79,909	308,542
Beginning fund balance	1,431,501	1,431,501	1,431,501	(20,085)	(20,085)	(20,085)	72,470	72,470	72,470	301,283	301,283	301,283	1,785,169	1,785,169	1,785,169
Fund balance at end of year	<u>\$ 1,464,474</u>	<u>\$ 1,524,981</u>	<u>\$ 1,689,874</u>	<u>\$ (27,378)</u>	<u>\$ (16,014)</u>	<u>\$ (5,558)</u>	<u>\$ 72,741</u>	<u>\$ 62,897</u>	<u>\$ 63,350</u>	<u>\$ 304,668</u>	<u>\$ 293,214</u>	<u>\$ 346,045</u>	<u>\$ 1,809,455</u>	<u>\$ 1,865,078</u>	<u>\$ 2,093,711</u>

LOCAL HIGHWAY FINANCE REPORT		STATE: COLORADO	
		YEAR ENDING (mm/yy):	
		12/2021	
This Information From The Records Of: HINSDALE COUNTY		Prepared By: LYNN MCNITT 970-944-2225	

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
1. Total receipts available			
2. Minus amount used for collection expenses			
3. Minus amount used for nonhighway purposes			
4. Minus amount used for mass transit			
5. Remainder used for highway purposes			

II. RECEIPTS FOR ROAD AND STREET PURPOSES		III. EXPENDITURES FOR ROAD AND STREET PURPOSES	
ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway expenditures:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	64,396
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	767,521
b. Motor Vehicle (from Item I.B.5.)	5,082	3. Road and street services:	
c. Total (a.+b.)	5,082	a. Traffic control operations	96,464
2. fund appropriations	185,000	b. Snow and ice removal	61,832
3. Other local imposts (from page 2)	56,609	c. Other	135,198
4. Miscellaneous local receipts (from page 2)	173,521	d. Total (a. through c.)	
5. Transfers from toll facilities		4. General administration & miscellaneous	354,138
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	
a. Bonds - Original Issues		6. Total (1 through 5)	1,479,549
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)		a. Interest	
7. Total (1 through 6)	420,212	b. Redemption	
Private Contributions		c. Total (a. + b.)	
C. Receipts from State government (from page 2)	772,564	2. Notes:	
D. Receipts from Federal Government (from page 2)	280,634	a. Interest	
E. Total receipts (A.7 + B + C + D)	1,473,410	b. Redemption	
		c. Total (a. + b.)	
		3. Total (1.c + 2.c)	
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total expenditures (A.6 + B.3 + C + D)	1,479,549

IV. LOCAL HIGHWAY DEBT STATUS			
(Show all entries at par)			
	Opening Debt	Amount Issued	Closing Debt
A. Bonds (Total)			
1. Bonds (Refunding Portion)			
B. Notes (Total)			

LOCAL HIGHWAY FINANCE REPORT

STATE: COLORADO

YEAR ENDING (mm/yy):

12/2021

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	56,609	a. Interest on investments	234
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. Sales of Surplus Property	42,333
4. Licenses		f. Charges for Services	119,693
5. Specific Ownership/Other	5,082	g. Other Misc Receipts	11,261
6. Total (1. through 5.)		h. Other	
c. Total (a. + b.)	61,691	i. Total (a. through h.)	173,521
(Carry forward to page 1)	66,773	(Carry forward to page 1)	

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes (from Item I.C.5.)	765,328	1. FHWA (from Item I.D.5.)	
2. State general func		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	256,634
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	7,236	d. Federal Transit Administration	
d. Other (Specify) DOLA Grant		e. US Corps of Engineers	
e. Other (Specify)		f. Other Federal	24,000
f. Total (a. through e.)		g. Total (a. through f.)	280,634
4. Total (1. + 2. + 3.f)		3. Total (1. + 2.g)	
(Carry forward to page 1)	772,564	(Carry forward to page 1)	

III. EXPENDITURES 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		64,396	
b. Engineering Costs			
c. Construction:			
(1). New Facilities			
(2). Capacity Improvements			
(3). System Preservation			
(4). System Enhancement And Operation			
(5). Total Construction (1)+(2)+(3)+(4)			
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.4)			
	(Carry forward to page 1)		

Notes and Comments: