

MINERAL COUNTY, COLORADO

FINANCIAL STATEMENTS

December 31, 2022



Wall,
Smith,
Bateman Inc.
Certified Public Accountants

MINERAL COUNTY, COLORADO
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INDEPENDENT AUDITORS' REPORT



Wall,
Smith,
Bateman Inc.

To the Board of County Commissioners
Mineral County, Colorado
Creede, Colorado

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Mineral County, Colorado (the County), as of and for the year ended December 31, 2022, 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 accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County, as of December 31, 2022, 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

Change in Accounting Principle

As discussed in Note 1 – Summary of Significant Accounting Policies, in fiscal year 2022 the County adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*, and GASB Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

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.

Certified Public Accountants

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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 standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

Accounting principles generally accepted in the United States of America require that the General Fund and major special revenue fund budgetary comparison information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining fund financial schedules 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 fund financial schedules and the Local Highway Finance Report are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Wall, Smith, Bateman Inc.

Wall, Smith, Bateman Inc.
Alamosa, Colorado

October 04, 2023

MINERAL COUNTY, COLORADO
BASIC FINANCIAL STATEMENTS

MINERAL COUNTY, COLORADO
STATEMENT OF NET POSITION
December 31, 2022

	Primary Government		TOTAL
	Governmental Activities	Business-Type Activities	
ASSETS			
Current Assets			
Cash and Investments	\$ 4,291,063	\$ -	\$ 4,291,063
Accounts Receivable	151,972	-	151,972
Due from Other Governments	45,441	-	45,441
Internal Balances	-	-	-
Property Taxes Receivable	1,315,952	-	1,315,952
Leases Receivable	77,395	-	77,395
Inventories	284,406	22,168	306,574
Total Current Assets	6,166,229	22,168	6,188,397
Noncurrent Assets			
Capital Assets			
Land	892,492	77,300	969,792
Construction in Progress	-	-	-
Land Improvements	4,281,924	-	4,281,924
Buildings and Improvements	5,873,749	876,859	6,750,608
Equipment	4,925,208	9,915	4,935,123
Infrastructure	420,344	7,550	427,894
Less: Accumulated Depreciation	(6,929,689)	(442,075)	(7,371,764)
Total Noncurrent Assets	9,464,028	529,549	9,993,577
TOTAL ASSETS	15,630,257	551,717	16,181,974
LIABILITIES			
Current Liabilities			
Checks in Excess of Deposits	57,867	18,435	76,302
Accounts Payable	13,559	1,679	15,238
Payroll Taxes Payable	(669)	(763)	(1,432)
Due to Other Governments	488	-	488
Unearned Revenue	322,091	-	322,091
Financed Purchase Agreements (Current Portion)	73,227	-	73,227
Total Current Liabilities	466,563	19,351	485,914
Noncurrent Liabilities			
Financed Purchase Agreements	519,989	-	519,989
Compensated Absences	130,771	5,440	136,211
Landfill Closure and Postclosure Care Liability	15,000	-	15,000
Total Noncurrent Liabilities	665,760	5,440	671,200
TOTAL LIABILITIES	1,132,323	24,791	1,157,114
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue - Property Tax (Current)	1,315,952	-	1,315,952
Unavailable Revenue - Leases	77,395	-	77,395
TOTAL DEFERRED INFLOWS OF RESOURCES	1,393,347	-	1,393,347
NET POSITION			
Net Investment in Capital Assets	8,855,812	529,549	9,385,361
Restricted for			
TABOR	207,000	-	207,000
Forest Reserve Title III	277,046	-	277,046
Endowment - Nonexpendable	67,178	-	67,178
Unrestricted	3,697,551	(2,623)	3,694,928
TOTAL NET POSITION	\$ 13,104,587	\$ 526,926	\$ 13,631,513

The accompanying notes are an integral part of this financial statement.

MINERAL COUNTY, COLORADO
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2022

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Primary Government			
					Governmental Activities	Business-Type Activities	TOTAL	
Primary Government:								
Governmental Activities:								
General Government	\$ 2,000,656	\$ 212,934	\$ 136,348	\$ 2,964,631	\$ 1,313,257	\$ -	\$ -	\$ 1,313,257
Public Safety	706,674	3,300	73,872	102,587	(526,915)	-	-	(526,915)
Health and Welfare	691,437	151,688	271,479	-	(268,270)	-	-	(268,270)
Highways and Streets	934,923	21,922	879,504	-	(33,497)	-	-	(33,497)
Auxiliary Services	80,609	43,258	18,887	-	(18,464)	-	-	(18,464)
Culture and Recreation	100,621	-	7,763	-	(92,858)	-	-	(92,858)
Interest on long-term debt	7,252	-	-	-	(7,252)	-	-	(7,252)
Total Governmental Activities	4,522,172	433,102	1,387,853	3,067,218	366,001	-	-	366,001
Business-Type Activities								
Mining Museum	242,543	200,510	9,565	-	-	(32,468)	-	(32,468)
Dental Clinic	106,797	88,567	-	-	-	(18,230)	-	(18,230)
Total Business-Type Activities	349,340	289,077	9,565	-	-	(50,698)	-	(50,698)
Total Primary Government	\$ 4,871,512	\$ 722,179	\$ 1,397,418	\$ 3,067,218	366,001	(50,698)	(50,698)	315,303
General Revenues:								
Taxes:								
General Property Taxes - Net					1,301,130	-	-	1,301,130
Sales Taxes					637,407	-	-	637,407
Other Taxes					299,562	-	-	299,562
Payment in Lieu of Taxes					152,821	-	-	152,821
Interest on Investments					55,238	-	-	55,238
Loss on Sale of Dental Clinic					-	(31,291)	-	(31,291)
Miscellaneous					23,027	10,996	-	34,023
Transfers					19,422	(19,422)	-	-
Total General Revenues					2,488,607	(39,717)	-	2,448,890
Change in Net Position					2,854,608	(90,415)	-	2,764,193
Net Position - Beginning					10,249,979	617,341	-	10,867,320
Net Position - Ending					\$ 13,104,587	\$ 526,926	\$ -	\$ 13,631,513

The accompanying notes are an integral part of this financial statement.

MINERAL COUNTY, COLORADO
GOVERNMENTAL FUNDS
BALANCE SHEET
December 31, 2022

	GENERAL FUND	ROAD AND BRIDGE FUND	AIRPORT FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS					
Cash and Investments	\$ 1,040,919	\$ 2,427,407	\$ -	\$ 822,737	\$ 4,291,063
Accounts Receivable	87,284	21,256	111	43,321	151,972
Due from Other Governments	-	42,743	-	2,698	45,441
Property Taxes Receivable	1,226,306	40,614	-	49,032	1,315,952
Leases Receivable	36,659	-	40,736	-	77,395
Inventory	2,257	247,896	34,253	-	284,406
TOTAL ASSETS	\$ 2,393,425	\$ 2,779,916	\$ 75,100	\$ 917,788	\$ 6,166,229
LIABILITIES AND FUND BALANCE					
LIABILITIES					
Checks in Excess of Deposits	\$ -	\$ -	\$ 57,867	\$ -	\$ 57,867
Accounts Payable	14,619	137	-	(1,197)	13,559
Payroll Taxes Payable	(791)	88	-	34	(669)
Due to Other Governments	-	-	-	488	488
Unearned Revenue	318,389	-	-	3,702	322,091
TOTAL LIABILITIES	332,217	225	57,867	3,027	393,336
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue - Property Tax	1,226,306	40,614	-	49,032	1,315,952
Unavailable Revenue - Leases	36,659	-	40,736	-	77,395
TOTAL DEFERRED INFLOWS OF RESOURCES	1,262,965	40,614	40,736	49,032	1,393,347
FUND BALANCE					
Nonspendable:					
Inventory	2,257	247,896	34,253	-	284,406
Permanent Fund - Nonexpendable	-	-	-	67,178	67,178
Restricted:					
Tabor Amendment Reserve	207,000	-	-	-	207,000
Forest Service - Title III	-	277,046	-	-	277,046
Committed:					
Contingencies	19,148	-	-	-	19,148
Capital Projects	195,000	329,864	-	-	524,864
Highways and Streets	-	1,884,271	-	-	1,884,271
Health and Welfare	-	-	-	635,182	635,182
Culture and Recreation	-	-	-	163,369	163,369
Search and Rescue	136,097	-	-	-	136,097
Unassigned	238,741	-	(57,756)	-	180,985
TOTAL FUND BALANCE	798,243	2,739,077	(23,503)	865,729	4,379,546
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	\$ 2,393,425	\$ 2,779,916	\$ 75,100	\$ 917,788	\$ 6,166,229

The accompanying notes are an integral part of this financial statement.

MINERAL COUNTY, COLORADO
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO THE STATEMENT OF NET POSITION
December 31, 2022

Total governmental fund balances	\$ 4,379,546
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>	
<p>Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.</p>	9,464,028
<p>Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.</p>	
<p>Financed Purchase Agreements</p>	(593,216)
<p>Landfill Closure and Postclosure Care Liability</p>	(15,000)
<p>Compensated Absences</p>	(130,771)
	(729,000)
Net position of governmental activities	\$ 13,104,587

The accompanying notes are an integral part of this financial statement.

MINERAL COUNTY, COLORADO
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
For the Year Ended December 31, 2022

	GENERAL FUND	ROAD AND BRIDGE FUND	AIRPORT FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES					
Taxes	\$ 1,944,403	\$ 38,288	\$ -	\$ 255,408	\$ 2,238,099
Intergovernmental Revenue	541,551	798,964	2,964,631	252,014	4,557,160
Licenses and Permits	61,624	-	-	-	61,624
Charges for Services	216,497	249,027	48,416	83,962	597,902
Other	87,477	27,698	3,866	10,637	129,678
TOTAL REVENUES	2,851,552	1,113,977	3,016,913	602,021	7,584,463
EXPENDITURES					
Current Expenditures					
General Government	1,805,897	85,382	51,434	-	1,942,713
Public Safety	603,525	-	-	-	603,525
Highways and Streets	-	755,946	-	-	755,946
Health and Welfare	144,792	-	-	438,393	583,185
Culture and Recreation	-	-	-	95,221	95,221
Auxiliary Services	80,609	-	-	-	80,609
Capital Outlay	274,996	405,512	3,315,195	-	3,995,703
Debt Service	29,298	112,212	-	-	141,510
TOTAL EXPENDITURES	2,939,117	1,359,052	3,366,629	533,614	8,198,412
Excess (deficiency) of revenues over expenditures	(87,565)	(245,075)	(349,716)	68,407	(613,949)
OTHER FINANCING SOURCES (USES)					
Transfers In	19,422	-	303,727	-	323,149
Transfers Out	(33,333)	(270,394)	-	-	(303,727)
Debt Proceeds	115,578	405,512	-	-	521,090
TOTAL OTHER FINANCING SOURCES (USES)	101,667	135,118	303,727	-	540,512
Net Change in Fund Balances	14,102	(109,957)	(45,989)	68,407	(73,437)
Fund Balance at beginning of year	784,141	2,849,034	22,486	797,322	4,452,983
Fund Balance at end of year	\$ 798,243	\$ 2,739,077	\$ (23,503)	\$ 865,729	\$ 4,379,546

The accompanying notes are an integral part of this financial statement.

MINERAL COUNTY, COLORADO
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2022

Net change in fund balances - total governmental funds \$ (73,437)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the activity in capital assets in the current period.

Capital Asset Additions	\$ 4,038,767	
Capital Asset Deletions Net of Accumulated Depreciation	(10,073)	
Depreciation Expense	<u>(712,340)</u>	
		3,316,354

Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This is the activity in debt in the current period.

Financed Purchase Agreements Principal Payments	134,258	
Debt Proceeds	<u>(521,090)</u>	
		(386,832)

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.

Compensated Absences		<u>(1,477)</u>
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Change in net position of governmental activities \$ 2,854,608

MINERAL COUNTY, COLORADO
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
December 31, 2022

	MINING MUSEUM FUND	DENTAL CLINIC FUND	TOTAL
ASSETS			
Current Assets			
Accounts Receivable	\$ -	\$ -	\$ -
Inventories	22,168	-	22,168
Total Current Assets	<u>22,168</u>	<u>-</u>	<u>22,168</u>
Noncurrent Assets			
Capital Assets			
Land	77,300	-	77,300
Buildings	876,859	-	876,859
Equipment	9,915	-	9,915
Infrastructure	7,550	-	7,550
Less: Accumulated Depreciation	(442,075)	-	(442,075)
Total Noncurrent Assets	<u>529,549</u>	<u>-</u>	<u>529,549</u>
TOTAL ASSETS	<u>551,717</u>	<u>-</u>	<u>551,717</u>
LIABILITIES			
Current Liabilities			
Checks in Excess of Deposits	18,435	-	18,435
Accounts Payable	1,679	-	1,679
Payroll Taxes Payable	(763)	-	(763)
Due to Other Funds	-	-	-
Total Current Liabilities	<u>19,351</u>	<u>-</u>	<u>19,351</u>
Noncurrent Liabilities			
Compensated Absences Payable	5,440	-	5,440
Total Noncurrent Liabilities	<u>5,440</u>	<u>-</u>	<u>5,440</u>
TOTAL LIABILITIES	<u>24,791</u>	<u>-</u>	<u>24,791</u>
NET POSITION			
Net Investment in Capital Assets	529,549	-	529,549
Unrestricted	(2,623)	-	(2,623)
TOTAL NET POSITION	<u>\$ 526,926</u>	<u>\$ -</u>	<u>\$ 526,926</u>

The accompanying notes are an integral part of this financial statement.

MINERAL COUNTY, COLORADO
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION
For the Year Ended December 31, 2022

	MINING MUSEUM FUND	DENTAL CLINIC FUND	TOTAL
OPERATING REVENUES			
Charges for Services			
Museum Tour Revenue	\$ 101,366	\$ -	\$ 101,366
Museum Gift Shop Revenue	81,975	-	81,975
Community Center Events	17,169	-	17,169
Dental Clinic Revenue	-	88,567	88,567
	<hr/>	<hr/>	<hr/>
Total Charges for Services	200,510	88,567	289,077
	<hr/>	<hr/>	<hr/>
Total Operating Revenues	200,510	88,567	289,077
OPERATING EXPENSES			
Salaries	92,686	27,775	120,461
Fringe Benefits	28,776	8,322	37,098
Supplies & Equipment	44,000	20,984	64,984
Professional Fees	2,800	31,275	34,075
Utilities	22,434	985	23,419
Depreciation Expense	28,275	6,580	34,855
Office Expense	11,321	929	12,250
Event Expense	7,199	-	7,199
Miscellaneous	5,052	99	5,151
Bad Debt Expense	-	9,848	9,848
	<hr/>	<hr/>	<hr/>
Total Operating Expenses	242,543	106,797	349,340
	<hr/>	<hr/>	<hr/>
Operating Income (Loss)	(42,033)	(18,230)	(60,263)
	<hr/>	<hr/>	<hr/>
NONOPERATING REVENUES (EXPENSES)			
Other			
Donations	9,565	-	9,565
Loss on Sale of Dental Clinic	-	(31,291)	(31,291)
Transfers Out	-	(19,422)	(19,422)
Miscellaneous	10,681	315	10,996
	<hr/>	<hr/>	<hr/>
Total Nonoperating Revenues (Expenses)	20,246	(50,398)	(30,152)
	<hr/>	<hr/>	<hr/>
Changes in Net Position	(21,787)	(68,628)	(90,415)
	<hr/>	<hr/>	<hr/>
Net Position Beginning of Year	548,713	68,628	617,341
	<hr/>	<hr/>	<hr/>
Net Position End of Year	\$ 526,926	\$ -	\$ 526,926
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The accompanying notes are an integral part of this financial statement.

MINERAL COUNTY, COLORADO
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2022

	MINING MUSEUM FUND	DENTAL CLINIC FUND	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers	\$ 200,510	\$ 140,944	\$ 341,454
Cash payments to suppliers for goods and services	(118,531)	(66,536)	(185,067)
Cash payments to employees for services	(122,225)	(36,097)	(158,322)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(40,246)	38,311	(1,935)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:			
Cash received (payments) from other activities	20,246	315	20,561
Cash received (payments) on interfund borrowing	-	(39,204)	(39,204)
NET CASH PROVIDED (USED) BY NON-CAPITAL FINANCING ACTIVITIES	20,246	(38,889)	(18,643)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Cash received from grantors	20,000	-	20,000
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	20,000	-	20,000
CASH FLOWS FROM INVESTING ACTIVITIES:			
Sale of Dental Clinic	-	20,000	20,000
Transfer of remaining assets to General Fund	-	(19,422)	(19,422)
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	-	578	578
Net Increase (Decrease) in Cash and Cash Equivalents	-	-	-
Cash and Cash Equivalents, Beginning of Year	-	-	-
Cash and Cash Equivalents, End of Year	\$ -	\$ -	\$ -
Operating Income (Loss)	\$ (42,033)	\$ (18,230)	\$ (60,263)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation Expense	28,275	6,580	34,855
(Increase) Decrease in Accounts Receivable	-	62,225	62,225
(Increase) Decrease in Inventory	(5,737)	2,439	(3,298)
Increase (Decrease) in Checks in Excess of Deposits	(21,506)	(11,176)	(32,682)
Increase (Decrease) in Accounts Payable	1,518	(3,527)	(2,009)
Increase (Decrease) in Payroll Taxes Payable	(763)	-	(763)
Increase (Decrease) in Compensated Absences Payable	-	-	-
Total Adjustments	1,787	56,541	58,328
Net Cash Provided (Used) by Operating Activities	\$ (40,246)	\$ 38,311	\$ (1,935)

The accompanying notes are an integral part of this financial statement.

MINERAL COUNTY, COLORADO
FIDUCIARY FUNDS
STATEMENT OF NET POSITION
December 31, 2022

	<u>CUSTODIAL FUNDS</u>			PRIVATE- PURPOSE	<u>TOTAL</u>
	<u>COUNTY TREASURER</u>	<u>COUNTY CLERK</u>	<u>PUBLIC TRUSTEE</u>	<u>TRUST FUND</u>	
ASSETS					
Cash and Cash Equivalents	\$ 99,126	\$ 13,961	\$ 100	\$ 839,901	\$ 953,088
Property Tax Receivable	2,159,063	-	-	-	2,159,063
TOTAL ASSETS	<u>2,258,189</u>	<u>13,961</u>	<u>100</u>	<u>839,901</u>	<u>3,112,151</u>
LIABILITIES					
Funds Held for Others	55,725	13,961	100	-	69,786
Due to Other Governments	-	-	-	-	-
TOTAL LIABILITIES	<u>55,725</u>	<u>13,961</u>	<u>100</u>	<u>-</u>	<u>69,786</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue - Property Tax	2,159,063	-	-	-	2,159,063
NET POSITION					
Restricted for:					
Individuals, Organizations, and Other Governments	43,401	-	-	839,901	883,302
TOTAL NET POSITION	<u>\$ 43,401</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 839,901</u>	<u>\$ 883,302</u>

MINERAL COUNTY, COLORADO
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
December 31, 2022

	<u>CUSTODIAL FUNDS</u>			PRIVATE- PURPOSE	<u>TOTAL</u>
	<u>COUNTY TREASURER</u>	<u>COUNTY CLERK</u>	<u>PUBLIC TRUSTEE</u>	<u>TRUST FUND</u>	
ADDITIONS					
Tax Collections for Other Governments	\$2,981,283	\$ -	\$ -	\$ -	\$2,981,283
Public Trustee Activity	-	-	1,962	-	1,962
County Clerk Collections	-	457,897	-	-	457,897
Miscellaneous	267,518	-	-	10,998	278,516
Total Additions	<u>3,248,801</u>	<u>457,897</u>	<u>1,962</u>	<u>10,998</u>	<u>3,719,658</u>
DEDUCTIONS					
Taxes Disbursed	3,243,888	-	-	-	3,243,888
Public Trustee Disbursements	-	-	1,962	-	1,962
County Clerk Disbursements	-	457,897	-	-	457,897
Miscellaneous	-	-	-	17,172	17,172
Total Deductions	<u>3,243,888</u>	<u>457,897</u>	<u>1,962</u>	<u>17,172</u>	<u>3,720,919</u>
Net Increase (Decrease) in Net Position	<u>4,913</u>	<u>-</u>	<u>-</u>	<u>(6,174)</u>	<u>(1,261)</u>
Net Position - Beginning of the Year	-	-	-	-	-
GASB 84 Restatement	<u>38,488</u>	<u>-</u>	<u>-</u>	<u>846,075</u>	<u>884,563</u>
Net Position - Beginning of the Year, Restated	<u>38,488</u>	<u>-</u>	<u>-</u>	<u>846,075</u>	<u>884,563</u>
Net Position - End of the Year	<u>\$ 43,401</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 839,901</u>	<u>\$ 883,302</u>

MINERAL COUNTY, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

REPORTING ENTITY

Primary Government

Mineral County was created as a quasi-municipal corporation by the legislature for the purpose of exercising a part of the political power of the State of Colorado. The County provides the following services: general administration, property tax collection and distribution, public safety (sheriff), land use planning and regulations, highways and streets, health and welfare, and culture and recreation.

The accounting policies of Mineral County conform to U.S. generally accepted accounting principles as applicable to governments. The following is a summary of the more significant accounting policies:

Component Units

The County's combined financial statements include the accounts of all County operations. The criteria for including organizations as component units within the County's reporting entity, as set forth in Section 2100 of GASB's *Codification of Governmental Accounting and Financial Reporting Standards*, include whether:

- The organization is legally separate (can sue and be sued in their own name)
- The County holds the corporate powers of the organization
- The County appoints a voting majority of the organization's board
- The County is able to impose its will on the organization
- The organization has the potential to impose a financial benefit/burden on the County
- There is fiscal dependency by the organization on the County
- The organization is financially accountable to the County
- The organization receives or holds funds that are for the benefit of the County; and the County has access to a majority of the funds held; and the funds that are accessible are also significant to the County

Based on the aforementioned criteria, the County does not have any component units.

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements include the statement of net position and the statement of activities. Government-wide statements report information on all of the activities of the County and its component units, except for the County fiduciary activity. The effect of interfund transfers has been removed from the government-wide statements but continues to be reflected in the fund statements. Mainly taxes and intergovernmental revenues support governmental activities.

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

MINERAL COUNTY, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2022

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

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the fiduciary funds are excluded from the government-wide financial statements. Major individual governmental 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. This measurement is also used for the proprietary fund financial statements. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants are recognized as revenue when all applicable eligibility requirements imposed by the provider are met.

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 available when they are collectible 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 period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Sales and use taxes, other taxes, charges for services, intergovernmental revenues, and interest are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the County.

The County reports the following major governmental funds:

- The **General Fund** is the general operating fund of the County. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The **Road and Bridge Fund** is used to account for the maintenance and improvements of streets and highways. The sources of funds include property taxes, highway users fees, and other revenue sources.
- The **Airport Fund** is used for improvements and to account for airport operations.

Proprietary fund financial statements are used to account for activities, which are similar to those often found in the private sector. The measurement focus is based upon determination of net income, financial position, and cash flows. The County's proprietary funds are the Mining Museum Fund and Dental Clinic Fund. The revenue for the Mining Museum Fund comes from admission to the museum, gift shop sales, community room rental fees, and liquor sales. The revenue for the Dental Clinic Fund comes from charges for dentistry work. Expenses incurred are for the purchase of supplies, salaries, benefits, and office expenses.

The Proprietary Funds are accounted for using the accrual basis of accounting as follows:

- Revenues are recognized when earned, and expenses are recognized when the liabilities are incurred.

MINERAL COUNTY, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2022

- Current-year contributions, administrative expenses, and premium payments, which are not received or paid until the subsequent year, are accrued.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the County's own programs. The fiduciary fund financial statements consist of custodial funds and the Whitney Newton Private-Purpose Trust Fund, that are fiduciary in nature and present changes in fiduciary net position. Fiduciary funds are accounted for using the economic resources measurement and accrual basis of accounting. These funds are used to account for assets that the County holds for others in a fiduciary capacity.

The County reports the following custodial funds:

- The *Public Trustee Fund* was established to account for expenditures for the Public Trustee's Office. The Public Trustee is appointed by the Governor of Colorado for a four-year term. This office administers foreclosures including issuance of Public Trustee deeds, cure of default and lien redemptions.
- The *County Treasurer Fund* accounts for monies collected (principally tax collections) by the Mineral County Treasurer for various local government entities within the County.
- The *Clerk and Recorder Fund* accounts for the receipt and disbursement of revenues received by the clerk and recorder office for disbursement to other governments and recording funds to be used by the clerk and recorder.

The County reports the following private-purpose trust fund:

- The County holds and administers the Whitney Newton Trust Fund in a fiduciary capacity based on trust arrangements.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables, and receivables. All internal balances in the statement of net position have been eliminated.

ASSETS, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION / FUND BALANCE

Cash

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

Investments

All investments, if any, are recorded at fair market value.

Property Taxes

Property taxes attach as an enforceable lien on property as of January 1 each year. The taxes are payable in two installments on February 28 and June 15 or in full on April 30. The County Treasurer bills and collects all property taxes for the County. Property tax revenue is recognized by the County to the extent it results in a current receivable.

MINERAL COUNTY, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2022

The 2022 property tax levy due January 1, 2023, has been recorded in the financial statements as a receivable and a corresponding deferred inflows of resources.

Receivables/Payables From Other County Funds

Balances that originate from current lending/borrowing arrangements between funds are referred to as “Due To/From Other Funds.”

Inventories and Prepaid Items

Inventory in the Road and Bridge Fund and the Airport Fund are stated at cost and consists of expendable supplies held for use. Inventory in the Mining Museum Fund is stated at cost and consists of expendable supplies held for resale. The cost value of all other inventories has been recorded as an expenditure at the time the individual inventory items were purchased. Inventory policy on government-wide statements is consistent with the fund statements.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Capital Assets

Capital Assets, which include land, construction in progress, buildings and improvements, equipment, and infrastructure (e.g. roads, bridges, sidewalks, underground pipe, traffic signals, and similar items), are reported in the applicable governmental and business-type activities columns in the government-wide financial statements. The County defines capital assets as assets with an initial, individual cost of more than \$5,000. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The Mining Museum has received numerous donations of historical mining objects to be used for display. It has been determined that there is no objective measurable basis for determining a fair value for these items. Therefore no value for these items has been recorded in the financial statements.

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.

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

Assets	Years
Land Improvements	20
Buildings	10-60
Equipment	3-30
Infrastructure	15-20

Leases

Lessor: The County recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the County initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflows of resources is initially measured as the initial amount of the lease

MINERAL COUNTY, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2022

receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflows of resources is recognized as revenues over the life of the lease term.

Key estimates and judgments include how the County determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The County uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The County monitors changes in circumstance that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

In accordance with GASB statement No. 87, *Leases*; previously recorded leases have been renamed as financed purchase agreements.

Long-Term Obligations

Long-term debt and other long-term obligations are recorded as liabilities in the government-wide financial statements. In the fund financial statements for governmental fund types, debt proceeds are reported as an other financing source and debt payments are reported as debt service expenditures.

Compensated Absences

County employees may earn and accumulate unused vacation and sick leave benefits. All vacation and sick leave pay is accrued when incurred in the government-wide financial statements. A liability is reported in governmental funds only if they have matured, for example, as a result of employee resignations or retirements. Accrued vacation and sick leave is paid upon separation.

Unearned Revenue

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

Deferred Inflows of Resources

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

Encumbrances

The County does not record purchase orders in the accounting system until invoices are ready for payment. Unfulfilled purchase commitments outstanding at the end of the budget year are rebudgeted in the succeeding year. End of the year fund balance intended to be used in the succeeding year is reported as assigned fund balance.

MINERAL COUNTY, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2022

Net Position

Net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Net position should be displayed in the following three components:

- *Net investment in capital assets* – consists of capital assets, net accumulated depreciation, reduced by the outstanding balances of any borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt should be included in this component of net position.
- *Restricted* – consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Restricted assets consist of assets that have limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.
- *Unrestricted* – consists of the net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted components of net position.

Fund Balance

Fund balances are reported based on the extent to which the County is bound to honor constraints for the specific purpose on which amounts in the fund can be spent. Fund balances are classified in one of the following five categories:

- *Nonspendable Fund Balance* – are amounts that cannot be spent because they are not in spendable form—such as inventory, prepaid expenditures, or are legally or contractually required to be maintained intact.
- *Restricted Fund Balance* – are restricted when constraints placed on the use of resources are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.
- *Committed Fund Balance* – are amounts that can only be used for specific purposes as a result of constraints imposed by the Board of County Commissioners, the highest level of decision making authority, through resolution or ordinance. Committed amounts cannot be used for any other purpose unless the Board removes those constraints by taking the same type of action. Committed fund balances differ from restricted balances because the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.
- *Assigned Fund Balance* – are amounts a government intends to use for a specific purpose; intent can be expressed by the Board of County Commissioners or by an official or body to which the governing body delegates the authority.
- *Unassigned Fund Balance* – are amounts that are available for any purpose; these amounts are reported only in the General Fund.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance/net position is available, the County considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, and unassigned fund balances are available, the County considers amounts to have been spent

MINERAL COUNTY, COLORADO
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December 31, 2022

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.

Use of Estimates

The preparation of the financial statements in conformity with 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.

Reclassifications

Certain amounts from prior years financial statements have been reclassified for current year financial statement presentation.

New Accounting Pronouncements

During fiscal year 2022, the County adopted the provisions of GASB Statement No. 87, *Leases*, that establishes a single model for lease accounting based on the foundational principle that leases are financing of the right to use an underlying asset. The standard requires the recognition of certain lease assets and liabilities for leases that previously were classified as operating leases. Under the statement, a lessee is required to recognize a lease liability and a tangible right to use asset, and a lesser is required to recognize a lease receivable, and a deferred inflow of resources. There is no effect on fund balance or net position as a result of the implementation of this standard. However, beginning lease receivables and deferred inflows of resources were restated by \$42,567 to reflect the net present value of lease receivables as of December 31, 2021.

The County adopted the provisions of GASB Statement No. 84, *Fiduciary Activities*, that improves guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and post-employment benefit arrangements that are fiduciary activities. This Statement changed the reporting of fiduciary activities by defining the four types of fiduciary funds as pension and OPEB trust funds, investment trust funds, private-purpose trust funds, and custodial funds. Custodial funds have replaced what was previously known as agency funds, although the criteria are slightly different. Fiduciary net position for custodial funds was restated by \$884,563 to reflect the change in accounting principle.

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgets and Budgetary Accounting

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

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

MINERAL COUNTY, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
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Formal budgetary integration is employed as a management control device for all funds of the County. All budgets are adopted on a basis consistent with U.S. generally accepted accounting principles (GAAP), with the exception of the Mining Museum Fund and Dental Clinic Fund.

The total expenditures for each fund cannot exceed the budgeted amount unless a supplemental appropriation is adopted. The Board of County Commissioners adopted supplemental appropriations during 2022. All budget amounts presented in the accompanying supplementary information reflect the original budget and the final amended budget.

Stewardship

The County exceeded budgeted expenditures in the Road and Bridge Fund by \$524,146 as of December 31, 2022. In addition, at December 31, 2022 the Airport Fund had negative fund balance of \$23,503 and the Mining Museum Fund had negative unrestricted net assets of \$2,623. These conditions may be a violation of Colorado state statutes.

NOTE 3 CASH, DEPOSITS, AND INVESTMENTS

A summary of cash and investments for the County are as follows:

Cash on hand	\$ 201
Cash deposited with banks	1,025,374
Investments- Whitney Newton Trust certificates of deposit	839,901
Investments- COLOTrust	<u>3,302,373</u>
Total cash, deposits, and investments: (book balance)	5,167,849
Less: amounts related to Fiduciary Funds	<u>(953,088)</u>
Total cash, deposits, and investments	<u><u>\$ 4,214,761</u></u>
Cash and cash equivalents on the Statement of Net Position	\$ 4,291,063
Less: Checks in excess of deposits on the Statement of Net Position	<u>(76,302)</u>
Total cash, deposits, and investments	<u><u>\$ 4,214,761</u></u>

Cash and Deposits

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

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized in accordance with the PDPA. PDPA allows the institution to create a single collateral pool for all public funds to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to the aggregate uninsured deposits. All deposits made by the County Treasurer in 2022 were done so in eligible public depositories, as defined by the Public Deposit Protection Act of 1989.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. The County does not have a deposit policy for custodial credit risk. At December 31, 2022, \$283,607 was exposed to

MINERAL COUNTY, COLORADO
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custodial credit risk. Deposits exposed to credit risk are collateralized with securities held by the pledging financial institutions through PDPA.

Restricted Cash

Cash and investments of \$92,378 in the General Fund are restricted for the closure and post-closure liability related to the Mineral County Landfill.

Investments

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local government entities may invest. They 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
- Bankers' acceptances of certain banks
- Commercial paper
- Local government investment pools
- Repurchase agreements
- Money market funds
- Guaranteed investment contracts
- Corporate or bank debt issued by eligible corporations or banks

Custodial Credit Risk – Investments

The County does not have a formal investment policy, they refer to Colorado State Statutes for investment guidance, which calls for diversification within the portfolio to avoid unreasonable risks inherent in over investing in specific instruments, individual financial institutions, or maturities. As of December 31, 2022, the local government investment pools (ColoTrust) in which the County had invested were rated AAAM.

The Whitney Newton Trust funds are invested in cash funds with an investment company. At December 31, 2022, \$0 was exposed to custodial credit risk. The limit of Securities Investor Protection Corporation (SIPC) is \$500,000, which includes a \$250,000 limit for cash.

Interest Rate Risk

Colorado Revised Statutes limit investment maturities to five years or less from the date of purchase. This limit on investment maturities is a means of limiting exposure to fair values arising from increasing interest rates.

Fair Value

Fair value investments classified at Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Fair value investments classified as Level 2 of the fair value hierarchy are valued using the active market rates for the underlying securities. Fair value investments classified as Level 3 of the fair value hierarchy are valued using non-observable inputs.

Colorado Government Liquid Asset Trust (ColoTrust) is an investment vehicle established for local government entities in Colorado pursuant to Part 7 of Article 75 of Title 24 of the Colorado Revised Statutes, to pool surplus

MINERAL COUNTY, COLORADO
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funds for investment purposes. ColoTrust operates similarly to a money market fund and each share is equal in value to \$1.00. The fair value of the position in the pool is the same as the value of the pool shares. The designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. Substantially all securities owned by the pool are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by the pool. Investments of the pools consist of U.S. Treasury bills, notes and note strips, and repurchase agreements collateralized by U.S. Treasury Notes. ColoTrust is rated AAAM by Standard and Poor's.

NOTE 4 PROPERTY TAXES RECEIVABLE

At December 31, 2022, the County had an estimated property tax receivable as follows:

General Fund	\$ 1,226,306
Road and Bridge Fund	40,614
Public Welfare Fund	49,032
	\$ 1,315,952
	\$ 1,315,952

NOTE 5 ACCOUNTS RECEIVABLE

Accounts receivable at December 31, 2022, consisted of the following:

Governmental Activities

General Fund	\$ 87,284
Road & Bridge Fund	21,256
Ambulance Fund	43,321
Airport Fund	111
	\$ 151,972
Total Accounts Receivable, Net	\$ 151,972

NOTE 6 SOCIAL SERVICES

The Mineral County Department of Social Services is operated by the Rio Grande County Department of Social Services. Therefore, the State Department of Social Service remits the Mineral County Funds directly to Rio Grande County. Rio Grande County bills Mineral County for the applicable program liabilities and management fees.

MINERAL COUNTY, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2022

NOTE 7 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Interfund Transfers

Interfund transfers for the year ended December 31, 2022 consisted of the following:

Transfers In	Transfers Out	Amount
General Fund	Dental Clinic	\$ 19,422
Search and Rescue	General Fund	5,000
Airport Fund	General Fund	33,333
	Road and Bridge Fund	270,394
		303,727
		\$ 328,149

During the year, transfers were used to close out the Dental Clinic Fund, subsidize the search and rescue program, and meet grant matching requirements for the airport project.

NOTE 8 LEASES RECEIVABLE

The County is the lessor for multiple hangers at the County airport and the dental clinic office space. The lease terms are five to twenty-five years, including the noncancellable period of the lease and extensions the County is reasonably certain to exercise with each contract. The airport hangar lease agreements allow for a 1.5% annual increase to the lease payments on the anniversary of the agreement. The dental clinic lease agreement allows for a 2% annual increase to the lease payments on the anniversary of the agreement. During the year ended December 31, 2022, the County recorded \$7,353 in lease revenue and \$2,390 in interest income related to these agreements.

At December 31, 2022, the County recorded \$77,395 in lease receivables for these arrangements. Also, the County has a deferred inflows of resources associated with these leases that will be recognized as revenue over the lease terms. As of December 31, 2022 the balance of deferred inflows was \$77,395.

A summary of the lease receivable schedule at December 31, 2022 was as follows:

	Principal	Interest	Total
2023	\$ 10,396	\$ 2,597	\$ 12,993
2024	10,946	2,226	13,172
2025	11,585	1,834	13,418
2026	12,251	1,418	13,669
2027	2,455	1,146	3,601
2028-2032	11,513	4,362	15,876
2033-2037	8,139	2,639	10,778
2038-2042	6,310	1,351	7,661
2043-2046	3,801	275	4,076
	\$ 77,395	\$ 17,849	\$ 95,244

MINERAL COUNTY, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2022

NOTE 9 CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2022, was as follows:

	Balance 12/31/2021	Additions	Deletions	Balance 12/31/2022
<i>Governmental Activities</i>				
Capital assets not being depreciated				
Land	\$ 892,492	\$ -	\$ -	\$ 892,492
Construction in Progress	205,142	-	(205,142)	-
Total capital assets not being depreciated	<u>1,097,634</u>	<u>-</u>	<u>(205,142)</u>	<u>892,492</u>
Capital assets being depreciated				
Land Improvements	764,461	3,517,463	-	4,281,924
Buildings and Improvements	5,873,749	-	-	5,873,749
Equipment	4,385,213	726,446	(186,451)	4,925,208
Infrastructure	420,344	-	-	420,344
Total capital assets being depreciated	<u>11,443,767</u>	<u>4,243,909</u>	<u>(186,451)</u>	<u>15,501,225</u>
Less: accumulated depreciation for:				
Land Improvements	735,454	179,096	-	914,550
Buildings and Improvements	2,281,637	177,241	-	2,458,878
Equipment	3,232,890	334,986	(176,378)	3,391,498
Infrastructure	143,746	21,017	-	164,763
Total accumulated depreciation	<u>6,393,727</u>	<u>712,340</u>	<u>(176,378)</u>	<u>6,929,689</u>
Total capital assets being depreciated, net	<u>5,050,040</u>	<u>3,531,569</u>	<u>(10,073)</u>	<u>8,571,536</u>
Governmental Activities Capital Assets, net	<u>\$ 6,147,674</u>	<u>\$ 3,531,569</u>	<u>\$ (215,215)</u>	<u>\$ 9,464,028</u>
	Balance 12/31/2021	Additions	Deletions	Balance 12/31/2022
<i>Business-type Activities</i>				
Capital assets not being depreciated				
Land	\$ 77,300	\$ -	\$ -	77,300
Total capital assets not being depreciated	<u>77,300</u>	<u>-</u>	<u>-</u>	<u>77,300</u>
Capital assets being depreciated				
Buildings and Improvements	906,878	-	(30,019)	876,859
Equipment	135,006	-	(125,091)	9,915
Infrastructure	7,550	-	-	7,550
Total capital assets being depreciated	<u>1,049,434</u>	<u>-</u>	<u>(155,110)</u>	<u>894,324</u>
Less: accumulated depreciation	<u>516,400</u>	<u>34,855</u>	<u>109,180</u>	<u>442,075</u>
Total capital assets being depreciated, net	<u>533,034</u>	<u>(34,855)</u>	<u>(264,290)</u>	<u>452,249</u>
Business-type Activities Capital Assets, net	<u>\$ 610,334</u>	<u>\$ (34,855)</u>	<u>\$ (264,290)</u>	<u>\$ 529,549</u>

MINERAL COUNTY, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2022

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

Governmental activities:

General Government	\$ 346,465
Public Safety	104,773
Highways and Streets	137,188
Culture and Recreation	5,400
Health and Welfare	118,514
	<u>\$ 712,340</u>

Business-type activities:

Mining Museum	\$ 28,275
Dental Clinic	6,580
	<u>\$ 34,855</u>

NOTE 10 LONG-TERM LIABILITIES

Changes in Long-term Liabilities

Long-term liability activity for the year ended December 31, 2022, was as follows:

	Balance 12/31/2021	Additions	Deletions	Balance 12/31/2022	Due Within One Year
<i>Governmental Activities:</i>					
Financed Purchase Agreements	\$ 206,384	\$ 521,090	\$ 134,258	\$ 593,216	\$ 73,227
Landfill Closure and Postclosure	15,000	-	-	15,000	-
Compensated Absences	129,294	1,477	-	130,771	-
	<u>\$ 350,678</u>	<u>\$ 522,567</u>	<u>\$ 134,258</u>	<u>\$ 738,987</u>	<u>\$ 73,227</u>
<i>Business-Type Activities:</i>					
Compensated Absences	\$ 5,440	\$ -	\$ -	\$ 5,440	\$ -
	<u>\$ 5,440</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,440</u>	<u>\$ -</u>

Governmental Activities

Financed Purchase Agreements

A financed purchase agreement, dated November 4, 2015, was initiated with Caterpillar Financial Services Corporation and Mineral County, Colorado in the amount of \$195,250 for the purchase of a motor grader. On December 10, 2021 the County chose to renew this agreement for the remaining balance of \$137,680. Payments are due in annual installments of \$14,291, which include interest at a rate of 2.906%, paid out of the Road and Bridge Fund. Final payment is due December 9, 2025. Principal balance at December 31, 2022 was \$127,545. The grader is included in capital assets at a cost of \$329,950 with accumulated depreciation of \$153,977.

A financed purchase agreement, dated February 26, 2019, was initiated with Dominion Voting Systems, Inc and Mineral County, Colorado in the amount of \$109,534 for the purchase of an election system. Payments are due in

MINERAL COUNTY, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2022

annual installments of \$13,691, which include interest at a rate of 0.00%, paid out of the General Fund. Final payment is due in January 2026. Principal balance at December 31, 2022 was \$54,767. The software and equipment is included in capital assets at a cost of \$109,543 with accumulated depreciation of \$109,543 at December 31, 2022.

A financed purchase agreement, dated June 22, 2022, was initiated with Caterpillar Financial Services Corporation and Mineral County, Colorado in the amount of \$405,512 for the purchase of a motor grader. Payments are due in annual installments of \$36,629, which include interest at a rate of 2.989%, paid out of the Road and Bridge Fund. Final payment is due January 21, 2030. Principal balance at December 31, 2022 was \$307,592. The grader is included in capital assets at a cost of \$405,512 with accumulated depreciation of \$45,057.

A financed purchase agreement, dated March 29, 2022, was initiated with Siemens Financial Services Corporation and Mineral County, Colorado in the amount of \$115,578 for the purchase of an x-ray machine. Payments are due in monthly installments of \$2,230, which include interest at a rate of 6.120%, paid out of the General Fund. Final payment is due May 16, 2027. Principal balance at December 31, 2022 was \$103,312. The x-ray machine is included in capital assets at a cost of \$115,578 with accumulated depreciation of \$23,116.

The annual debt service for the agreements are as follows:

	Principal	Interest	Total
2023	\$ 73,227	\$ 18,139	\$ 91,366
2024	75,112	16,254	91,366
2025	172,545	13,758	186,303
2026	68,835	8,240	77,075
2027	41,778	5,999	47,777
2028-2030	161,719	12,018	173,737
	\$ 593,216	\$ 74,408	\$ 667,624

Landfill Closure and Postclosure Care Accrual

In November 2020 the County purchased 68 acres which included the area under special use permit from the Forest Service for the operation and maintenance of the existing Solid Waste Disposal Site. In 2021 a new trench (taking up approximately 1 ½ acres of land) was constructed on the original approximate 12 acres of area permitted before the purchase. In 2022 a survey was completed indicating that approximately ¼ of the trench was filled in 12 months. State and federal laws and regulations require the County to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site after closure. Small landfill waivers have been granted for various closure and postclosure monitoring requirements. The recognition of the liability for closure and postclosure care costs is based on landfill capacity used to date. Management estimates that 92% of the landfill has been used to date. The total estimated costs of closure and postclosure are \$15,000. The County has restricted cash of \$92,378 in the General Fund to cover these costs. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. Should additional costs arise, they will be provided for by the General and Contingency Funds.

NOTE 11 DEFINED CONTRIBUTION PLAN

All eligible employees, participate in the Colorado County Officials and Employees Retirement Association (CCOERA) (the Plan), a defined contribution plan, authorized by state statute. The Plan is a tax qualified plan under

MINERAL COUNTY, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2022

Section 401(a) of the Internal Revenue Code and all contributions by or on behalf of employees are tax deferred until time of withdrawal.

Employees are eligible immediately upon their employment with the County and participation is mandatory. Employee contributions are always 100% vested, and the employer match follows a five year vesting schedule. Employees are fully vested after a five year participation period, or at the age of 55, whichever is earlier. Elected officials are 100% vested immediately upon participation.

The County must contribute a minimum of 3% and a maximum of 6% of the compensation of each employee. For 2022, the contribution rate was 4%. Each participant contributes a minimum amount equal to the County's contribution, and are permitted to make additional contributions up to applicable Internal Revenue Code Limits. For the year ended December 31, 2022, employee contributions totaled \$56,048 and the County recognized pension expense of \$56,648. The County recognized \$0 of forfeitures in retirement expense during 2022.

Plan benefits depend solely on amounts contributed to the plan plus investment earnings, less administrative expenses. The Plan may be amended by resolution of the Board of County Commissioners but it may not be amended beyond the limits established by state statute.

NOTE 12 DEFERRED COMPENSATION PLAN

The County also offers its employees an additional voluntary deferred compensation plan created in accordance with Internal Revenue Code 457(f), administered by Colorado County Officials and Employees Retirement Association (CCOERA) (the Plan).

The Plan permits the employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergencies. The County has no other liability other than to make the required monthly contribution.

NOTE 13 TABOR AMENDMENT RESERVE

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

Fiscal year spending and revenue limits are determined based on the prior years' spending adjusted for inflation and local growth. Revenue in excess of the limit must be refunded unless the voters approve retention of such revenue. The County passed a ballot issue on November 7, 1995, allowing the County to retain revenue from all sources not excluded from fiscal year spending, including sales tax, fees for services, state grants, local grants, and miscellaneous income. If such revenue exceeds the limits in dollars for each succeeding fiscal year, as such limits are defined in Article X, Section 20, Paragraph (7), spending limits, Colorado Constitution, and the Authority to expend such excess revenues for the purposes of providing for the health, safety, and welfare of the people of Mineral County, provided that no county tax shall be created without further voter approval.

The amendment also requires that Emergency Reserves be established. These reserves must be at least 3 percent of fiscal year spending in 1995 and thereafter. This Emergency Reserve has been presented as a restricted net position/fund balance in the financial statements. The County is not allowed to use the Emergency Reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

MINERAL COUNTY, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2022

NOTE 14 COLORADO CONTRABAND FORFEITURE ACT

We have reviewed financial activity in the Sheriff's Department for compliance with the Colorado Revised Statute 16-13-506. There were no sales of contraband during the year ended December 31, 2022.

NOTE 15 RISK MANAGEMENT

Colorado Counties Casualty and Property Pool (CAPP)

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

At December 31, 2022, CAPP had assets of \$26,969,688 liabilities of \$18,155,009 (including \$16,155,601 reserved for losses and claims), and members' equity of \$8,814,679. The liability amount includes no long-term debt. Total revenues for the year ended December 31, 2022, amounted to \$12,086,565 and total expenses were \$12,274,918 resulting in net loss before return of surplus of (\$188,353).

Colorado Workers' Compensation Pool (CWCP)

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

At December 31, 2022, CWCP had assets of \$53,672,566 liabilities of \$30,186,143 (including \$26,809,948 reserved for losses and claims) and members' equity of \$23,486,423. The liability amount includes no long-term debt. Total revenues for the year ended December 31, 2022, amounted to \$12,067,778 total expenses were \$7,809,099 resulting in net loss before return of surplus of \$4,258,679.

NOTE 16 COMMITMENTS AND CONTINGENCIES

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

MINERAL COUNTY, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2022

Litigation

The County is a party to various legal actions normally associated with governmental activities, the aggregate effect of which, in management's and legal counsel's opinion, would not be material to its financial statements.

Insurance Pools

The County is a member of the Colorado Counties Casualty and Property Pool (CAPP) and the Colorado Workers' Compensation Pool (CWCP). CAPP and CWCP have a legal obligation for claims against its members to the extent that funds are available in their annually established loss funds and amounts are available from insurance providers under excess specific and aggregate insurance contracts. Losses incurred in excess of lost funds are direct liabilities of the participating members. CAPP and CWCP have indicated that the amount of any excess losses would be billed to members in proportion to their contributions in the year such excess occurs. The ultimate liability to the County resulting from claims not covered by CAPP and CWCP is not presently determinable.

NOTE 17 CLOSURE OF DENTAL CLINIC FUND

The County ceased operation on the dental clinic in 2022. On May 13, 2022 the County sold the dental clinic equipment and inventory to Creede Dental Works for \$20,000. The County recognized a loss on the sale for these assets of \$31,291. The fund was subsequently closed with a \$19,422 transfer to the General Fund.

NOTE 18 SUBSEQUENT EVENT

Commodore Mining Complex

It is anticipated in 2023 that Mineral County will receive, through a Quit Claim Deed, forty-four mining claims that encompasses approximately 300 acres of land. The claims are located north of Creede around the Commodore Mining Complex. This transfer of property is the result of the execution of an Administrative Settlement Agreement in the Matter of: Nelson Tunnel/Commodore Waste Rock Superfund Site in Mineral County, Colorado. Within 30 days of the execution of the Agreement the County will acquire the properties through donation and commence best efforts to raise funds to stabilize and preserve the Historical Structures of the Commodore Mining Complex. Also required of Mineral County will be the provision of Site Security against trespass and the maintenance of Forest Service Rd 503 to allow continued access to the Superfund Site. Funding for the stabilization and preservation work will be largely through grant writing. Match money will be raised through either the sale of some of the claims received in the transfer or the encumbering of the whole property in a Conservation Easement. The stabilization and preservation work will be a multi-year project beginning with a Master Plan and urgent stabilization work, probably in the winter/spring of 2023/24.

MINERAL COUNTY, COLORADO

REQUIRED SUPPLEMENTARY INFORMATION

In addition to the basic financial statements, a budgetary comparison schedule is required for the General Fund and, if applicable, each of the County's major special revenue funds.

