

**KIT CARSON COUNTY, COLORADO**

**FINANCIAL STATEMENTS**

**December 31, 2021**

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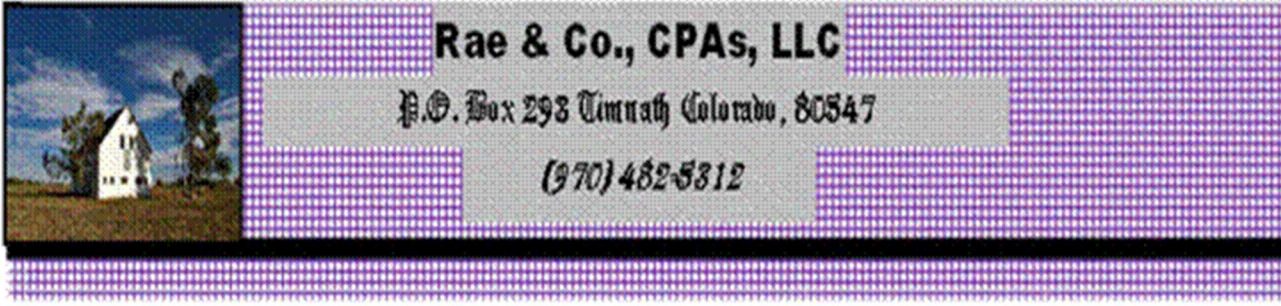
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## **INDEPENDENT AUDITORS' REPORT**

To the Board of County Commissioners  
Kit Carson County  
Burlington, Colorado

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Kit Carson County (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, each major fund, and the aggregate remaining fund information of Kit Carson 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 Auditors' 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.

#### ***Emphasis of Matter***

As described in Note 13 to the financial statements the County has restated the beginning fund equity for both the government wide statements as well as the individual fund statements. These restatements were to:

- Report cash balances in certain funds to agree to the amounts reported by the Kit Carson County Treasurer,
- To record additional accounts receivable and amounts due from other governments in the Human Services, Ambulance and Road and Bridge funds,
- To add additional custodial accounts to the Fiduciary Funds and to adjust the beginning net position of these funds,
- To adjust the landfill liability for the amount of capacity used, and
- To reclassify conversion balances to be an addition General Fund cash

***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.

***Auditors' 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 auditors' 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 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 standard 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 Kit Carson 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 E1 analysis and budgetary comparison information on pages B1-B9 and E1-E7 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

Kit Carson County  
Burlington, Colorado

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 Kit Carson County's basic financial statements. The accompanying combining and individual nonmajor fund financial statements 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 and Local Highway Finance Report are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*Rae & Co., CPA, LLC*

Timnath, Colorado  
February 8, 2023

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

## MANAGEMENT'S DISCUSSION AND ANALYSIS

Within this section Kit Carson County, Colorado's (the County) financial report, the County's management is pleased to provide this narrative discussion and analysis of the financial activities of the County for the fiscal year ended December 31, 2021. The County's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

### Financial Highlights

- The County's assets exceeded its liabilities and deferred inflows of resources by \$23,455,137 (net position) for the fiscal year reported.
- Total net position is comprised of the following:
  - (1) Net investment in capital assets of \$13,367,931 include property, plant, and equipment, net of accumulated depreciation, and reduced for outstanding debt, if any, related to the purchase or construction of capital assets.
  - (2) Net position of \$399,193 are restricted by constraints imposed from outside the County such as debt covenants, grantors, laws, or regulations, most notably those related to the TABOR amendment to the State of Colorado constitution.
  - (3) Unrestricted net position of \$9,688,013 represent the portion available to maintain the County's continuing obligations to citizens and creditors.
- The County's governmental funds reported total ending fund balance of \$10,951,875 this year. This compares to the restated prior year ending fund balance of \$9,106,511 showing an increase of \$1,845,364 during the current year.
- At the end of the current fiscal year, unassigned and assigned fund balance for the General Fund was \$5,460,777, or 70% of total General Fund expenditures and other financing uses.

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

### Overview of the Financial Statements

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

#### *Government-wide Financial Statements*

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

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

The second government-wide statement is the *Statement of Activities*, which reports how the County's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the County's distinct activities or functions on revenues provided by the County's taxpayers. Both government-wide financial statements distinguish governmental activities of the County that are principally supported by sales taxes and from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general government, public safety including the operation of a jail, public works, human services and disposal of solid waste. Business-type activities include the ambulance services.

The government-wide financial statements are presented on pages C1 through C2 of this report.

### ***Fund Financial Statements***

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

The County has three kinds of funds:

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

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

The basic governmental fund financial statements are presented on pages C3 through C8 of this report. Individual fund information for nonmajor governmental funds is found in combining statements in the supplementary section of this report.

The *Proprietary fund* is reported in the fund financial statements and generally report services for which the County charges customers a fee. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The basic enterprise fund financial statements are presented on pages C9 through C11 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* included in the government-wide financial statements because the resources of these funds are not available to support the County's own operations. The accounting used for fiduciary funds is much like that used for proprietary funds. The County reports a Custodial Treasurer's and Property Tax Fund, a Clerk and Recorder Fund, a Detention Facility Fund and a Public Trustee Fund. These statements are C12 and C13.

***Notes to the Basic Financial Statements***

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page D1 of this report.

**Required Supplementary Information**

In addition to the basic financial statements, this report also presents certain required supplementary information (RSI) in the form of is a budgetary comparison schedules for the Ggeneral Fund and each special revenue fund which is reported as a major fund. Budgetary comparison schedules for all other governmental funds can be found in a later section of this report. These statements and schedules demonstrate compliance with the County's adopted and final revised budget. Required supplementary information is on pages E1 to E7 of this report.

***Supplementary Information***

As discussed above, the County reports major funds in the basic financial statements. Combining and individual statements and schedules for nonmajor funds can be found in the supplementary section of this report beginning on page F1 and ending on F10.

**Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The County's assets at fiscal year-end exceeded liabilities and deferred inflows of resources by \$23,455,137. The following table provides a summary of the County's net position:

Kit Carson County Net Position						
	Governmental Activities		Business-Type Activities		Total	
	Restated 2021	As previously reported 2020	Restated 2021	As previously reported 2020	Restated 2021	As previously reported 2020
Current assets	\$ 19,773,227	\$ 17,100,046	\$ 169,136	\$ 135,084	\$19,942,363	\$ 17,235,130
Capital assets	12,512,688	12,422,502	855,243	980,507	13,367,931	13,403,009
Total assets	<u>32,285,915</u>	<u>29,522,548</u>	<u>1,024,379</u>	<u>1,115,591</u>	<u>33,310,294</u>	<u>30,638,139</u>
Current liabilities	614,232	221,596	10,336	3,872	624,568	225,468
Long-term liabilities	713,902	994,589	-	-	713,902	994,589
Total liabilities	<u>1,328,134</u>	<u>1,216,185</u>	<u>10,336</u>	<u>3,872</u>	<u>1,338,470</u>	<u>1,220,057</u>
Deferred inflows of resources	<u>8,207,120</u>	<u>7,774,866</u>	<u>-</u>	<u>-</u>	<u>8,207,120</u>	<u>7,774,866</u>
Net investment in capital assets	12,512,688	12,422,502	855,243	980,507	13,367,931	13,403,009
Restricted net position	399,193	398,306	-	-	399,193	398,306
Unrestricted net position	9,838,780	7,710,689	(150,767)	131,212	9,688,013	7,841,901
Total net position	<u>\$ 22,750,661</u>	<u>\$ 20,531,497</u>	<u>\$ 704,476</u>	<u>\$ 1,111,719</u>	<u>\$23,455,137</u>	<u>\$ 21,643,216</u>

Like most local governments, by far the largest portion of the County’s net position (57%), reflects its investment in capital assets, including infrastructure, less any related debt, if any, used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

At the end of the current fiscal year, the County is able to report positive balances in the government as a whole, as well as for both its governmental activities and business-type activities. Unrestricted net position for the proprietary fund is negative and will be remedied through future operations and transfers from the General Fund. Governmental activities showed positive growth. Net position increased by \$2,238,422 for governmental activities. Overall the County's financial position improved during fiscal year 2021.

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

Kit Carson County Changes in Net Position						
	Governmental Activities		Business-Type Activities		Total	
	Restated 2021	As previously reported 2020	Restated 2021	As previously reported 2020	Restated 2021	As previously reported 2020
<b>Revenues</b>						
Program revenues						
Charges for services	\$ 1,933,715	\$ 1,475,740	\$ 248,288	\$ 274,095	\$ 2,182,003	\$ 1,749,835
Operating grants and contributions	9,723,653	6,775,941	54,442	509	9,778,095	6,776,450
Capital grants and contributions	-	-	-	40,961	-	40,961
General revenues						
Taxes	8,258,137	8,079,627	-	-	8,258,137	8,079,627
Investment and interest income	116,454	65,135	-	-	116,454	65,135
Gain on sale of capital assets	4,808	(176,902)	-	1,767	4,808	(175,135)
Other	758,562	750,584	-	5,726	758,562	756,310
Total revenues	<u>20,795,329</u>	<u>16,970,125</u>	<u>302,730</u>	<u>323,058</u>	<u>21,098,059</u>	<u>17,293,183</u>
<b>Expenses</b>						
General government	4,424,993	3,401,735	-	-	4,424,993	3,401,735
Public safety	2,700,839	2,531,210	892,305	495,293	3,593,144	3,026,503
Public works	5,878,751	3,933,507	-	-	5,878,751	3,933,507
Public health and welfare	4,793,964	4,566,020	-	-	4,793,964	4,566,020
Culture and recreation	624,099	498,133	-	-	624,099	498,133
Total expenses	<u>18,422,646</u>	<u>14,930,605</u>	<u>892,305</u>	<u>495,293</u>	<u>19,314,951</u>	<u>15,425,898</u>
Change in net position before transfers	2,372,683	2,039,520	(589,575)	(172,235)	1,783,108	1,867,285
Transfers	<u>(134,261)</u>	<u>(51,382)</u>	<u>134,261</u>	<u>51,382</u>	<u>-</u>	<u>-</u>
Change in net position	2,238,422	1,988,138	(455,314)	(120,853)	1,783,108	1,867,285
Net position - Beginning	<u>20,512,239</u>	<u>18,543,359</u>	<u>1,159,790</u>	<u>1,232,572</u>	<u>21,672,029</u>	<u>19,775,931</u>
Net position - Ending	<u>\$ 22,750,661</u>	<u>\$ 20,531,497</u>	<u>\$ 704,476</u>	<u>\$ 1,111,719</u>	<u>\$ 23,455,137</u>	<u>\$ 21,643,216</u>

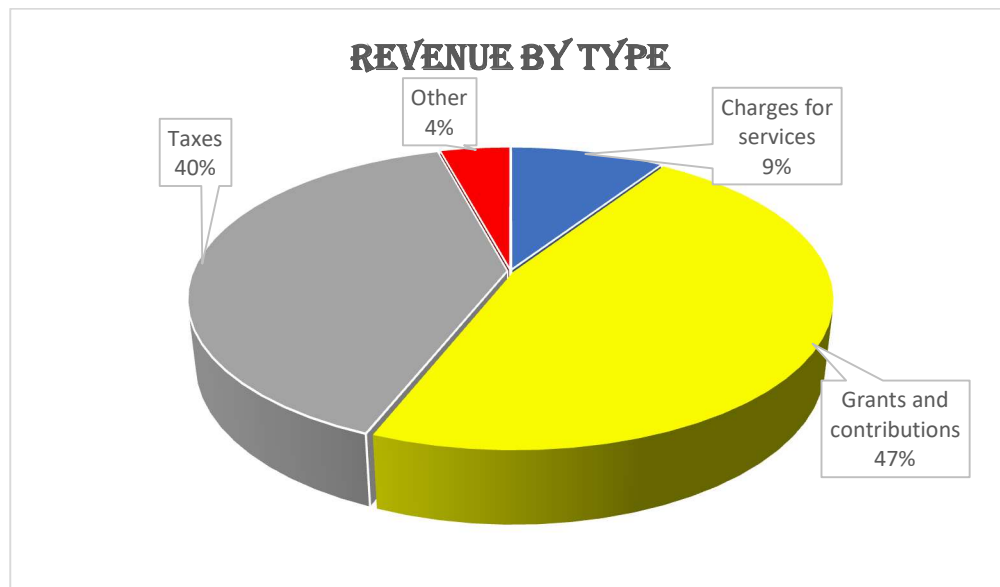
## GOVERNMENTAL REVENUES

The County is reliant on property and specific ownership taxes to support governmental operations. County taxes account for 40% of the revenues for governmental activities. In addition, for the year ended December 31, 2021, grants and contributions accounted for 47% of governmental revenues. These revenues increased approximately 44% when compared to the prior year. This increase may be the result of federal funding for the COVID-19 pandemic. In addition, Human Services intergovernmental revenue increased 21%, adjusted for revenues which should have been reported in prior years but were not and increased human services expenditures were approximately \$2.5 million. Because of the County’s healthy financial position, the amount of receipts collected for other governments and unrealized gains on investments of \$61,000, we have been able to earn more than \$116,000 in interest earnings to support governmental activities in spite of relatively low interest rates.

Program revenues covered 63% of governmental operating expenses in 2021. This means that the government’s taxpayers and the County’s other general revenues funded the balance of the governmental activities. As a result, the general economy and the local businesses have a major impact on the County’s revenue streams. Program revenues for fiscal 2021 covered the same percentage of governmental operating expenses in 2019. As detailed below, those Colorado counties with less expenditures have the majority of its expenditures paid by program revenues.

<u>County</u>	<u>Program Revenues</u>	<u>Total Expenses</u>	<u>Percentage of Program Revenues Paying for Expenses</u>
Cheyenne	\$ 3,157,660	\$ 5,860,883	54%
Crowley	4,167,500	5,897,504	71%
Bent	8,717,764	12,364,144	71%
<b>Kit Carson</b>	<b>11,657,368</b>	<b>18,422,646</b>	<b>63%</b>
Yuma	9,051,540	20,526,494	44%
La Animas	22,664,773	30,626,075	74%
Arapahoe	189,859,044	413,970,137	46%
Jefferson	178,755,916	418,914,217	43%

The graph below shows governmental revenues by source:



**GOVERNMENTAL FUNCTIONAL EXPENSES**

At the Government-wide level which includes depreciation as an expense the percentage of total governmental activities is as follows. When compared to last year, with the exception of public works and public health and welfare the percentage of total expenses was consistent from year to year.

Program/function	Percent of total expenses-2021	Percent of total expenses-2020
Public works	32%	24%
Public health and welfare	26%	32%
General government	24%	24%
Public safety	15%	18%
Culture and recreation	3%	3%

The County includes amounts paid by the State of Colorado for social programs provided to County residents. As a result, for the year ended December 31, 2021, the amount of expenditures exceeded program revenue for Human Services Fund.

### **BUSINESS -TYPE ACTIVITIES**

The County, like a number of neighboring counties, provides ambulance services for its residents. Traditionally the County budgets for and makes a transfer from the General Fund. The transfer this year totaled \$134,261. That compares to the transfers of \$51,382 and \$172,420 for the years ending December 31, 2020 and 2019, respectively.

## **Financial Analysis of the County's Funds**

### ***Governmental Funds***

As discussed, governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of \$10,951,875. Of this year-end total, approximately \$4,620,851 is non-spendable, restricted, committed or assigned fund balance, approximately \$721,732 of that amount in the General Fund with the remainder in the special revenue and capital projects funds.

The total ending fund balances of governmental funds show an increase of \$1,845,364 over the prior year. This increase is primarily the result of the events and programs in the General Fund.

### ***Major Governmental Funds***

#### ***The General Fund:***

The General Fund is the County's primary operating fund and the largest source of day-to-day service delivery. The General Fund's fund balance increased by \$1,106,767. In fiscal year 2020, the fund balance increased by \$1,506,457

Total revenues for 2021 were \$8,872,531, an increase of \$1,011,814 or 13% over 2020. Significant increases occurred in intergovernmental revenues (69% increase) and charges for services (86%) increase.

Expenditures for 2021 were \$7,765,764, a increase of 22% over fiscal 2020. The largest increases were in transfers out (812%), general government (32%), culture and recreation (25%) and public safety (15%). The GOCO grant was not received. As a result, budgeted expenditures of \$402,000 were not made.

***Road and Bridge Fund***

Fund balance in the Road and Bridge Fund increased \$580,019, The fund’s revenues increased 8%. The largest increase was in intergovernmental revenues. Most revenues approximated the prior year amounts with the exception of other income which decreased 86%.

***Human Services Fund***

The Human Services Fund’s fund balance decreased \$151,474. As noted above, revenues and expenditures include the amounts that the State pays to residents of the County for the human services programs. As adjusted for the restated amounts, both intergovernmental revenues and total expenditures increased 24%. Taxes increased 45%. Other revenues increased from \$349 to \$179,104.

***The Public Health Fund***

The Public Health Fund’s fund balance changed from a negative to a positive number. In total revenues decreased 17%. Intergovernmental revenues (decreased 26%), charges for services (38%) and other revenues (which decreased from \$27,043 to virtually \$0) were offset by transfers which were a transfer out of \$6,093 for the year ended December 31, 2019 to transfers in of \$188,134, which was the amount that was budgeted.

***The Solid Waste Fund***

The Solid Waste Fund’s fund balance decreased \$86,541. Revenues decreased 19%. Taxes and charges for services, the largest two revenue accounts decreased about the same percentages, 18% and 21%, respectively. Expenditures increased 84%. Fund balance remains in a strong position as it equates to 89% of expenditures.

**Budgetary Highlights**

***The General Fund***

For the fiscal year ended December 31, 2021, revenues were 2% higher than anticipated, while expenditures were 3% less than the budgeted amounts. The fund was budgeted to increase fund balance \$1,105,456 the increase approximated that amount.

**Capital Assets and Debt Administration**

***Capital Assets***

The County's has no debt which is related to its capital assets. As a result, the net investments in capital assets, is the same as total capital assets. For governmental and business-type activities as of December 31, 2021, was \$12,512,688 and \$855,243 respectively. See Note 4 for additional information about changes in capital assets during the fiscal year and outstanding at the end of the year. The following tables provides a summary of capital asset activity.

	Restated Balance at December 31, 2021	Balance at December 31, 2020
Governmental Activities:		
Capital assets not being depreciated	\$ 194,950	\$ 194,950
Capital assets being depreciated	<u>12,317,738</u>	<u>11,935,664</u>
Capital assets total	<u>\$ 12,512,688</u>	<u>\$ 12,130,614</u>

	Balance at December 31, 2021	Balance at December 31, 2020
Business-Type Activities:		
Capital assets being depreciated	\$ 855,243	\$ 980,507
Capital assets total	<u>\$ 855,243</u>	<u>\$ 980,507</u>

At December 31, 2021, the depreciable capital assets for governmental activities were 49% depreciated. This is comparable to the December 31, 2020 percentage. This comparison indicates that the County is replacing its assets at a comparable rate as they are depreciating which is a positive indicator.

With the County's business type activities, 53% of the depreciable capital assets were depreciated at December 31, 2021 compared to the 45% at December 31, 2020. Depreciation expense was \$136,169 while capital asset additions were \$10,904.

Prior to the fiscal year ending 2020, the County acquired substantially more assets than the amount of depreciation expense.

#### ***Long-term Debt***

The County's Governmental Activities has long-term debt of the cost to close the Landfill and compensated absences. Based on usage, on an annual basis the County records the future cost of closing the Landfill and the required monitoring. The long-term debt is as follows:

	Balance at December 31, 2021	Restated Balance at December 31, 2020
Governmental Activities		
Landfill closure and post-closure	\$ 603,736	\$ 579,984
Compensated absences	<u>110,166</u>	<u>144,902</u>
	<u>\$ 713,902</u>	<u>\$ 724,886</u>

The Business-Type Activities have only compensated absences. At December 31, 2021 compensated absences totaled \$5,942.

See Note 5 for additional information about the County's long-term debt.

#### **Economic Conditions and Next Year's Budget**

Future expenditures include and continuing to update paved roads as funds are available. Kit Carson County has a strategic plan that outlines upcoming expenditures planned for the next 5 years available upon request.

## **Contacting the County's Financial Management**

This financial report is designed to provide a general overview of the County's finances, comply with finance-related laws and regulations, and demonstrate the County's commitment to public accountability. If you have questions about this report or would like to request additional information, contact the County Administrator at the Kit Carson County, P.O. Box 160, Burlington CO 80807 or (719) 346-8133 extension 220

## **BASIC FINANCIAL STATEMENTS**

**KIT CARSON COUNTY, COLORADO**  
**STATEMENT OF NET POSITION**  
**December 31, 2021**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and investments	\$ 9,158,241	\$ -	\$ 9,158,241
Receivables			
Accounts	501,038	89,137	590,175
Interest	7,034	-	7,034
Due from other governments	315,895	-	315,895
Property taxes receivable	8,207,120	-	8,207,120
Inventory of supplies	897,332	79,999	977,331
Internal balances	309,567	(309,567)	-
Cash and investments - Restricted	377,000	-	377,000
Capital assets, not being depreciated			
Land, water rights and construction in progress	194,950	-	194,950
Capital assets, net of accumulated depreciation			
Buildings, equipment and infrastructure	12,317,738	855,243	13,172,981
Total assets	<u>32,285,915</u>	<u>714,812</u>	<u>33,000,727</u>
<b>LIABILITIES</b>			
Accounts payable and accrued liabilities	157,737	4,394	162,131
Unearned revenues	430,221	-	430,221
Health insurance claims payable	26,274	-	26,274
Noncurrent liabilities			
Due within one year	55,083	5,942	61,025
Due in more than one year	658,819	-	658,819
Total liabilities	<u>1,328,134</u>	<u>10,336</u>	<u>1,338,470</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property taxes	<u>8,207,120</u>	<u>-</u>	<u>8,207,120</u>
<b>NET POSITION</b>			
Net investment in capital assets	12,512,688	855,243	13,367,931
Restricted			
Emergency reserves	366,000	-	366,000
Other purposes	11,000	-	11,000
Conservation trust	22,193	-	22,193
Unrestricted	9,838,780	(150,767)	9,688,013
Total net position	<u>\$ 22,750,661</u>	<u>\$ 704,476</u>	<u>\$ 23,455,137</u>

These financial statements should be read only in connection with  
the accompanying notes to financial statements.

**KIT CARSON COUNTY, COLORADO**  
**STATEMENT OF ACTIVITIES**  
**Year Ended December 31, 2021**

<u>Functions/Programs</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>		<u>Totals</u>
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	
Primary government:						
<b>Governmental activities:</b>						
General government	\$ 4,424,993	\$ 861,347	\$ 374,004	\$ (3,189,642)	\$ -	\$(3,189,642)
Public safety	2,700,839	250,058	628,268	(1,822,513)	-	(1,822,513)
Public works	5,878,751	874	3,072,953	(2,804,924)	-	(2,804,924)
Public health and welfare	4,793,964	501,363	5,483,522	1,190,921	-	1,190,921
Culture and recreation	624,099	320,073	164,906	(139,120)	-	(139,120)
Total primary government	<u>18,422,646</u>	<u>1,933,715</u>	<u>9,723,653</u>	<u>(6,765,278)</u>	<u>-</u>	<u>(6,765,278)</u>
<b>Business-type activities:</b>						
Ambulance	892,305	248,288	54,442	-	(589,575)	(589,575)
Total Business-type activities	<u>892,305</u>	<u>248,288</u>	<u>54,442</u>	<u>-</u>	<u>(589,575)</u>	<u>(589,575)</u>
Total primary government	<u>\$ 19,314,951</u>	<u>\$ 2,182,003</u>	<u>\$ 9,778,095</u>	<u>(6,765,278)</u>	<u>(589,575)</u>	<u>(7,354,853)</u>
<b>General revenues:</b>						
Taxes						
Property and Specific Ownership taxes				8,258,137	-	8,258,137
Investment earnings				116,454	-	116,454
Other				758,562	-	758,562
Gain on sale of capital assets				4,808	-	4,808
Total general revenues				<u>9,137,961</u>	<u>-</u>	<u>9,137,961</u>
Transfers				(134,261)	134,261	-
Change in net position				2,238,422	(455,314)	1,783,108
Net position - Beginning-Restated				<u>20,512,239</u>	<u>1,159,790</u>	<u>21,672,029</u>
Net position - Ending				<u>\$ 22,750,661</u>	<u>\$ 704,476</u>	<u>\$23,455,137</u>

These financial statements should be read only in connection with  
the accompanying notes to financial statements.

**KIT CARSON COUNTY, COLORADO**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**December 31, 2021**

	<u>General</u>	<u>Road and Bridge</u>	<u>Special Reven Human Services</u>
<b>ASSETS</b>			
Cash and investments with Treasurer	\$ 4,832,254	\$ 3,007,523	\$ 41,741
Cash and investments - restricted	377,000	-	-
Receivables			
Accounts	220,258	119	-
Interest	7,034	-	-
Due from other funds	539,479	-	-
Due from other governments	-	232,244	83,651
Property taxes receivable	5,620,279	1,891,440	154,990
Inventory of supplies	344,732	435,370	-
Total assets	<u>\$ 11,941,036</u>	<u>\$ 5,566,696</u>	<u>\$ 280,382</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts payable	\$ 95,388	\$ 38,625	\$ 3,085
Due to other funds	-	-	39,528
Unearned revenue	16,586	-	-
Health insurance claims payable	26,274	-	-
Total liabilities	<u>138,248</u>	<u>38,625</u>	<u>42,613</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue-property taxes	<u>5,620,279</u>	<u>1,891,440</u>	<u>154,990</u>
<b>FUND BALANCES</b>			
Nonspendable			
Inventory	344,732	435,370	-
Restricted			
Emergency reserves	366,000	-	-
Other purposes	11,000	-	-
Conservation trust	-	-	-
Public works	-	3,201,261	-
Public health and welfare	-	-	82,779
Public safety	-	-	-
Capital projects	-	-	-
Unassigned	5,460,777	-	-
Total fund balances	<u>6,182,509</u>	<u>3,636,631</u>	<u>82,779</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<u>\$ 11,941,036</u>	<u>\$ 5,566,696</u>	<u>\$ 280,382</u>

<b>Revenue Funds</b>		<b>Nonmajor</b>	<b>Total</b>
<b>Public Health</b>	<b>Solid Waste</b>	<b>Governmental</b>	<b>Governmental</b>
<b>Agency</b>		<b>Funds</b>	<b>Funds</b>
\$ -	\$ 673,162	\$ 603,561	\$ 9,158,241
-		-	377,000
260,383		20,278	501,038
-	-	-	7,034
-	-	-	539,479
-	-	-	315,895
-	432,329	108,082	8,207,120
68,061	49,169	-	897,332
<u>\$ 328,444</u>	<u>\$ 1,154,660</u>	<u>\$ 731,921</u>	<u>\$ 20,003,139</u>
\$ 16,069	\$ 4,570	\$ -	\$ 157,737
190,384	-	-	229,912
81,015	-	332,620	430,221
-	-	-	26,274
<u>287,468</u>	<u>4,570</u>	<u>332,620</u>	<u>844,144</u>
-	432,329	108,082	8,207,120
68,061	49,169	-	897,332
-		-	366,000
-		-	11,000
-		22,193	22,193
-		-	3,201,261
-	668,592	-	751,371
-		175,793	175,793
-		93,233	93,233
(27,085)	-	-	5,433,692
<u>40,976</u>	<u>717,761</u>	<u>291,219</u>	<u>10,951,875</u>
<u>\$ 328,444</u>	<u>\$ 1,154,660</u>	<u>\$ 731,921</u>	<u>\$ 20,003,139</u>

These financial statements should be read only in connection with the accompanying notes to financial statements.

**KIT CARSON COUNTY, COLORADO  
RECONCILIATION OF THE BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
GOVERNMENTAL FUNDS  
December 31, 2021**

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

Total fund balance - Total governmental funds	\$ 10,951,875
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	12,512,688
Noncurrent liabilities, including compensated absences and those related to the landfill are not due and payable in the current period, and, therefore, are not reported as fund liabilities	<u>(713,902)</u>
Net position of governmental activities	<u><u>\$ 22,750,661</u></u>

These financials statements should be read only in connection with  
the accompanying notes to financial statements.

**KIT CARSON COUNTY, COLORADO**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**Year Ended December 31, 2021**

	<b>Special Rev</b>		
	<b>General</b>	<b>Road and Bridge</b>	<b>Human Services</b>
<b>REVENUES</b>			
Taxes	\$ 5,824,333	\$ 1,714,011	\$ 160,287
Fines and forfeitures	1,002	-	-
Licenses and permits	1,223	-	-
Intergovernmental	959,088	3,072,953	3,679,523
Charges for services	1,426,427	874	-
Net investment income	116,454	-	-
Miscellaneous	505,134	12,569	179,104
Total revenues	8,833,661	4,800,407	4,018,914
<b>EXPENDITURES</b>			
Current			
General government	4,218,334	-	-
Public Safety	2,612,098	-	-
Public works	-	4,360,114	-
Public health and welfare	14,853	-	4,170,388
Culture and recreation	598,084	-	-
Total expenditures	7,443,369	4,360,114	4,170,388
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	1,390,292	440,293	(151,474)
<b>OTHER FINANCING SOURCES (USES)</b>			
Insurance recoveries	31,167	71,267	-
Sale of general capital assets	7,703	68,459	-
Transfers in	-	-	-
Transfers (out)	(322,395)	-	-
Total other financing sources (uses)	(283,525)	139,726	-
<b>NET CHANGE IN FUND BALANCES</b>	1,106,767	580,019	(151,474)
<b>FUND BALANCES - BEGINNING OF YEAR, RESTATED</b>	5,075,742	3,056,612	234,253
<b>FUND BALANCES - END OF YEAR</b>	\$ 6,182,509	\$ 3,636,631	\$ 82,779

<b>Revenue Funds</b>		<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Public Health</b>	<b>Solid Waste</b>		
\$ -	\$ 447,087	\$ 112,419	\$ 8,258,137
-	-	-	1,002
51,976	-	-	53,199
1,411,094	5,276	440,111	9,568,045
114,478	268,503	183,733	1,994,015
-	-	-	116,454
274	59	36	697,176
<u>1,577,822</u>	<u>720,925</u>	<u>736,299</u>	<u>20,688,028</u>
214,113	15,183	3,073	4,450,703
-	-	141,704	2,753,802
1,367,477	-	-	5,727,591
-	792,283	356,634	5,334,158
-	-	22,661	620,745
<u>1,581,590</u>	<u>807,466</u>	<u>524,072</u>	<u>18,886,999</u>
<u>(3,768)</u>	<u>(86,541)</u>	<u>212,227</u>	<u>1,801,029</u>
-	-	-	102,434
-	-	-	76,162
188,134	-	-	188,134
-	-	-	(322,395)
<u>188,134</u>	<u>-</u>	<u>-</u>	<u>44,335</u>
184,366	(86,541)	212,227	1,845,364
<u>(143,390)</u>	<u>804,302</u>	<u>78,992</u>	<u>9,106,511</u>
<u>\$ 40,976</u>	<u>\$ 717,761</u>	<u>\$ 291,219</u>	<u>\$ 10,951,875</u>

These financial statements should be read only in connection with the accompanying notes to financial statements.

**KIT CARSON COUNTY, COLORADO  
RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
TO THE STATEMENT OF ACTIVITIES  
GOVERNMENTAL FUNDS  
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	\$ 1,845,364
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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 net of depreciation expense. This is the amount by which depreciation exceeded capital outlay and gain on the disposal of assets in the current period.

Capital outlay	1,495,530
Proceeds from disposal of assets	(76,162)
Depreciation	(1,042,102)
Gain on sale of capital assets	4,808

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.

Change in compensated absences	34,736
Change the closure and post closure costs related to the remaining capacity and and the estimated cost to close and monitor the landfill.	(23,752)

Change in net position of governmental activities	<u>\$ 2,238,422</u>
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These financials statements should be read only in connection with  
the accompanying notes to financial statements.

**KIT CARSON COUNTY, COLORADO**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUND**  
**December 31, 2021**

	<b>Ambulance</b>
<b>ASSETS</b>	
Current Assets	
Receivables:	
Accounts	\$ 89,137
Inventories	79,999
	169,136
Property, plant and equipment	
Capital assets, net of accumulated depreciation	855,243
	1,024,379
<b>TOTAL ASSETS</b>	<b>1,024,379</b>
<b>LIABILITIES</b>	
Current Liabilities	
Accounts payable	4,394
Compensatory time payable	5,942
Interfund Payable	309,567
	319,903
<b>TOTAL LIABILITIES</b>	<b>319,903</b>
<b>NET POSITION</b>	
Net Investment in Capital Assets	855,243
Unrestricted	(150,767)
	704,476
<b>TOTAL NET POSITION</b>	<b>\$ 704,476</b>

These financial statements should be read only in connection with  
the accompanying notes to financial statements.

**KIT CARSON COUNTY, COLORADO**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUND**  
**December 31, 2021**

	<b>Ambulance</b>
<b>OPERATING REVENUES</b>	
Charges for services	\$ 248,288
Total Operating Revenues	248,288
<b>OPERATING EXPENSES</b>	
Administrative & General	76,066
Operating costs	680,070
Depreciation	136,169
Total Operating Expenses	892,305
Operating Income (Loss)	(644,017)
<b>NONOPERATING REVENUES (EXPENSES)</b>	
Intergovernmental	53,307
Total Non-Operating Revenues (Expenses)	53,307
Income (loss) before contributions and transfers	(590,710)
Operating transfers in	134,261
Contributions and donations	1,135
<b>CHANGE IN NET POSITION</b>	(455,314)
<b>TOTAL NET POSITION, Beginning, Restated</b>	1,159,790
<b>TOTAL NET POSITION, Ending</b>	\$ 704,476

These financial statements should be read only in connection with  
the accompanying notes to financial statements.

**KIT CARSON COUNTY, COLORADO**  
**STATEMENT OF CASH FLOWS**  
**For the Year Ended December 31, 2021**

	<b>Ambulance</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from customers and users	\$ 235,872
Payments to suppliers and employees	(723,237)
Net cash provided by operating activities	(487,365)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Transfers from other funds	134,261
Donations	1,135
Grants from other governments	53,307
Interfund borrowings	309,567
Net cash provided by noncapital financing activities	498,270
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
<b>ACTIVITIES</b>	
Purchase of fixed assets	(10,905)
Net cash used for capital and related financing activities	(10,905)
Net change in cash and equivalents	8,167
Cash and equivalents, beginning of year	(8,167)
Cash and equivalents, end of year	\$ -
Operating income (loss)	\$ (644,017)
Adjustments to reconcile operating income to net cash provided by operating activities	
Depreciation	136,169
Decrease (increase) in accounts receivable	(12,416)
Decrease (increase) in inventory	23,307
Decrease (increase) in prepaid expenses	3,128
Increase (decrease) in accounts payable	522
Increase (decrease) in compensated absences	5,942
Total adjustments	156,652
Net cash provided by operating activities	\$ (487,365)

These financial statements should be read only in connection with  
the accompanying notes to financial statements.

**KIT CARSON COUNTY, COLORADO**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**December 31, 2021**

	<b>Custodial Funds</b>				<b>Total</b>
	<b>Custodial Treasurer's and Property Tax Fund</b>	<b>Clerk and Recorder</b>	<b>Detention Facility Funds</b>	<b>Public Trustee</b>	
<b>ASSETS</b>					
Cash and investments	\$ 327,333	\$ 341,180	\$ 9,790	\$ 103,852	\$ 782,155
Property taxes receivable	8,678,871	-	-	-	8,678,871
Total assets	<u>9,006,204</u>	<u>341,180</u>	<u>9,790</u>	<u>103,852</u>	<u>9,461,026</u>
<b>LIABILITIES</b>					
Accounts payable	-	-	-	93,022	93,022
Due to other governments	314,707	339,264	-	-	653,971
Total liabilities	<u>314,707</u>	<u>339,264</u>	<u>-</u>	<u>93,022</u>	<u>746,993</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue-property taxes	8,678,871	-	-	-	8,678,871
<b>NET POSITION</b>					
Restricted for individuals, organizations and other governments	<u>\$ 12,626</u>	<u>\$ 1,916</u>	<u>\$ 9,790</u>	<u>\$ 10,830</u>	<u>\$ 35,162</u>

These financials statements should be read only in connection with  
the accompanying notes to financial statements.

**KIT CARSON COUNTY, COLORADO**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**December 31, 2021**

	<b>Custodial Funds</b>				<b>Total</b>
	<b>Custodial Treasurer's and Property Tax Fund</b>	<b>Clerk and Recorder</b>	<b>Detention Facility Funds</b>	<b>Public Trustee</b>	
<b>ADDITIONS</b>					
Tax collections for other governments	\$ 10,679,418	\$ -	\$ -	\$ -	\$ 10,679,418
County Clerk and Recorder collections	-	348,298	-	-	348,298
Deposits from inmates	-	-	88,981	-	88,981
Office of the Public Trustee receipts	-	-	-	37,481	37,481
Miscellaneous collections	2,895	-	-	-	2,895
Total additions	<u>10,682,313</u>	<u>348,298</u>	<u>88,981</u>	<u>37,481</u>	<u>11,157,073</u>
<b>DEDUCTIONS</b>					
Payments of taxes to other governments	10,679,418	-	-	-	10,679,418
County Clerk and Recorder payments to other governments	-	347,442	-	-	347,442
Payments on behalf of inmates	-	-	81,049	-	81,049
Office of the Public Trustee disbursements	-	-	-	38,942	38,942
Other	3,939	-	-	-	3,939
Total deductions	<u>10,683,357</u>	<u>347,442</u>	<u>81,049</u>	<u>38,942</u>	<u>11,150,790</u>
Net increase (decrease) in fiduciary net position	(1,044)	856	7,932	(1,461)	6,283
Net position-beginning-Restated	<u>13,670</u>	<u>1,060</u>	<u>1,858</u>	<u>12,291</u>	<u>28,879</u>
Net position-ending	<u>\$ 12,626</u>	<u>\$ 1,916</u>	<u>\$ 9,790</u>	<u>\$ 10,830</u>	<u>\$ 35,162</u>

These financials statements should be read only in connection with  
the accompanying notes to financial statements.

KIT CARSON COUNTY, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021

NOTE 1 - DEFINITION OF REPORTING ENTITY

Kit Carson County, Colorado (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 (Board), responsible for setting policy, appointing administrative personnel, and the adoption of an annual budget in accordance with State statutes. The County also has five additional elected officials, the Assessor, Clerk and Recorder, Sheriff, Coroner and Treasurer. The County provides the following services: public safety, health and welfare, fairground facilities construction and maintenance, construction and maintenance of roads and bridges, and general administrative services.

The County follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's reporting entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency. Based on the application of these criteria, there are no other entities included in the County's reporting entity. In addition, the County is not included in any other governmental reporting entity.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the County conform to generally accepted accounting principles (GAAP) as applicable to government units. The following is a summary of the more significant policies.

Government-wide and Fund Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These financial statements include all activities of the primary government except for the fiduciary activities. During the course of operations, the County has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities are eliminated so that only the net amount is included as internal balances in the governmental activities column. Individual funds are not displayed but the statements distinguish governmental activities, generally supported by taxes and County general revenues, from the business-type activities, which are generally financed in whole or part with fees charged to external customers. The comparison of direct expenses with program revenues identifies the extent to which governmental functions and each identifiable business type activity is self-financing or draws from general revenues.

The statement of net position reports all financial and capital resources of the primary government. The difference between the assets, liabilities, and deferred inflows of resources of the County is reported as net position.

KIT CARSON COUNTY, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment.

Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met. Depreciation is computed and recorded as an operating expense. Expenditures for property and equipment are shown as increases in assets.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. The County has determined that expenditure-driven grants should be recognized as soon as all eligibility criteria have been met. For this purpose, the County considers grant revenues to be available if they are anticipated to be collected within a year after the current fiscal period. The major sources of revenue susceptible to accrual are property taxes, specific ownership taxes, sales taxes, intergovernmental revenues, and grant funding. All other revenue items are considered measurable and available only when cash is received by the County. Expenditures are generally recorded when the liability is incurred, as under accrual accounting. However, expenditures related to compensated absences are recorded only when payment is due.

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

Fiduciary funds, consist of four fund types. The County reports only custodial funds fund type. Resources in this fund type are held in a temporary and essentially custodial capacity belonging to third parties or individuals. Custodial Funds are accounted for using the *economic resources measurement focus* and the *accrual basis of accounting*.

KIT CARSON COUNTY, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

*Major Funds* - In the fund financial statements, the County reports the following major governmental funds:

*General Fund*

The General Fund is the County's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund. The fund balance is available to the County for any purpose provided it is expended or transferred according to the general laws of the State of Colorado. The Contingency Fund has been combined to comply with the reporting requirements of GASB 54 *Fund Balance Reporting And Governmental Fund Type Definitions*.

*Special Revenue Funds*

The Road and Bridge Fund accounts for the proceeds of restricted revenue to be used for maintaining road and bridge operations. These revenues include a portion of the County's property taxes and State Highway User Tax Fund revenues.

The Human Services Fund accounts for federal and state resources received by the County for various social programs as well as a portion of the County property taxes designated for this purpose.

The Public Health Agency Fund This fund accounts for public health services provided to residents of the County paid for by dedicated State and Federal grants and charges for services.

The Solid Waste Fund This fund accounts for the operation of the County's landfill and related collection activities using revenues from a portion of the County's property taxes and charges to users of the landfill.

Budgets

In accordance with the State Budget Law, the County Commissioners hold public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures plus other financing uses level, and lapses at year end. The County Commissioners can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each governmental and proprietary fund, but not fiduciary funds. After consultation with the State of Colorado and GASB, management believes that there is no requirement for the custodial funds to adopt a budget. Funds are recorded on their basis of accounting unless otherwise indicated. The enterprise fund does not use the same basis of accounting in preparing its budget. Amounts expended for capital are included in budgeted expenses, while depreciation of capital assets is not.

Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balances

*Cash and Investments* - All cash is deposited with the County Treasurer. The Treasurer invests the funds to achieve the best possible return on the investment while ensuring the principal is maintained.

KIT CARSON COUNTY, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balances (Continued)

All funds record cash and investments as cash and investments with County Treasurer. Net investment income is allocated to the General, Human Services, Conservation Trust Fund, in accordance with statutory requirements. Cash equivalents are defined as investments with original maturities of three months or less. Investments are stated at fair value, with the exception of the local government investment pool, which is stated at the net asset value of the shares owned.

*Accounts Receivable* – Accounts receivable relate to amounts collected in 2022 which the County earned or were entitled to during the 2021 fiscal year. The County has recorded an allowance for doubtful accounts of \$60,402 in the Ambulance Fund. The County believes all the remaining accounts receivable will be collected.

*Inventories* - Inventories of supplies held for consumption by the General, Road and Bridge, Public Health, and Solid Waste Funds are valued at cost using the first-in, first-out (FIFO) method. The cost of inventory is recorded as an expenditure at the time individual inventory items are used. Reported inventories are equally offset by a fund balance reserve which indicates they do not constitute available spendable resources even though they are a component of assets.

*Capital Assets* - Capital assets, which include property, equipment, and infrastructure (e.g., roads and similar items), are reported in the government-wide financial statements and the Enterprise Funds. Capital assets are defined by the County as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition 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 asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable. Capital assets of the County are depreciated using the straight-line method over the estimated economic useful lives:

Buildings and improvements	50 - 100 years
Furniture and fixtures	7-12 years
Machinery, equipment and vehicles	5-12 years
Infrastructure	75 years

*Unearned Revenues* – Unearned revenues consist of advances received on grants and fees received in advance of performing services that are recognized as revenue when the terms of the grant are fulfilled or the services are performed.

KIT CARSON COUNTY, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balances (Continued)

*Compensated Absences* – Full-time employees hired are allowed sick leave of 12 days per year. Up to 125 days may be accumulated. Upon separation of employment, employees hired before April 1, 2011 may be paid out 25% of accumulated days at the employee’s current pay level. No more than 40 hours will be paid out upon termination. There is no pay out of sick or vacation leave for employees hired after April 1, 2011. Full time employees accrue vacation immediately at a rate of 1 day per month. Employees receive vacation based on years of service as follows:

Employees Hired Before 01/01/2015		Employees Hired After 01/01/2015	
Years of Service	Vacation days received	Years of Service	Vacation days received
0-5	8	0-5	8
6-10	9	6-10	9
11-20	12	11-20	10
21 and above	17	21 and above	11

Leave must be taken in the subsequent year, and the maximum annual carryover is 80 hours. No more than 40 hours to be paid upon termination.

A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee terminations or retirements.

*Long-Term Debt* – In the government-wide financial statements and the enterprise funds, long-term debt and other long-term obligations are reported as liabilities. The governmental fund financial statements recognize bond premiums and discounts 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 received, are reported as current expenditures.

*Deferred Outflows/Inflows of Resources* – In addition to assets, the statement of financial 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. At December 31, 2021, the County reports no deferred outflows of resources. In addition to liabilities, the statement of financial position 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. Deferred inflows of resources include property taxes levied for use in a subsequent period totaling \$8,207,120.

KIT CARSON COUNTY, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balances (Continued)

*Net Position* – In the government-wide and proprietary fund financial statements, the net position is reported in three components: 1) net investment in capital assets 2) restricted and 3) unrestricted. Net investment in capital assets represents the County’s total investment in capital assets, net of depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets, if any. In the government-wide financial statements, net position is restricted when constraints placed on the net position are externally imposed. When both restricted and unrestricted resources are available for use, it is the County’s policy to use restricted resources first, then unrestricted resources as they are needed.

*Fund Balances* – At December 31, 2021, both the Public Health and Ambulance Funds have negative unrestricted/unassigned equity. While both funds have total positive equity, the Public Health Fund has a non-spendable amount for inventory resulting in a negative unassigned fund balance of \$27,805. The Ambulance Fund negative unrestricted net position of \$150,767. These deficits will be funded through operating revenues and transfers from other funds in future years.

In the fund financial statements, governmental funds report fund balance in five different classifications:

*Nonspendable* – Amounts that cannot be spent either because they are in nonspendable form (i.e., inventories or prepaid items) or because they are legally or contractually required to be maintained intact.

*Restricted* – Amounts that can be spent only for specific purposes because of constitutional provisions, enabling legislation, constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

*Committed* – Amounts that can be used only for specific purposes determined by a formal action of the Board of County Commissioners, as it is the highest level of decision-making body for the County. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Board.

*Assigned* – Amounts that do not meet the criteria to be classified as restricted or committed, but that are intended to be used for specific purposes. Only the Board may assign fund balances for specific purposes.

*Unassigned* – Amounts that do not fall into any other category above. This is the residual classification for amounts in the General Fund and represents fund balance that has not been assigned to other funds and has not been restricted, committed, or assigned to specific purposes in the General Fund. In other governmental funds, only negative unassigned amounts are reported, if any and represent expenditures incurred for specific purposes exceeding the amounts previously restricted, committed, or assigned to those purposes.

KIT CARSON COUNTY, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balances (Continued)

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the County considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned or unassigned fund balances are available, the County considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board of County Commissioners has provided otherwise in its commitment or assignment actions.

Property Taxes

Property taxes are levied by the Board. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to put a tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the County's taxes and taxes for other entities within the County during the ensuing calendar year. The collection and remittance of taxes for other entities is accounted for in a custodial fund. The taxes are payable by April or if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November.

Property taxes levied in the previous year, but collected in subsequent year, are recorded as taxes receivable and a deferred inflow of resources in the year there is an enforceable lien and the amount is measurable. Amounts deferred are subsequently recorded as revenue in the year they are available or collected.

Prior Year Amounts

Certain prior year amounts have been reclassified to conform to the current year presentation.

Estimates

The preparation of 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 3 - CASH AND INVESTMENTS

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

Governmental activities:	
Cash and investments	\$ 9,158,241
Cash and investments – Restricted	<u>377,000</u>
Total cash and investments – Governmental activities	9,535,241
Fiduciary activities:	
Cash and investments	782,155
Total cash and investments.	<u>\$ 10,317,396</u>

KIT CARSON COUNTY, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021

NOTE 3 - CASH AND INVESTMENTS (CONTINUED)

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

Cash on hand	\$ 17,606
Deposits with financial institutions	6,316,926
Investments	<u>3,982,864</u>
Total cash and investments	<u>\$ 10,317,396</u>

Deposits with Financial Institutions

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

The State Bank Commissioner is required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools. As of December 31, 2021, the County's cash deposits had a bank balance of \$6,736,290 and a carrying balance of \$6,316,926.

As of December 31, 2021, of the County's deposits \$1,708,449 was covered by the Federal Deposit Insurance Corporation (FDIC), \$5,027,841 was covered by the PDPA.

Investments

The County does not have a formal investment policy but follows State of Colorado Statute.

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

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

KIT CARSON COUNTY, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021

NOTE 3 - CASH AND INVESTMENTS (CONTINUED)

*Concentration of credit risk.* The County generally limits its concentration of investments to certain mutual funds who invest in, and securities issued by or guaranteed by the U.S. or its agencies.

*Interest rate risk.* The County's generally investments of operating funds limits maturities to five years or less unless approved by the Board of County Commissioners in a separate action. Such actions are generally associated with a debt service reserve or sinking fund requirements. At December, 31, 2021, 89% of its portfolio is invested in U.S. Government Bonds which mature in 1 to 5 years.

*Fair Value Hierarchy.* The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Part of the investments of the County is a temporary cash account called the Dreyfus Govt Cash Mngt Inv Sh. The fund has a constant net asset value of \$1. The County is not required to value this type of investment using the fair value hierarchy. The County's investment in U.S. Treasury Securities, with a carrying value of \$246,778 and U.S. Bonds with a carrying value \$3,717,966 are valued using level 2 inputs, other significant observable inputs.

Of the U.S. Treasuries and Bonds, 87% are rated AAA. The remaining 13% are not rated. The Dreyfus Govt Cash Mngt Inv Sh. does not have a credit rating. This Fund does not have any unfunded commitments, redemption restrictions or redemption notice periods.

Restricted Cash and Investments

The County considers cash related to contingencies to be restricted by the State of Colorado statutes. Those amounts total \$377,000 as of December 31, 2021 In previous years this amount was reported in the Contingency special revenue fund which was used to fund the TABOR emergency reserve which is more fully described in Note 12 to these financial statements. At December 31, 2021, the majority of this account \$366,000, was used to fund the emergency reserve. The remaining funds of \$11,000 are restricted the possible uses of the Contingency Fund under Colorado State Statute.

KIT CARSON COUNTY, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021

NOTE 4 - CAPITAL ASSETS

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

	Balance at December 31, 2020	Increases	Decreases	Balance at December 31, 2021
Governmental Activities				
Capital assets, not being depreciated:				
Land	\$ 194,950	\$ -	\$ -	\$ 194,950
Total capital assets, not being depreciated	<u>194,950</u>	<u>-</u>	<u>-</u>	<u>194,950</u>
Capital assets, being depreciated:				
Buildings and Improvements'	8,785,919	-	-	8,785,919
Equipment and Furniture	<u>14,670,948</u>	<u>1,996,633</u>	<u>(1,262,726)</u>	<u>15,404,855</u>
Total capital assets, being depreciated	<u>23,456,867</u>	<u>1,996,633</u>	<u>(1,262,726)</u>	<u>24,190,774</u>
Less accumulated depreciation for:				
Buildings and Improvements'	(3,689,458)	(122,877)	-	(3,812,335)
Equipment and Furniture	<u>(7,831,745)</u>	<u>(919,225)</u>	<u>690,269</u>	<u>(8,060,701)</u>
Total accumulated depreciation	<u>(11,521,203)</u>	<u>(1,042,102)</u>	<u>690,269</u>	<u>(11,873,036)</u>
Total capital assets, being depreciated, net	<u>11,935,664</u>	<u>954,531</u>	<u>(572,457)</u>	<u>12,317,738</u>
Capital assets, net	<u>\$ 12,130,614</u>	<u>\$ 954,531</u>	<u>\$ (572,457)</u>	<u>\$ 12,512,688</u>

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

General government	\$ 142,402
Public safety	123,396
Public health and welfare	83,436
Public works	<u>692,868</u>
Total depreciation expense	<u>\$ 1,042,102</u>

KIT CARSON COUNTY, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021

NOTE 4 - CAPITAL ASSETS (CONTINUED)

	Balance at December 31, 2020	Increases	Decreases	Balance at December 31, 2021
Business-Type Activities:				
Capital assets, being depreciated:				
Buildings and Improvements'	\$ 533,302	\$ -	\$ -	\$ 533,302
Equipment and Furniture	1,244,947	10,905	-	1,255,852
Total capital assets, being depreciated	1,778,249	10,905	-	1,789,154
Less accumulated depreciation for:				
Buildings and Improvements'	(47,405)	-	-	(47,405)
Equipment and Furniture	(750,337)	(136,169)	-	(886,506)
Total accumulated depreciation	(797,742)	(136,169)	-	(933,911)
Total capital assets, being depreciated, net	980,507	(125,264)	-	855,243
Capital assets, net	\$ 980,507	\$ (125,264)	\$ -	\$ 855,243

Depreciation expense of \$136,169 is recorded in the Ambulance Fund.

NOTE 5 - LONG-TERM OBLIGATIONS

The following is an analysis of the changes in the County's long-term obligations for the year ended December 31, 2021.

	Restedated Balance at December 31, 2020	Additions	Reductions	Balance at December 31, 2021	Due Within One Year
Governmental Activities					
Landfill closure and postclosure cost	\$ 579,984	\$ 23,752	\$ -	\$ 603,736	\$ -
Compensated absences	144,902	-	34,736	110,166	55,083
	\$ 724,886	\$ 23,752	\$ 34,736	\$ 713,902	\$ 55,083

*Landfill closure-post closure costs.* 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 functions at the site for thirty years after closure. Although closure and post-closure care 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 costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The amounts are based upon what it would cost to perform all closure and post closure care in 2021.

KIT CARSON COUNTY, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021

NOTE 5 - LONG-TERM OBLIGATIONS (CONTINUED)

State regulations require the County prepare updated cost estimates every five years and cost estimates were last updated in June 2020 and have been adjusted for inflation. At December 31, 2021, the closure and post closure costs are estimated to be \$918,060. At December 31, 2021, the landfill was at 71.34% capacity. The County currently has a filled pit known as Cell A which is in the process of being closed and is opening a new pit, Cell B, which is unused. The County is treating Cell A as fully utilized. The County estimates that Cell B will last approximately 14 more years.

Compensated absences are generally liquidated in the fund which pays the employee.

NOTE 6 - NET POSITION

The County has net position consisting of three components – net investment in capital assets, restricted, and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of capital leases and bonds that are attributable to the acquisition, construction, or improvement of those assets. As of December 31, 2021, the County had a net investment in capital assets calculated as follows:

		<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Net investment in capital assets:			
Capital assets, net			
Those not depreciated	\$ 194,950		\$ -
Those depreciated	<u>12,317,738</u>		<u>855,243</u>
		12,512,688	855,243
Net debt amount		<u>-</u>	<u>-</u>
Net investment in capital assets		<u>\$ 12,512,688</u>	<u>\$ 855,243</u>

Restricted assets include restrictions for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

NOTE 7 - PENSION PLAN

The County has adopted a multiple employer defined contribution pension plan administered by Colorado Retirement Association (CRA) which covers substantially all employees meeting the minimum eligibility requirements of 20 or more hours of work per week and no less than 1,040 hours in a 12-month period. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The minimum monthly contribution by the employee is 3% with the County making a 3% match.

KIT CARSON COUNTY, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021

NOTE 7 - PENSION PLAN (CONTINUED)

Employees vest 20% a year until they 6<sup>th</sup> year, when they become fully vested. In addition, if an employee is aged 55 or older on the date of hire or before the 6<sup>th</sup> year vesting period, the employee is immediately vested.

Both the County and the employees contributed 3% of eligible gross wages to the Plan during 2021. Information regarding the pension plan contributions for 2021, 2020, and 2019 are as follows:

	2021	2020	2019
Base salary - eligible	\$ 5,552,611	\$ 4,678,612	\$ 4,449,930
County contribution	160,775	152,785	146,982

During the twelve months ended December 31, 2023, the County received \$14,604 in forfeitures.

NOTE 8 - DEFERRED COMPENSATION PLAN

The County has a deferred compensation plan created in accordance with Internal Revenue Code Section 457. This plan is also administered by CRA. Participation in the plan is optional for all employees. The plan allows the employees to defer a portion of their salary until future years in accordance with Internal Revenue Service guidelines. The County does not make any contributions to the plan.

NOTE 9 - COMMITMENTS AND CONTINGENCIES

Grants

The County participates in various federal grant programs, the principal of which may be subject to program compliance audits pursuant to the Single Audit Act as amended or oversight by the grantor agencies. Accordingly, the government's compliance with applicable grant requirements will be established at a future date. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the government anticipates such amounts, if any, will not have a material effect on the County's financial statements.

Coronavirus Pandemic

In January 2021, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a "Public Health Emergency of International Concern," which continues to spread throughout the world and has adversely impacted global commercial activity and contributed to significant declines and volatility in financial markets. At the current time, the ultimate economic fallout of the COVID-19 pandemic crisis is still largely unknown. Kit Carson County's staff and elected officials have reviewed information about federal economic stimulus and recovery funds and are developing response plans based on emerging epidemiological data. Operational changes in various County departments in response to the pandemic may affect expenditure trends for some time.

KIT CARSON COUNTY, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021

NOTE 9 - COMMITMENTS AND CONTINGENCIES (CONTINUED)

Coronavirus Pandemic

During the year ended December 31, 2021, the County received \$689,255 in Coronavirus State and Local Fiscal Recovery Funds. At December 31, 2021 the County has \$332,621 of these funds yet to expend before December 31, 2024.

NOTE 10 - TRANSFERS/INTERFUND RECEIVABLES & PAYABLES

Interfund transfers for the year ended December 31, 2021 are as follows:

Transfers Out	Transfers In			Total
	General Fund	Public Health Fund	Ambulance Fund	
General Fund	\$ 322,395	\$ (188,134)	\$ (134,261)	\$ -
	\$ 322,395	\$ (188,134)	\$ (134,261)	\$ -

Annually, the County budgets and transfers funds to the Public Health Fund and the Ambulance Fund. Neither fund has the operational revenues to cover its expenditures/expenses.

	Interfund Receivables	Interfund Payables
General	\$ 539,479	\$ -
Human Services	-	39,528
Public Health Agency	-	190,384
Ambulance	-	309,567
	\$ 539,479	\$ 539,479

All funds of the County are pooled together along with any amounts received but not yet remitted to the taxing districts. At the end of the six month and annual reporting periods, the County's General Fund lends money to the Public Health Agency and Ambulance Funds to show ensure that no funds report a negative cash balance.

NOTE 11 - RISK MANAGEMENT

The County is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of, assets; errors or omissions; injuries to employees, or acts of God. The County is one of several counties which are members of the Colorado Counties Casualty and Property Pool and the County Workers' Compensation Pool (Pools). The Pools are organizations created by intergovernmental agreement. The Colorado Counties Casualty and Property Pool provides general liability, automobile liability, property and automobile physical damage to its members. The County Workers' Compensation Pool provides workers' compensation coverage to its members. The County pays annual contributions to the Pools for its property, casualty and workers' compensation insurance.

KIT CARSON COUNTY, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021

NOTE 11 - RISK MANAGEMENT (CONTINUED)

The intergovernmental agreements which formed the Pools provides that the Pools will be financially self-sustaining through member contributions and additional assessments, if necessary, and the Pools will purchase excess insurance through commercial companies for members' claims in excess of a specified self-insured retention, which is determined each policy year. Each pool is managed by an independent risk manager/claims administrator who reports to the Pool Board of Directors.

Each member's contribution to the respective pool is determined on factors including, but not limited to, the Pool's claim experience, premium costs, cost of administration and other operating expenses, the number of participants, the adequacy of both operating and reserve funds and other factors effecting the status of the Pool or an individual participant, and as approved by the Colorado Insurance Commissioner.

The Pools provide the following types of coverage:

	Self-Insured Retentions (Per Occurrence)	Excess Insurance Limits (Per Occurrence)
Liability	\$ 250,000	\$ 10,000,000
Property	\$ 150,000	\$ 100,000,000
Workers' compensation	\$ 500,000 to statutory limit	

Settled claims have not exceeded coverage provided by the Pools in any of the past three fiscal years.

Self-Funded Health Insurance Plan

The County carries a high deductible health insurance plan and have agreed to fund the employees' share of the deductible up to \$5,000 annually. This employee benefit plan is administered by the County. A claim history for the fiscal year ended December 31, 2021 is as follows :

Claims payable - beginning - restated	\$	23,113
Claims incurred		326,193
Claims paid		<u>329,354</u>
Claims payable - ending	\$	<u>26,274</u>

NOTE 12 - TAX, SPENDING AND DEBT LIMITATIONS

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

KIT CARSON COUNTY, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021

NOTE 12 - TAX, SPENDING AND DEBT LIMITATIONS (CONTINUED)

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

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

The County's management believes it is in compliance with the provisions of the Taxpayer Bill of Rights (TABOR). However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits will require judicial interpretation. Accordingly, the possibility exists that the County's interpretation of certain TABOR provisions may subsequently be determined to be incorrect. This could result in a potential refund of revenue unless voters approve retention of such revenue. The ultimate outcome of these matters cannot presently be determined and no provision for any liability for a refund of revenue has been made in these financial statements.

During November, 1997, a majority of the County's electors authorized Kit Carson County to retain or expend all revenue notwithstanding any restrictions imposed by Article X, Section 20 of the Colorado constitution.

The State Constitution also requires local governments to establish emergency reserves equal to at least 3% of fiscal year spending as defined in the amendment. These emergency reserves cannot be used to compensate for economic conditions, revenue short falls or salary and benefit increases. As of December 31, 2021, the amount required as an emergency reserve in compliance with the amendment is \$366,000 and is shown as a restriction of equity in the General Fund and also in the Statement of Net Position.

KIT CARSON COUNTY, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021

NOTE 13: RESTATEMENTS

The County has discovered that certain amounts reported in previous audits required a restatement of Fund Balance or Net Position.

	Fund Totals							
	Correct cash balances to reconcile to the Treasurer's Office	Close the Contingency Fund into the General Fund	To record unrealized losses on County investments	To record the incurred but not reported partial for the partially self funded Health Plan	To record additional amounts due from other governments	To record additional receivables for the prior year	To reduce the Landfill liability	To adjust capital assets to the capital asset records
General	\$ 530,000	\$ 377,000	\$ (111,141)	\$ (23,113)	\$ -	\$ -	\$ -	\$ -
Public Health	56,832	-	-	-	-	-	-	-
Contingency Fund	-	(377,000)	-	-	-	-	-	-
Road & Bridge	(186,759)	-	-	-	192,220	-	-	-
Ambulance	8,167	-	-	-	-	39,902	-	-
Human Services	-	-	-	-	75,741	-	-	-
Solid Waste	(28,092)	-	-	-	-	-	-	-
Sub Totals	<u>380,148</u>	<u>-</u>	<u>(111,141)</u>	<u>(23,113)</u>	<u>267,961</u>	<u>39,902</u>	<u>-</u>	<u>-</u>
Government Wide Statements	<u>\$ 371,981</u>	<u>\$ -</u>	<u>\$ (111,141)</u>	<u>\$ (23,113)</u>	<u>\$ 267,961</u>	<u>\$ -</u>	<u>\$ 269,703</u>	<u>\$ (291,888)</u>
	To reduce the Landfill liability	To adjust capital assets to the capital asset records	To report additional Fiduciary Funds as required by GASB 87					
At the Government Wide Statements only	\$ 269,703	\$ (291,888)	\$ -					
Custodial Treasurer's and Property Tax Fund	-	-	13,670					
Clerk and Recorder	-	-	1,060					
Detention Facility Funds	-	-	1,858					
Public Trustee	<u>-</u>	<u>-</u>	<u>12,291</u>					
Total	<u>\$ 269,703</u>	<u>\$ (291,888)</u>	<u>\$ 28,879</u>					

NOTE 14 – NEW ACCOUNTING PRONOUNCEMENTS

The GASB has issued several pronouncements prior to December 31, 2021 that have effective dates that may impact future financial presentations. Management is currently determining the effects of the implementation of these statements on the County's financial records. The following Statements may require material adjustment to the County's financial statements.

KIT CARSON COUNTY, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021

NOTE 14 – NEW ACCOUNTING PRONOUNCEMENTS

GASB Statement No. 87, *Leases* will be implemented as required by GASB during the fiscal year ending December 31, 2022. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundation principle that leases are financings of the right to use an underlying asset.

GASB Statement No. 91, *Conduit Debt Obligations*, will be implemented as required by GASB during the fiscal year ending December 31, 2022. The primary objectives of the Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with: (1) commitments extended by issuers; (2) arrangements associated with conduit debt obligations; and (3) related note disclosures.

This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures.

**REQUIRED SUPPLEMENTARY INFORMATION**

**KIT CARSON COUNTY, COLORADO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL**  
**GENERAL FUND**

	<b>Original And Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>			
Taxes	\$ 5,867,369	\$ 5,824,333	\$ (43,036)
Fines and forfeitures	5,000	1,002	(3,998)
Licenses and permits	50,500	1,223	(49,277)
Intergovernmental	1,346,620	959,088	(387,532)
Charges for service	1,308,910	1,426,427	117,517
Net investment income	47,000	116,454	69,454
Miscellaneous	86,250	505,134	418,884
Total revenues	<u>8,711,649</u>	<u>8,833,661</u>	<u>122,012</u>
<b>EXPENDITURES</b>			
General government	4,238,461	4,218,334	20,127
Public safety-Sherriff	2,985,569	2,612,098	373,471
Culture and recreation	803,750	598,084	205,666
Public health and welfare	14,700	14,853	(153)
Total expenditures	<u>8,042,480</u>	<u>7,443,369</u>	<u>599,111</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>669,169</u>	<u>1,390,292</u>	<u>721,123</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Sale of assets	30,000	7,703	(22,297)
Insurance recoveries	28,500	31,167	2,667
Transfers (out)	(322,395)	(322,395)	-
Total other financing sources (uses)	<u>(263,895)</u>	<u>(283,525)</u>	<u>(19,630)</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ 405,274</u>	1,106,767	<u>\$ 701,493</u>
<b>FUND BALANCE - BEGINNING OF YEAR, RESTATED</b>		<u>5,075,742</u>	
<b>FUND BALANCE - END OF YEAR</b>		<u>\$ 6,182,509</u>	

**KIT CARSON COUNTY, COLORADO**  
**SCHEDULE OF REVENUES - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**Year Ended December 31, 2021**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>REVENUES</b>			
Taxes			
Property taxes	\$ 5,332,369	\$ 5,340,036	\$ 7,667
Specific ownership taxes	535,000	484,297	(50,703)
Total taxes	<u>5,867,369</u>	<u>5,824,333</u>	<u>(43,036)</u>
Fines and forfeitures	<u>5,000</u>	<u>1,002</u>	<u>(3,998)</u>
Licenses and permits			
Building and zoning fees	500	0	(500)
Liquor and other licenses	<u>50,000</u>	<u>1,223</u>	<u>(48,777)</u>
Total licenses and permits	<u>50,500</u>	<u>1,223</u>	<u>(49,277)</u>
Intergovernmental revenues			
VALE grant	6,500	6,500	-
VOCA	78,955	77,928	(1,027)
Other intergovernmental revenues	<u>1,261,165</u>	<u>874,660</u>	<u>(386,505)</u>
Total intergovernmental revenues	<u>1,346,620</u>	<u>959,088</u>	<u>(387,532)</u>
Charges for services			
Sheriff	339,800	44,120	(295,680)
Clerk	283,750	400,499	116,749
Treasurer	450,000	427,984	(22,016)
Public trustee fees	-	108,957	108,957
Fair and Rodeo	179,010	419,467	240,457
Other	<u>56,350</u>	<u>25,400</u>	<u>(30,950)</u>
Total charges for services	<u>1,308,910</u>	<u>1,426,427</u>	<u>117,517</u>
Interest income	<u>47,000</u>	<u>116,454</u>	<u>69,454</u>
Miscellaneous revenues			
Donations and contributions	58,000	79,872	21,872
Other	<u>28,250</u>	<u>425,262</u>	<u>397,012</u>
Total miscellaneous revenues	<u>86,250</u>	<u>505,134</u>	<u>418,884</u>
Other financing sources			
Sale of assets	30,000	7,703	(22,297)
Insurance recoveries	<u>28,500</u>	<u>31,167</u>	<u>2,667</u>
Total other financing sources	<u>58,500</u>	<u>38,870</u>	<u>(19,630)</u>
Total revenues	<u>\$ 8,770,149</u>	<u>\$ 8,872,531</u>	<u>\$ 102,382</u>

**KIT CARSON COUNTY, COLORADO**  
**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**Year Ended December 31, 2021**

<b>EXPENDITURES</b>	<b>Original And Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
General government			
Office of commissioners	\$ 629,482	\$ 636,576	\$ (7,094)
County attorney	21,844	23,392	(1,548)
Planning and zoning	23,367	21,504	1,863
Clerk and recorder	420,531	395,762	24,769
Clerk and recorder - Elections	170,146	138,269	31,877
Clerk and recorder electronic filing fee	195,000	173,238	21,762
Clerk and recorder ERTF	5,000	56	4,944
County treasurer	298,433	270,514	27,919
County assessor	376,055	334,153	41,902
Maintenance of grounds and buildings	507,103	750,049	(242,946)
Health insurance deductible	350,000	329,354	20,646
Colorado State University extension office	220,309	206,683	13,626
ECCOG	37,000	33,356	3,644
Administrator	209,531	199,202	10,329
Community programs	280,720	262,593	18,127
Public Trustee	15,300	8,168	7,132
Central data processing	111,640	122,474	(10,834)
Other administration	-	7,889	(7,889)
Treasurer's fee	167,000	167,726	(726)
Contingency	200,000	137,376	62,624
Total general government	<u>4,238,461</u>	<u>4,218,334</u>	<u>20,127</u>
Public safety-Sheriff			
Victims advocate	109,417	101,118	8,299
County sheriff	859,930	820,755	39,175
County jail	1,096,002	1,007,797	88,205
County coroner	83,680	70,371	13,309
Court security	113,717	98,154	15,563
Emergency management	76,876	104,155	(27,279)
Emergency communications and operation:	588,447	405,615	182,832
Emergency communications contract	35,000	-	35,000
Commissary	22,500	4,133	18,367
Total public safety-Sherriff	<u>2,985,569</u>	<u>2,612,098</u>	<u>373,471</u>
Culture and recreation			
Fair	208,250	419,122	(210,872)
Rodeo	193,500	178,962	14,538
GOCO State funds	402,000	-	402,000
Total culture and recreation	<u>803,750</u>	<u>598,084</u>	<u>205,666</u>
Public health and welfare			
Veterans officer	14,700	14,853	(153)
Transfers out	322,395	322,395	-
Total expenditures	<u>\$ 8,364,875</u>	<u>\$ 7,765,764</u>	<u>\$ 599,111</u>

**KIT CARSON COUNTY, COLORADO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL**  
**ROAD AND BRIDGE SPECIAL REVENUE FUND**  
**Year Ended December 31, 2021**

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>			
Taxes	\$ 1,726,997	\$ 1,714,011	\$ (12,986)
Intergovernmental	2,677,219	3,072,953	395,734
Charges for services	7,000	874	(6,126)
Other Income	41,000	12,569	(28,431)
Total revenues	4,452,216	4,800,407	348,191
<b>EXPENDITURES</b>			
General government	78,000	-	78,000
Public works			-
District number 1	1,518,273	1,519,991	(1,718)
District number 2	1,448,772	1,284,647	164,125
District number 3	1,353,631	1,360,063	(6,432)
Other	1,801,601	119,095	1,682,506
Weed District	106,628	76,318	30,310
Contingency	249,881	-	249,881
Total expenditures	6,556,786	4,360,114	1,946,791
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(2,104,570)</b>	<b>440,293</b>	<b>(1,598,600)</b>
<b>OTHER FINANCING SOURCES</b>			
Sale of general capital assets	20,000	68,459	48,459
Proceeds from insurance reimbursements	10,000	71,267	61,267
Transfers in	350,000	-	(350,000)
Total other financing sources	380,000	139,726	(240,274)
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ (1,724,570)</b>	<b>580,019</b>	<b>\$ (1,838,874)</b>
<b>FUND BALANCE - BEGINNING OF YEAR</b>		<b>3,056,612</b>	
<b>FUND BALANCE - END OF YEAR</b>		<b>\$ 3,636,631</b>	

**KIT CARSON COUNTY, COLORADO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL**  
**HUMAN SERVICES SPECIAL REVENUE FUND**  
**Year Ended December 31, 2021**

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>			
Taxes	\$ 157,032	\$ 160,287	\$ 3,255
Intergovernmental	2,927,740	3,679,523	751,783
Other	200	179,104	178,904
Total revenues	3,084,972	4,018,914	933,942
 <b>EXPENDITURES</b>			
Public health and welfare	3,102,488	4,170,388	(1,067,900)
Total expenditures	3,102,488	4,170,388	(1,067,900)
 <b>NET CHANGE IN FUND BALANCE</b>	<b>\$ (17,516)</b>	<b>(151,474)</b>	<b>\$ (133,958)</b>
 <b>FUND BALANCE - BEGINNING OF YEAR</b>		234,253	
 <b>FUND BALANCE - END OF YEAR</b>		<b>\$ 82,779</b>	

**KIT CARSON COUNTY, COLORADO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL**  
**PUBLIC HEALTH SPECIAL REVENUE FUND**  
**Year Ended December 31, 2021**

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>			
Intergovernmental	\$ 1,621,197	\$ 1,411,094	\$ (210,103)
Charges for services	31,772	166,454	134,682
Other	-	274	274
Transfers in	350,000	188,134	(161,866)
Total revenues	2,002,969	1,765,956	(237,013)
<b>EXPENDITURES</b>			
General government	18,000	214,113	(196,113)
Public health	1,984,969	1,367,477	617,492
Total expenditures	2,002,969	1,581,590	421,379
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ -</b>	<b>184,366</b>	<b>\$ 184,366</b>
<b>FUND BALANCE - BEGINNING OF YEAR, RESTATED</b>		<b>(143,390)</b>	
<b>FUND BALANCE - END OF YEAR</b>		<b>\$ 40,976</b>	

**KIT CARSON COUNTY, COLORADO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL**  
**SOLID WASTE SPECIAL REVENUE FUND**  
**Year Ended December 31, 2021**

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>			
Taxes	\$ 452,809	\$ 447,087	\$ (5,722)
Intergovernmental	900	5,276	4,376
Charges for services	300,000	268,503	(31,497)
Miscellaneous income	100	59	41
Total revenues	753,809	720,925	(32,802)
<b>EXPENDITURES</b>			
General government	30,000	15,183	14,817
Public health	523,133	440,625	82,508
Capital outlay	365,000	351,658	13,342
Contingency	200,000	-	200,000
Total expenditures	1,118,133	807,466	310,667
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ (364,324)</b>	<b>(86,541)</b>	<b>\$ 277,865</b>
<b>FUND BALANCE - BEGINNING OF YEAR, RESTATED</b>		804,302	
<b>FUND BALANCES - END OF YEAR</b>		<b>\$ 717,761</b>	

**SUPPLEMENTARY INFORMATION**

**KIT CARSON COUNTY, COLORADO**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**December 31, 2021**

	<u>Conservation Trust</u>	<u>E-911</u>	<u>Grants</u>
<b>ASSETS</b>			
Cash and investments with Treasurer	\$ 22,193	\$ 155,515	\$ 332,620
Accounts receivable	-	20,278	-
Property taxes receivable	-	-	-
<b>TOTAL ASSETS</b>	<u>\$ 22,193</u>	<u>\$ 175,793</u>	<u>\$ 332,620</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Unearned revenues	\$ -	\$ -	332,620
Total liabilities	<u>-</u>	<u>-</u>	<u>332,620</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>			
Restricted			
Conservation trust	22,193	-	-
Assigned			
Public safety	-	175,793	-
Capital projects	-	-	-
Total fund balances	<u>22,193</u>	<u>175,793</u>	<u>-</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<u>\$ 22,193</u>	<u>\$ 175,793</u>	<u>\$ 332,620</u>

<u>Capital Fund</u>	<u>Total</u>
\$ 93,233	\$ 603,561
-	20,278
108,082	108,082
<u>\$ 201,315</u>	<u>\$ 731,921</u>

<u>\$ -</u>	<u>\$ 332,620</u>
<u>-</u>	<u>332,620</u>

<u>108,082</u>	<u>108,082</u>
----------------	----------------

	22,193
	175,793
93,233	93,233
<u>93,233</u>	<u>291,219</u>
<u>\$ 201,315</u>	<u>\$ 731,921</u>

**KIT CARSON COUNTY, COLORADO**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**Year Ended December 31, 2021**

	<b>Conservation Trust</b>	<b>E-911</b>	<b>Grants</b>
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	26,866	56,307	356,634
Charges for services	-	183,733	-
Net investment income	36	-	-
Total revenues	<u>26,902</u>	<u>240,040</u>	<u>356,634</u>
<b>EXPENDITURES</b>			
General government	-	-	-
Public safety	26,015	115,689	-
Public health and welfare	-	-	356,634
Capital outlay	-	-	-
Total expenditures	<u>26,015</u>	<u>115,689</u>	<u>356,634</u>
<b>NET CHANGE IN FUND BALANCES</b>	887	124,351	-
<b>FUND BALANCES - BEGINNING OF YEAR</b>	<u>21,306</u>	<u>51,442</u>	<u>-</u>
<b>FUND BALANCES - END OF YEAR</b>	<u><u>\$ 22,193</u></u>	<u><u>\$ 175,793</u></u>	<u><u>\$ -</u></u>

<u>Capital Fund</u>	<u>Total</u>
\$ 112,419	\$ 112,419
304	440,111
	183,733
	36
<u>112,723</u>	<u>736,299</u>
3,073	3,073
	141,704
	356,634
22,661	22,661
<u>25,734</u>	<u>524,072</u>
86,989	212,227
6,244	78,992
<u>\$ 93,233</u>	<u>\$ 291,219</u>

**KIT CARSON COUNTY , COLORADO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL**  
**CONSERVATION TRUST FUND**  
**Year Ended December 31, 2021**

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Budget</u>	<u>Actual</u>	<u>(Negative)</u>
<b>REVENUES</b>			
Intergovernmental	\$ 28,000	\$ 26,866	\$ (1,134)
Net investment income	300	36	(264)
Total revenues	<u>28,300</u>	<u>26,902</u>	<u>(1,398)</u>
<b>EXPENDITURES</b>			
Culture and recreation	<u>27,359</u>	<u>26,015</u>	<u>1,344</u>
Total expenditures	<u>27,359</u>	<u>26,015</u>	<u>1,344</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER UNDER EXPENDITURES</b>			
	<u>941</u>	<u>887</u>	<u>(54)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u><u>\$ 941</u></u>	<u>887</u>	<u><u>\$ (54)</u></u>
<b>FUND BALANCES - BEGINNING OF YEAR</b>		<u>21,306</u>	
<b>FUND BALANCES - END OF YEAR</b>		<u><u>\$ 22,193</u></u>	

**KIT CARSON COUNTY , COLORADO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL**  
**E911 FUND**  
**Year Ended December 31, 2021**

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>			
Intergovernmental	\$ 5,899	\$ 56,307	\$ 50,408
Charges for services	170,575	183,733	13,158
Total revenues	176,474	240,040	63,566
<b>EXPENDITURES</b>			
General government	1,000	-	1,000
Public safety	141,475	115,689	25,786
Contingency	5,906	-	5,906
Total expenditures	142,475	115,689	26,786
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ 33,999</b>	<b>124,351</b>	<b>\$ 90,352</b>
<b>FUND BALANCES - BEGINNING OF YEAR</b>		<b>51,442</b>	
<b>FUND BALANCES - END OF YEAR</b>		<b>\$ 175,793</b>	

**KIT CARSON COUNTY , COLORADO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL**  
**CAPITAL FUND**  
**Year Ended December 31, 2021**

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>REVENUES</b>			
Taxes	\$ 110,565	112,419	\$ 1,854
Miscellaneous	-	304	304
Total revenues	<u>110,565</u>	<u>112,723</u>	<u>2,158</u>
<b>EXPENDITURES</b>			
General government	1,100	3,073	(1,973)
Capital outlay	109,465	22,661	86,804
Total expenditures	<u>110,565</u>	<u>25,734</u>	<u>84,831</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ -</u>	86,989	<u>\$ 86,989</u>
<b>FUND BALANCES - BEGINNING OF YEAR</b>		<u>6,244</u>	
<b>FUND BALANCES - END OF YEAR</b>		<u>\$ 93,233</u>	

**KIT CARSON COUNTY , COLORADO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL**  
**AMBULANCE FUND**  
**Year Ended December 31, 2021**

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>			
Intergovernmental	\$ 79,707	\$ 53,307	\$ (26,400)
Charges for services	300,000	248,288	(51,712)
Donations and contributions	500	1,135	635
Transfers in	134,261	134,261	-
Total revenues	514,468	436,991	(77,477)
<b>EXPENDITURES</b>			
Administrative & General	35,400	76,066	(40,666)
Operating costs	449,068	680,070	(231,002)
Capital outlay	30,000	10,905	19,095
Total expenditures	514,468	767,041	(252,573)
<b>NET CHANGE IN FUND BALANCE - BUDGET BASIS</b>			
	\$ -	(330,050)	\$ (330,050)
<b>PERSPECTIVE DIFFERENCES</b>			
Capital outlay		10,905	
Depreciation		(136,169)	
<b>NET CHANGE IN FUND BALANCE</b>		(455,314)	
<b>FUND BALANCES - BEGINNING OF YEAR OF YEAR, RESTATED</b>		1,159,790	
<b>FUND BALANCES - END OF YEAR</b>		\$ 704,476	