MINERAL COUNTY, COLORADO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended December 31, 2022

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE
				(NEGATIVE)
REVENUES				
Taxes	\$ 1,784,129	\$ 1,784,129	\$ 1,944,403	\$ 160,274
Intergovernmental Revenue	1,786,135	1,786,135	541,551	(1,244,584)
Licenses and Permits	26,600	26,600	61,624	35,024
Charges for Services	162,785	162,785	216,497	53,712
Other	30,200	116,832	87,477	(29,355)
TOTAL REVENUES	3,789,849	3,876,481	2,851,552	(1,024,929)
EXPENDITURES				
Current Expenditures				
General Government	3,202,624	3,202,624	1,805,897	1,396,727
Public Safety	576,298	576,298	603,525	(27,227)
Health and Welfare	147,207	147,207	144,792	2,415
Auxiliary Services	89,050	89,050	80,609	8,441
Capital Outlay	75,197	161,829	274,996	(113,167)
Debt Service	17,476	17,476	29,298	(11,822)
TOTAL EXPENDITURES	4,107,852	4,194,484	2,939,117	1,255,367
Excess (deficiency) of revenues over expenditures	(318,003)	(318,003)	(87,565)	230,438
OTHER FINANCING SOURCES (USES)				
Transfers In	15,000	15,000	19,422	4,422
Transfers Out	(43,333)	(43,333)	(33,333)	10,000
Debt Proceeds	-	-	115,578	115,578
TOTAL OTHER FINANCING SOURCES (USES)	(28,333)	(28,333)	101,667	130,000
Net Change in Fund Balance	(346,336)	(346,336)	14,102	360,438
Fund Balance at beginning of year	743,912	743,912	784,141	40,229
Fund Balance at end of year	\$ 397,576	\$ 397,576	\$ 798,243	\$ 400,667

Notes to Required Supplementary Information

The basis of budgeting is the same as GAAP.

The schedule is presented on the GAAP basis.

MINERAL COUNTY, COLORADO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
ROAD AND BRIDGE FUND
For the Year Ended December 31, 2022

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE
				(NEGATIVE)
REVENUES				
Taxes	\$ 33,718	\$ 33,718	\$ 38,288	\$ 4,570
Intergovernmental Revenue	748,299	748,299	798,964	50,665
Charges for Service	6,000	6,000	249,027	243,027
Other	1,500	276,942	27,698	(249,244)
TOTAL REVENUES	789,517	1,064,959	1,113,977	49,018
EXPENDITURES				
General Government	65,000	65,000	85,382	(20,382)
Highways and Streets	684,858	684,858	755,946	(71,088)
Capital Outlay	-	275,442	405,512	(130,070)
Debt Service	80,000	80,000	112,212	(32,212)
TOTAL EXPENDITURES	829,858	1,105,300	1,359,052	(253,752)
Excess (deficiency) of revenues over expenditures	(40,341)	(40,341)	(245,075)	(204,734)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	-	(270,394)	(270,394)
Debt Proceeds	-	-	405,512	405,512
Sale of Equipment	5,000	5,000	-	(5,000)
TOTAL OTHER FINANCING SOURCES (USES)	5,000	5,000	135,118	130,118
Net Change in Fund Balance	(35,341)	(35,341)	(109,957)	(74,616)
Fund Balance at beginning of year	2,875,059	2,875,059	2,849,034	(26,025)
Fund Balance at end of year	\$ 2,839,718	\$ 2,839,718	\$ 2,739,077	\$ (100,641)

Notes to Required Supplementary Information

The basis of budgeting is the same as GAAP.

The schedule is presented on the GAAP basis.

MINERAL COUNTY, COLORADO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
AIRPORT FUND
For the Year Ended December 31, 2022

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental Revenue	3,000,000	3,000,000	2,964,631	(35,369)
Charges for Service	39,273	39,273	48,416	9,143
Other	330,950	330,950	3,866	(327,084)
TOTAL REVENUES	3,370,223	3,370,223	3,016,913	(353,310)
EXPENDITURES				
General Government	80,350	80,350	51,434	28,916
Capital Outlay	3,333,333	3,333,333	3,315,195	18,138
TOTAL EXPENDITURES	3,413,683	3,413,683	3,366,629	47,054
Excess (deficiency) of revenues over expenditures	(43,460)	(43,460)	(349,716)	(306,256)
OTHER FINANCING SOURCES (USES)				
Transfers In	33,333	33,333	303,727	270,394
TOTAL OTHER FINANCING SOURCES (USES)	33,333	33,333	303,727	270,394
Net Change in Fund Balance	(10,127)	(10,127)	(45,989)	(35,862)
Fund Balance at beginning of year	18,527	18,527	22,486	3,959
Fund Balance at end of year	\$ 8,400	\$ 8,400	\$ (23,503)	\$ (31,903)

Notes to Required Supplementary Information

The basis of budgeting is the same as GAAP.

The schedule is presented on the GAAP basis.

MINERAL COUNTY, COLORADO

SUPPLEMENTARY INFORMATION

The combining financial statements represent the second level of financial reporting for the County. These financial statements present more detailed information for the individual funds in a format that segregates information by fund type.

MINERAL COUNTY, COLORADO
COMBINING SCHEDULE - BALANCE SHEET
GENERAL FUND
December 31, 2022

	GENERAL FUND	CONTINGENCY FUND	SEARCH AND RESCUE FUND	ELIMINATIONS	TOTAL
ASSETS					
Cash and Investments	\$ 678,674	\$ 226,148	\$ 136,097	\$ -	\$ 1,040,919
Accounts Receivable	87,284	-	-	-	87,284
Property Taxes Receivable	1,226,306	-	-	-	1,226,306
Leases Receivable	36,659	-	-	-	36,659
Inventory	2,257	-	-	-	2,257
TOTAL ASSETS	\$ 2,031,180	\$ 226,148	\$ 136,097	\$ -	\$ 2,393,425
LIABILITIES AND FUND BALANCE					
LIABILITIES					
Accounts Payable	\$ 14,619	\$ -	\$ -	\$ -	\$ 14,619
Payroll Taxes Payable	(791)	-	-	-	(791)
Unearned Revenue	318,389	-	-	-	318,389
TOTAL LIABILITIES	332,217	-	-	-	332,217
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue - Property Tax	1,226,306	-	-	-	1,226,306
Unavailable Revenue - Leases	36,659	-	-	-	36,659
TOTAL DEFERRED INFLOWS OF RESOURCES	1,262,965	-	-	-	1,262,965
FUND BALANCE					
Nonspendable	2,257	-	-	-	2,257
Restricted	-	207,000	-	-	207,000
Committed	195,000	19,148	136,097	-	350,245
Unassigned	238,741	-	-	-	238,741
TOTAL FUND BALANCE	435,998	226,148	136,097	-	798,243
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	\$ 2,031,180	\$ 226,148	\$ 136,097	\$ -	\$ 2,393,425

MINERAL COUNTY, COLORADO
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GENERAL FUND

For the Year Ended December 31, 2022

	GENERAL FUND	CONTINGENCY FUND	SEARCH AND RESCUE FUND	ELIMINATIONS	TOTAL
REVENUES					
Taxes	\$ 1,944,403	\$ -	\$ -	\$ -	\$ 1,944,403
Intergovernmental Revenue	449,151	-	92,400	-	541,551
Licenses and Permits	61,624	-	-	-	61,624
Charges for Services	216,497	-	-	-	216,497
Interest on Investments	18,745	3,859	-	-	22,604
Other	51,556	-	13,317	-	64,873
TOTAL REVENUES	<u>2,741,976</u>	<u>3,859</u>	<u>105,717</u>	<u>-</u>	<u>2,851,552</u>
EXPENDITURES					
Current Expenditures					
General Government	1,805,897	-	-	-	1,805,897
Public Safety	591,689	-	11,836	-	603,525
Health and Welfare	144,792	-	-	-	144,792
Auxiliary Services	80,609	-	-	-	80,609
Capital Outlay	183,622	-	91,374	-	274,996
Debt Service	29,298	-	-	-	29,298
TOTAL EXPENDITURES	<u>2,835,907</u>	<u>-</u>	<u>103,210</u>	<u>-</u>	<u>2,939,117</u>
Excess (deficiency) of revenues over expenditures	<u>(93,931)</u>	<u>3,859</u>	<u>2,507</u>	<u>-</u>	<u>(87,565)</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	19,422	-	5,000	(5,000)	19,422
Transfers Out	(38,333)	-	-	5,000	(33,333)
Debt Proceeds	115,578	-	-	-	115,578
TOTAL OTHER FINANCING SOURCES (USES)	<u>96,667</u>	<u>-</u>	<u>5,000</u>	<u>-</u>	<u>101,667</u>
Net Change in Fund Balances	2,736	3,859	7,507	-	14,102
Fund Balance at beginning of year	<u>433,262</u>	<u>222,289</u>	<u>128,590</u>	<u>-</u>	<u>784,141</u>
Fund Balance at end of year	<u>\$ 435,998</u>	<u>\$ 226,148</u>	<u>\$ 136,097</u>	<u>\$ -</u>	<u>\$ 798,243</u>

**MINERAL COUNTY, COLORADO
NONMAJOR GOVERNMENTAL FUNDS**

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for specific revenues that are legally restricted to be expended for particular purposes.

Public Welfare Fund – This fund is used to account for social services provided for County citizens.

Conservation Trust Fund – This fund is used to account for the County share of the state lottery program. The monies may be expended only for the acquisition, development, and maintenance of parks, and other public recreational facilities.

Tourism Fund – This fund is used to account for the County share of the lodging tax collected on each hotel/motel that is rented in Mineral County. The monies may be expended to promote Mineral County to tourists.

Ambulance Fund – This fund is used to collect payments and provide ambulance services to citizens of the County.

PERMANENT FUNDS

Permanent Funds are used to account for resources that are legally restricted to the extent that only earnings, and not principal, may be used for the purposes that support the County's programs.

Health Clinic and EMT Facility Endowment Fund – This fund is used to account for all donations collected by the County for the future use of the Mineral County Health Clinic and EMT Facility.

MINERAL COUNTY, COLORADO
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
December 31, 2022

	NONMAJOR SPECIAL REVENUE FUNDS					NONMAJOR PERMANENT FUND	TOTAL NONMAJOR GOVERNMENTAL
	PUBLIC WELFARE FUND	CONSERVATION TRUST FUND	TOURISM FUND	AMBULANCE FUND	CLINIC ENDOWMENT FUND		
ASSETS							
Cash and Investments	\$ 102,075	\$ 37,822	\$ 125,547	\$ 490,115	\$ 67,178	\$ 822,737	
Accounts Receivable	-	-	-	43,321	-	43,321	
Due from Other Governments	2,698	-	-	-	-	2,698	
Property Taxes Receivable	49,032	-	-	-	-	49,032	
Inventory	-	-	-	-	-	-	
TOTAL ASSETS	\$ 153,805	\$ 37,822	\$ 125,547	\$ 533,436	\$ 67,178	\$ 917,788	
LIABILITIES							
Checks in Excess of Deposits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Accounts Payable	(1,199)	-	-	2	-	(1,197)	
Payroll Taxes Payable	-	-	-	34	-	34	
Due to Other Governments	488	-	-	-	-	488	
Unearned Revenue	3,702	-	-	-	-	3,702	
TOTAL LIABILITIES	2,991	-	-	36	-	3,027	
DEFERRED INFLOWS OF RESOURCES							
Unavailable Revenue - Property Tax	49,032	-	-	-	-	49,032	
FUND BALANCE							
Nonspendable:							
Inventory	-	-	-	-	-	-	
Permanent Fund - nonexpendable	-	-	-	-	67,178	67,178	
Committed:							
Health and Welfare	101,782	-	-	533,400	-	635,182	
Culture and Recreation	-	37,822	125,547	-	-	163,369	
Unassigned	-	-	-	-	-	-	
TOTAL FUND BALANCE	101,782	37,822	125,547	533,400	67,178	865,729	
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	\$ 153,805	\$ 37,822	\$ 125,547	\$ 533,436	\$ 67,178	\$ 917,788	

MINERAL COUNTY, COLORADO
NONMAJOR GOVERNMENTAL FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
For the Year Ended December 31, 2022

	NONMAJOR SPECIAL REVENUE FUNDS					NONMAJOR PERMANENT FUND	TOTAL NONMAJOR GOVERNMENTAL
	PUBLIC WELFARE FUND	CONSERVATION TRUST FUND	TOURISM FUND	AMBULANCE FUND	CLINIC ENDOWMENT FUND		
REVENUES							
Taxes	\$ 55,428	-	\$ 103,206	\$ 96,774	\$ -	-	\$ 255,408
Intergovernmental Revenue	232,791	7,763	-	11,460	-	-	252,014
Charges for Services	-	-	-	83,962	-	-	83,962
Other	-	288	-	9,214	1,135	-	10,637
TOTAL REVENUES	288,219	8,051	103,206	201,410	1,135		602,021
EXPENDITURES							
Current Expenditures							
General Government	-	-	-	-	-	-	-
Health and Welfare	280,298	-	-	158,095	-	-	438,393
Culture and Recreation	-	1,817	93,404	-	-	-	95,221
Capital Outlay	-	-	-	-	-	-	-
TOTAL EXPENDITURES	280,298	1,817	93,404	158,095	-		533,614
Excess (deficiency) of revenues over expenditures	7,921	6,234	9,802	43,315	1,135		68,407
OTHER FINANCING SOURCES (USES)							
Transfers In	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-		-
Net Change in Fund Balances	7,921	6,234	9,802	43,315	1,135		68,407
Fund Balance at beginning of year	93,861	31,588	115,745	490,085	66,043		797,322
Fund Balance at end of year	\$ 101,782	\$ 37,822	\$ 125,547	\$ 533,400	\$ 67,178		\$ 865,729

MINERAL COUNTY, COLORADO
MAJOR CAPITAL PROJECTS FUND, ALL NON-MAJOR GOVERNMENTAL FUNDS AND ALL PROPRIETARY FUNDS
SCHEDULE OF EXPENDITURES/EXPENSES AND TRANSFERS OUT
BUDGET AND ACTUAL

For the Year Ended December 31, 2022

	BUDGETED AMOUNTS		EXPENDITURES REPORTED ON THE GAAP BASIS	ADJUSTMENTS TO BUDGETARY BASIS	EXPENDITURES ON THE BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL				
Governmental Funds						
Non-major Governmental Funds						
Special Revenue Funds						
Public Welfare Fund	\$ 351,077	\$ 351,077	\$ 280,298	\$ -	\$ -	\$ 70,779
Conservation Trust Fund	2,000	3,500	1,817	-	-	1,683
Tourism Fund	73,000	100,000	93,404	-	-	6,596
Ambulance Fund	164,638	164,638	158,095	-	-	6,543
Total Special Revenue Funds	590,715	619,215	533,614	-	-	85,601
Total Major Capital Projects & Special Revenue Governmental Funds	\$ 590,715	\$ 619,215	\$ 533,614	\$ -	\$ -	\$ 85,601
Proprietary Funds						
Mining Museum Fund	\$ 186,853	\$ 238,350	\$ 242,543	\$ (28,275)	\$ 214,268	\$ 24,082
Dental Clinic Fund	240,797	240,797	157,510	(6,580)	150,930	89,867
Total Proprietary Funds	\$ 427,650	\$ 479,147	\$ 400,053	\$ (34,855)	\$ 365,198	\$ 113,949

Adjustments to budgetary basis include principal reductions on long-term debt, costs of capitalized assets, and depreciation expense, where applicable.

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

LOCAL HIGHWAY FINANCE REPORT		City or County: Mineral County
		YEAR ENDING : December 2022
This Information From The Records Of (example - City of _ or County Mineral County)	Prepared By: Phone:	J. Kukuk 719-658-2360

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway disbursements:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	405,512
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	856,021
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	7,571
2. General fund appropriations		b. Snow and ice removal	62,486
3. Other local imposts (from page 2)	38,289	c. Other	
4. Miscellaneous local receipts (from page 2)	276,475	d. Total (a. through c.)	70,057
5. Transfers from toll facilities		4. General administration & miscellaneous	150,989
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	34,405
a. Bonds - Original Issues		6. Total (1 through 5)	1,516,984
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes	405,512	1. Bonds:	
d. Total (a. + b. + c.)	405,512	a. Interest	
7. Total (1 through 6)	720,276	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	609,015	2. Notes:	
D. Receipts from Federal Government (from page 2)	189,948	a. Interest	3,912
E. Total receipts (A.7 + B + C + D)	1,519,239	b. Redemption	108,300
		c. Total (a. + b.)	112,212
		3. Total (1.c + 2.c)	112,212
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	1,629,196

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)				0
1. Bonds (Refunding Portion)				
B. Notes (Total)	137,923	405,512	108,300	435,135

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	2,849,034	1,519,239	1,629,196	2,739,077	0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT

STATE:
Colorado
YEAR ENDING (mm/yy):
December 2022

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments	34,577	a. Interest on investments	27,448
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	67,500
5. Specific Ownership &/or Other	3,712	g. Other Misc. Receipts	181,527
6. Total (1. through 5.)	3,712	h. Other	0
c. Total (a. + b.)	38,289	i. Total (a. through h.)	276,475
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	606,373	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	189,948
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	2,642	d. Federal Transit Admin	
d. Other (Specify)		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	0
f. Total (a. through e.)	2,642	g. Total (a. through f.)	189,948
4. Total (1. + 2. + 3.f)	609,015	3. Total (1. + 2.g)	
			(Carry forward to page 1)

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			0
b. Engineering Costs			0
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements			0
(3). System Preservation		405,512	405,512
(4). System Enhancement & Operation	0	0	0
(5). Total Construction (1) + (2) + (3) + (4)	0	405,512	405,512
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	405,512	405,512
			(Carry forward to page 1)

Notes and Comments: