

RIO BLANCO COUNTY COLORADO



BASIC FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION DECEMBER 31, 2022

Carol Rowles

RIO BLANCO COUNTY
FINANCIAL STATEMENTS
December 31, 2022

[Print/View Format](#)

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To the Board of County Commissioners
Rio Blanco County, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Rio Blanco County, Colorado as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Rio Blanco County, Colorado’s basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Rio Blanco County, Colorado, 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 Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Rio Blanco County, Colorado, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the 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.

Certified Public Accountants

- 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 Rio Blanco County, Colorado'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 Rio Blanco County, Colorado's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Rio Blanco County, Colorado's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Blair and Associates, P.C.

Cedaredge, Colorado

May 17, 2023

Management's Discussion and Analysis

Unaudited

The management of Rio Blanco County presents this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2022. We encourage readers to consider the information presented here along with the additional information in the basic financial statements to gain a better understanding of the financial position of Rio Blanco County.

Financial Highlights

- Rio Blanco County's assets (\$180.3 million) exceeded liabilities plus deferred inflows (\$11.8 million) by \$168.5 million at the end of 2022. This compares to \$169.7 million in 2021. The difference of \$1.2 million is a decrease of 0.7%. The amount invested in net capital assets decreased by \$1.2 million, restricted funds decreased by \$2.7 million and unrestricted funds increased by \$2.6 million.
- Revenues of \$29.5 million were under expenditures of \$30.7 million resulting in the current year change in net position. This was an increase of \$1.1 million in revenue and an increase of \$5.9 million in expenditures from the prior year. Charges for services and fees were flat compared to last year, operating grants and contributions increased \$0.2 million, capital grants and contributions decreased \$0.9 million, and general revenues increased by \$1.8 million. \$5.5 million of the \$5.9 million total increase in expenditures is mainly due to a \$4.0 million grant from the County Capital Improvement Trust Fund and the overlay project in the Road & Bridge Fund. Business type expenditures increased \$0.4 million from an increase in personnel and closure/post-closure costs in the Solid Waste Landfill Fund and completion of projects within the Communications Fund.
- With a big focus in previous years on updating the County's assets, there continued to be a priority of maintaining current assets and not starting new capital projects unless absolutely necessary for 2022. There were not many capital projects for 2022. The Rangely Airport received funds from the FAA for the wildlife fence replacement. The Sheriff's Office received a generous donation for two new patrol vehicles and the implementation of LPR/Body Cameras. The CAD/RMS software implementation, CR73 Bridge construction, and secondary tower backup power upgrade was completed in 2022. The allocation of funds from the American Rescue Plan – Local Assistance and Tribal Consistency Fund were not designated for any capital projects in 2022.
- Rio Blanco County has no outstanding long-term debt other than its liability for employees' compensated absences, tower lease liabilities and for the landfill closure and post-closure costs.
- The County's solid waste landfill at Wray Gulch continued to operate without any County tax revenue transfers in 2022. As of December 31, 2022, the County recognized future closure and post-closure care liability in the total amount of \$760,676 and maintained \$1,217,273 more as restricted fund balance for financial assurance. The Communication Fund has also continued to operate without any County tax revenue transfers in 2022. This fund is projected to continue without the need of transfers while setting funds aside for equipment replacement in future years. The remaining two County enterprise funds usually require support (similar to the prior year) via transfers from governmental funds. The county-wide portion of the Weed & Pest Control Fund received \$165,000 while the Fairfield Complex Fund received \$100,000, and also received \$52,689 in the form of rent, paid by the County. These financial statements include the activity of the Piceance Creek Pest Control District and the Lower White River Pest Control District within the County's Weed and Pest Control Fund. Page E-15 delineates the activity and ending balances of these two districts.
- Governmental funds reported combined ending fund balances of \$65.4 million, an increase of \$0.7 million in comparison with the prior year. The County's General Fund balance was \$27.7 million as of December 31, 2022 and \$24.9 million as of December 31, 2021, an increase of \$2.8 million. The American Rescue Plan Fund increased by \$1.4 million, the Use Tax Fund increased by \$0.6 million, the County Capital Improvement Trust Fund decreased \$4.2 million and remaining funds increased by \$52,800 combined.

- The County’s General Fund policy is to have an unreserved fund balance equal to at least twelve months of General Fund expenditures. At December 31, 2022 the County’s unassigned General Fund balance was \$11.1 million, which is flat to the previous year balance, and would cover 16 months of current level General Fund expenditures.
- The County did see a slight increase in use tax, but a decrease in sales tax of \$0.3 million for 2022 (as compared to 2021). The County also saw an increase of Federal Mineral Lease of \$0.8 million as compared to 2021, and an increase in Severance tax distribution of \$1.2 million as compared to 2021. Also, the County received the second distribution of State and Local Fiscal Recovery Funds (SLFRF) from the American Rescue plan in the amount of \$0.6 million and the first distribution of Local Assistance and Tribal Consistency Funds (LATCF) in the amount of \$1.2 million. Of the total SLFRF funds received to date, \$455,411 was used in 2022, and the remaining funds were budgeted for use in 2023. All funds received from the LATCF distribution have not been appropriated for a certain project as there is no end date on when the funds have to be spent.

Overview of the Financial Statements

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

Government-wide Financial Statements

The *government-wide financial statements* are designed to provide readers with a broad overview of Rio Blanco County finances and in a manner similar to a private sector business.

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

The *statement of activities* presents information showing how the County’s net assets changed over the past year. All changes in net position are reported as soon as an “event” causing a change occurs, regardless of when related cash flows actually take place. As a result, revenues and expenses are reported in this statement for some items that will only result in cash flows in future financial periods; for example, grant expenditures not yet reimbursed or vacation leave which has been earned but not yet used.

Both of the government-wide financial statements distinguish activities of Rio Blanco County that are primarily supported by taxes and state/federal monies (intergovernmental activities) from activities that are intended to be funded primarily from user fees and charges. The governmental activities of the County include general government, health and welfare, judicial and public safety, public works, and recreation and culture. The business-type activities of the County include solid waste landfill, weed and pest control, communications, and Fairfield Complex operations.

Reconciling “schedules” are used in the financial statements to reconcile the “government-wide” financial statements to the “fund” financial statements. These schedules show reconciling amounts caused by the differences in measurement focus and basis of accounting between the two types of financial statements.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been set aside for specific activities or purposes. Rio Blanco County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the County’s funds can be categorized into three fund types: governmental, proprietary, and fiduciary funds.

Governmental Funds - *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, governmental fund financial statements

focus on near-term flows of spendable resources, as well as on balances of spendable resources available at the end of the year. This information is helpful in evaluating the County's near-term financing requirements.

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

Rio Blanco County maintains six governmental funds. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balance for the *General Fund*, *Road and Bridge Fund*, *Human Services Fund*, *Use Tax Fund*, *County Capital Improvement Trust Fund*, and *Capital Improvement Plan Fund*, all of which are considered to be major funds. Information from an additional five governmental funds, *Capital Expenditure Fund*, *Public Health Agency Fund*, *American Rescue Plan Fund*, *Conservation Trust Fund*, and *Contingent Fund*, are combined into a single, aggregated presentation.

Proprietary Funds - Rio Blanco County maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County uses enterprise funds to account for solid waste landfill, weed and pest control, communications, and the Fairfield Complex. The landfill and communications are considered major funds while the other two are combined into a single aggregate presentation for the enterprise fund financial statements. *Internal Service funds* are an accounting device used to accumulate and allocate costs internally among the County's various functions. The *Fleet Management Fund* is used to account for the County's motorized vehicles and the *Central Services Fund* is used to account for shared services like property and casualty insurance, annual audit services, cost allocation report, etc. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Fiduciary Funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not included in the government-wide financial statements because the resources of these funds are not available to support the County's operations. However, they have their own reporting requirements and are included in the basic financial statements. Rio Blanco County has four fiduciary funds. The 4-H Livestock Sale Fund is used to account for the livestock sale activities (payments from buyers, distribution to sellers and expenditures for running the sale). The Fair Board Association Fund is used to account for the activities of putting on the County Fair. The Sheriff's Inmate Agency Fund is used to account for inmate cash held by the Sheriff for distribution upon release. The Social Service stimulus account is held for children placed in out-of-home placement who received stimulus checks issued pursuant to the CARES Act.

Budgetary Comparisons - Rio Blanco County adopts an annual appropriated budget for all of its funds. Budget to actual comparisons for each fund are provided in this report.

Notes to the Financial Statements - These notes provide additional information that is necessary in gaining a full understanding of the data provided in the government-wide and fund financial statements.

Other Information - The combined statements referred to earlier in connection with non-major governmental, enterprise and internal service funds are presented immediately following the notes to the financial statements. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information.

COUNTY-WIDE FINANCIAL ANALYSIS

Net Position - Net assets may serve over time as a useful indicator of a government's financial position. As of December 31, 2022, assets exceeded liabilities plus deferred inflows by \$168.5 million.

The following table provides a summary comparison of the County's governmental and business-type net position for 2022 and a comparison to 2021.

	Net Position					
	Governmental Activities		Business Type Activities		Total Primary Government (Net of Internal Balances)	
	2022	2021	2022	2021	2022	2021
Assets						
Current and other assets	\$76,608,368	\$75,006,514	\$9,427,328	\$9,891,407	\$86,035,696	\$84,897,921
Capital assets	90,499,945	91,704,988	3,777,443	3,790,936	94,277,388	95,495,924
Total assets	<u>167,108,313</u>	<u>166,711,502</u>	<u>13,204,771</u>	<u>13,682,343</u>	<u>180,313,084</u>	<u>180,393,845</u>
Liabilities						
Current and other liabilities	1,190,919	951,564	35,304	27,902	1,226,223	979,466
Long-term liabilities	423,963	422,177	1,156,568	1,237,946	1,580,531	1,660,123
Total liabilities	<u>1,614,882</u>	<u>1,373,741</u>	<u>1,191,872</u>	<u>1,265,848</u>	<u>2,806,754</u>	<u>2,639,589</u>
Deferred Inflows						
Property tax	7,553,235	6,373,674	393,258	165,532	7,946,493	6,539,206
Deferred inflow - leases	-	-	1,076,060	1,510,235	1,076,060	1,510,235
Total deferred inflows	<u>7,553,235</u>	<u>6,373,674</u>	<u>1,469,318</u>	<u>1,675,767</u>	<u>9,022,553</u>	<u>8,049,441</u>
Invested in capital assets	90,499,945	91,704,988	3,770,911	3,631,492	94,270,856	95,336,480
Restricted	23,211,114	25,989,209	1,217,273	1,187,945	24,428,387	27,177,154
Unrestricted	44,229,137	41,269,890	5,555,397	5,921,291	49,784,534	47,191,181
Total net position	<u>\$157,940,196</u>	<u>\$158,964,087</u>	<u>\$10,543,581</u>	<u>\$10,740,728</u>	<u>\$168,483,777</u>	<u>\$169,704,815</u>

Rio Blanco County's total assets were 15.24 times the County's total liabilities plus deferred inflows at December 31, 2022. Rio Blanco County had no long-term liabilities from borrowing or other financing at the end of the year. The total amount of the long-term liabilities was a combination of accrued compensated absences due to employees at year-end, broadband tower leases, and amounts expensed and accrued for closure and post-closure costs for the County's landfills.

At the end of 2022, Rio Blanco County had a total net position of \$168.5 million. 56% was invested in capital assets. Of the remaining, 16% was held by the General Fund, 12% by the County Capital Improvement Trust Fund, 2% by the Use Tax Fund, 6% by the Road & Bridge Fund, 1% by the Human Services Fund and a balance of 7% in the remaining governmental funds and business-type funds.

The 56% invested in capital is being used in the operation of the County and includes new infrastructure assets that are provided and maintained by the County. Infrastructure assets completed and in place before January 1, 2002 are not included in capital assets. The County has elected to use the modified approach of reporting infrastructure assets placed in service since 2001. There have been no significant changes in the assessed condition of eligible infrastructure assets beyond that which is attributable to normal use.

The portion of total net position which may be used to meet the County's ongoing obligations to citizens (unrestricted) is 30% of the total. This is comparable to 28% in the prior year. The use of 14% was restricted as of December 31, 2022 as compared to 16% the prior year. Current restrictions are generally statutory, but some are imposed by an outside entity relative to grant requirements or specific requirements placed on private contributions.

Changes in Net Position - Governmental and business-type activities decreased the County's net position by \$1.2 million in 2022. The following table indicates the changes in net position for governmental and business-type activities for 2022. Comparative data is provided for analysis.

	Changes in Net Position					
	Governmental Activities		Business Type Activities		Total Primary Government (Net of Internal Balances)	
	2022	2021	2022	2021	2022	2021
REVENUES						
Program revenues:						
Charges for services	\$ 2,353,972	2,600,645	\$1,884,731	\$1,648,584	\$ 4,238,703	\$ 4,249,229
Operating grants/contrib.	7,505,810	7,295,991	50,578	67,174	7,556,388	7,363,165
Capital grants/contrib.	1,068,996	1,981,091	-	-	1,068,996	1,981,091
General revenues:						
Property taxes	6,362,623	6,940,951	165,536	245,581	6,528,159	7,186,532
Other taxes	5,664,075	4,920,252	6,809	33,792	5,670,884	4,954,044
Other revenues	4,442,854	2,663,877	-	-	4,442,854	2,663,877
Total revenues	27,398,330	26,402,807	2,107,654	1,995,131	29,505,984	28,397,938
EXPENSES						
General government	5,484,912	5,366,958	-	-	5,484,912	5,366,958
Health and welfare	4,968,491	4,731,407	-	-	4,968,491	4,731,407
Intergovernmental	4,117,970	190,741	-	-	4,117,970	190,741
Judicial and public safety	3,859,555	4,075,695	-	-	3,859,555	4,075,695
Public works	9,171,129	7,775,435	-	-	9,171,129	7,775,435
Recreation and culture	521,152	469,934	-	-	521,152	469,934
Solid waste landfill	-	-	856,767	665,812	856,767	665,812
Weed and pest control	-	-	453,632	573,111	453,632	573,111
Communications	-	-	987,130	682,619	987,130	682,619
Fairfield complex	-	-	306,283	295,843	306,283	295,843
Total expenditures	28,123,209	22,610,170	2,603,812	2,217,385	30,727,021	24,827,555
Increase before transfers	(724,880)	3,792,637	(496,158)	(222,254)	(1,221,038)	3,570,383
Transfers	(299,011)	(447,400)	299,011	447,400	-	-
Increase in net position	(\$1,023,891)	\$3,345,237	(\$197,147)	\$225,146	(\$1,221,038)	\$3,570,383

During 2022, total revenues for combined governmental and business-type activities were 44% direct program revenues and 56% general revenues. This is a 4% shift from program revenues to general revenues compared to the prior year.

- The major program revenues for governmental activities were as follows:
 - ❖ Charges for services were 9% of total revenues. Sources of this revenue are charges for permits, fees, fines, goods and services. A significant portion of this revenue is Treasurer, Clerk, and Sheriff.
 - ❖ Operating grants and contributions were 27% of total revenues. Major funding came from State shared Highway Users Taxes of \$3.1 million. Federal and state grants are significant revenue sources for operations of Human Services, Public Health, and senior nutrition service totaling \$4.2 million.
 - ❖ Capital grants and contributions were 4% of total revenues. \$0.8 million of this revenue was from federal/state for Meeker and Rangely airport entitlement projects, \$60,000 million was from CDOT for the CR73 bridge replacement, and \$0.2 million was from various grants/donations for Sheriff projects.
- The major program revenues for business-type activities were:
 - ❖ Charges for services were 89% of total revenues for 2022 as compared to 83% of total revenues for 2021. The majority of revenues for each business-type activity are charges for the specific products and/or services for which the fund was established. The majority of this revenue is communications (\$0.89 million) and landfill (\$0.85 million).
 - ❖ Operating grants and contributions were 2% of total revenues.
 - ❖ Capital grants and contributions were 0% of total revenues.

- The major sources of general revenues for 2022 were:
 - ❖ Property taxes were 23% of total revenues (vs. 26% for 2021), 39% of general revenues (vs. 48% for 2021).
 - ❖ Other taxes included \$2.9 million of sales tax (vs. \$3.2 million for 2021) and \$1.2 million of use tax (vs. \$1.2 million for 2021). These two taxes were 25% of general revenues (vs. 30% for 2021).
 - ❖ All other general revenues combined were 36% of general revenues (vs. 22% for 2021). The major difference between 2022 and 2021 is due to the increase of Severance tax and FML distributions. The sources of these revenues were: investment earnings \$0.2 million, Federal Mineral Leasing (FML) \$1.88 million, Payment in Lieu of Taxes (PILT) \$0.6 million, Severance Taxes \$1.2 million, American Rescue Plan (State and Local Fiscal Recovery Funds) \$1.8 million, and \$0.2 million of miscellaneous revenues.

The total expenditures for combined governmental and business-type activities were made up of \$28.1 million of expenditures for governmental activities (an increase of \$5.5 million as compared to 2021) and \$2.6 million of expenses for business-type activities (an increase of \$0.4 million as compared to 2021). Of the total expenditures 92% were for governmental activities and 8% for business-type activities.

- The percentage of total County expenses for each type of governmental activity is:
 - ❖ 19% – Governmental
 - ❖ 18% – Health and welfare
 - ❖ 15% – Intergovernmental
 - ❖ 14% – Judicial and public safety
 - ❖ 32% – Public works
 - ❖ 2% – Recreation and culture
- The percentage of total County expenses for each business-type activity is:
 - ❖ 33% – Solid Waste Landfill
 - ❖ 17% – Weed and Pest Control (includes activity of two pest control districts)
 - ❖ 38% – Communications Fund
 - ❖ 12% – Fairfield Complex (Community Center)
- During 2022 the County’s combined business-type activities had a loss of \$496,158 (before transfers) from normal operations as compared to the 2021 loss of \$222,254. The difference reflects an increase in personnel and capital expenditures within the landfill and communications funds.

FINANCIAL ANALYSIS OF THE COUNTY’S FUNDS

Rio Blanco County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds - The focus of the County’s governmental funds is to provide information on near-term inflows, outflows, and balances of resources. Such information is useful in assessing the County’s financing requirements.

Governmental Accounting Standards Board (GASB), Statement No. 54, developed a hierarchy based on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. “Nonspendable” is for those resources that are not in the form of cash. “Restricted” can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. “Committed” can be used only for the specific purposes determined by a formal action of the government’s highest level of decision-making authority. The Rio Blanco County Commissioners have made a one-time commitment of all use taxes collected starting January 1, 2011 to the general purposes of the Use Tax Fund. The RBC Commissioners annually commit a portion of property taxes to operation of the Road & Bridge Fund, the Human Services Fund and the Public Health Fund. “Assigned” are intended uses by the government for specific purposes that do not meet the criteria to be classified as either restricted or committed. Rio Blanco County has assignments as broad as the general purpose of a specific fund, but specific assignments are also made for the completion of projects-in-progress, projects for which funds are being saved over a number of years, and amounts needed to cover budgeted deficits projected for the subsequent year. “Unassigned” is the last category. The only fund allowed to have an unassigned positive fund balance is the General Fund.

As of the end of 2022, the combined ending fund balance of Rio Blanco County's governmental funds was \$65,372,146, an increase of 1% (\$0.7 million) from the prior year. The only funds that had a decline in fund balance from 2021 to 2022 were related to the completion of projects, a decrease of investment rates which resulted in an unrealized loss reported on the financial statements, and a grant awarded. Of the total governmental fund balance, 2% is nonspendable, 36% is restricted, 12% is committed, 33% is assigned, and 17% is unassigned. Rio Blanco County had no governmental funds reporting negative unassigned fund balances at December 31, 2022.

The County has six major governmental funds. These are: (1) General Fund, (2) Road and Bridge Fund, (3) Human Services, (4) Use Tax Fund, (5) County Capital Improvement Trust Fund, and (6) Capital Improvement Plan Fund.

1. *General Fund*

The *General Fund* is the primary operating fund for Rio Blanco County. It accounts for many core services and ordinary operations such as public safety, personnel and administration. The fund balance of the general fund was \$27.7 million at December 31, 2022. This was an 11% increase from 2021. 40% or \$11 million of the total balance was unassigned. 58% or \$16 million was assigned for projects, specific program carryover, future fund stabilization, and to cover budgeted deficit spending in 2023. 2% or \$0.6 million was reserved for emergencies in compliance with Title-X of the Colorado constitution, and the remaining amount of \$32,000 was nonspendable in the form of inventories and prepaids.

The unassigned fund balance is available for working capital and to be used for subsequent operations. Working capital is: cash, cash equivalents, and receivables (soon to be converted to cash) that can be used to eliminate short-term accrued liabilities and deferred inflows of property taxes receivable, as well as cash disbursements in subsequent periods.

A comparison of unreserved fund balance to total fund expenditures is often a useful measure of the General Fund's ability to continue financial operations without major changes in spending level and/or additional financing. The total of assigned and unassigned fund balances in the General Fund represented 329% of the General Fund expenditures for the year ended December 31, 2022. Unassigned funds were available to cover expenditures for 16.1 months at December 31, 2022, versus 16.3 months at the end of 2021 and 14.0 months at the end of 2020.

Most of the ratios that are used to aid in the financial analysis of business organizations provide only very limited information in an analysis of any governmental type fund; however, governmental funds in severely bad liquidity conditions can often be recognized by such an analysis. Therefore, the following items and relationships are presented for the Rio Blanco County's General Fund at December 31, 2022:

a. **Working Capital: \$27,128,237**

Governmental funds do not show fixed assets or long-term liabilities on the fund balance sheet; therefore, the fund balance is the fund's "working capital." However, a portion of the fund balance may not be available for use as working capital. Therefore, the total of assigned and unassigned fund balance is substituted for "working capital" as a measure of liquidity for the General Fund.

b. **Current Ratio** (current assets divided by current liabilities plus deferred inflows) **9.9:1**

Modified Current Ratio (current assets less property tax accrual and less long-term prepaid expenses divided by current liabilities and not including deferred inflows of property tax) **71.8:1**. The current ratio is used, by business organizations, to display the ability to meet currently maturing obligations.

While the analysis provided above should be combined with other information to develop a conclusion as to the liquidity and the probability of continuation of financial operations by the Rio Blanco County General Fund, little would prevent the County's General Fund from continuing operations as it has in the past, at least for the subsequent year.

2. *Road and Bridge Fund*

The *Road and Bridge Fund* records costs related to County road and bridge construction and maintenance. By State law, Colorado counties are required to maintain a road and bridge fund. A portion of road and bridge property taxes is allocated to cities and towns for use in their road and street activities.

The fund balance in the Road and Bridge Fund at December 31, 2022 was \$9.7 million. Of the total fund balance: 14% was invested in inventory and prepaids, 3% was held for future Federal Forest Reserve Title III projects and incomplete grant capital projects, 45% was assigned to cover budgeted deficit spending, and the remaining 38% is committed to the general purpose of the fund.

The fund balance stayed the same as the prior year. There was an overlay project in 2022, and the CR 73 bridge construction was completed.

The total of committed fund balances could provide working capital (in addition to inventory) for about six months of operations.

Because of a somewhat regular cash flow for operations, limited working capital is needed for operations to continue as normal, except when the fund is used for large projects or incurs unforeseen expenditures.

3. *Human Services Fund*

The *Human Services Fund* accounts for the activities and programs related to family and individual independence and well-being in Rio Blanco County. Primary sources of funds are property taxes and federal/state grants.

The fund balance in the Human Services Fund at December 31, 2022 was \$1.2 million. Of the total fund balance, 1% is a prepaid (nonspendable), 29% was assigned to cover budgeted deficit spending, and the remaining 70% is committed for the general purpose of the fund.

This fund has a regular cash flow due to most of the programs being reimbursed 80% by state/federal grants. Because of the unique situation, this fund does not require a lot of working capital reserves to be accumulated from one year to the next. Therefore, the committed fund balance could provide around four months of operations.

4. *Use Tax Fund*

The *Use Tax Fund* accounts for all County use tax collections, the fiscal management of the use tax revenues, and for various other special revenues and the associated programs.

The fund balance in the Use Tax Fund at December 31, 2022 was \$3.7 million. This was an increase of around \$0.6 million from 2021, which was due to an increase in construction and motor vehicle use tax. 72% of the ending fund balance was committed to the general purpose of the fund and 28% was assigned to cover budgeted deficit spending and future capital projects.

The Use Tax Fund continues to provide internal operating transfers as well as emergency grants to non-taxing public entities. This fund has operated as a funding source for other funds and for sponsored county-wide programs for many years. These grants, programs, and special projects for the citizens of the County are dependent on the continued collection of use tax.

5. *County Capital Improvement Trust Fund*

The *County Capital Improvement Trust Fund* is a special revenue fund established to account for cash received from the State of Colorado Oil Shale Trust Fund (special mineral leasing receipts sources). The original amounts receipted from the State have been held by the County for investment purposes only. Historically, the income from these investments has been allocated, on an annual basis, to local government organizations, including Rio Blanco County for county-wide capital improvements.

Of the \$20.3 million total fund balance 100% is restricted by statute for capital improvement projects. This was a decrease of \$4.2 million from 2021. The decrease in 2022 is from the award of a grant and unrealized loss shown at December 31st.

Due to the interest rates, there is a fluctuation in grant awards given out over the years. The Board of County Commissioners determine if awards are given out each year, and all awards are given out based on the earnings from the prior year. Commissioners still strive to maintain the original principle balance of \$20 million within the fund.

6. Capital Improvement Plan Fund

The *Capital Improvement Plan Fund* provides funding for larger projects that help the County provide for its facility and infrastructure needs based on an annual review of a five-year plan. The fund balance in the Capital Improvement Plan Fund at December 31, 2022 was \$0.1 million, which is a decrease of \$0.1 million from the prior year. The County’s focus was to maintain existing infrastructure in 2022 and not implement any new projects unless absolutely necessary. Therefore, the fund balance will continue to remain low due to the number of projects approved and carryover of those projects.

2022 projects included: \$759,185 for the Rangely Airport Wildlife Fence project (offset by \$721,226 in FAA/CDOT grants) and \$232,209 for the Meeker Airport Stormwater/Drainage project.

7. Other Governmental Funds

This summary category includes five funds that are not considered major: *Capital Expenditure Fund, Public Health Fund, American Rescue Plan Fund, Conservation Trust Fund, and Contingent Fund.*

Proprietary Funds - The County’s proprietary funds statements provide the same type of information found in the government-wide financial statements, but in greater detail.

The County has two major proprietary funds – the *Solid Waste Landfill Fund* and *Communications Fund*. The net position (equity) in the Solid Waste Landfill Fund at December 31, 2022 was \$5.96 million (as compared to \$5.97 million in 2021). The net position in the Communications Fund at December 31, 2022 was \$1.5 million (as compared to \$1.55 million in 2021).

These financial statements also include two additional enterprise funds and two internal service funds that are not reported as major funds: *Weed & Pest Control Fund, Fairfield Complex Fund, Central Services Fund, and Fleet Management Fund.*

CAPITAL ASSET/LEASES AND DEBT ADMINISTRATION

The County’s capital assets/leases at December 31, 2022 are presented in the following table.

	Governmental Activities	Business Type Activities	Total
Land	\$ 2,480,498	\$ 303,605	\$ 2,784,103
Land improvements	20,284,045	364,011	20,648,056
Buildings and building improvements	29,130,316	1,837,600	30,967,916
Equipment and furniture	6,963,461	886,382	7,849,844
Infrastructure	27,387,196	-	27,387,196
Construction-in-progress	4,254,429	17,740	4,272,169
Leases	-	368,106	368,106
	<u>\$ 90,499,945</u>	<u>\$ 3,777,444</u>	<u>\$ 94,277,390</u>

None of the above capital assets/leases have any associated debt as of December 31, 2022.

Rio Blanco County leases broadband tower sites to and from different entities. All leases are accounted for in the Communications Fund and abide by GASB Statement 87.

Rio Blanco County uses the modified approach to account for infrastructure and, since the modified approach does not require depreciation of these assets, the County committed to preserving and maintaining eligible road and bridge assets at a level of 5 on a scale of 1 to 10 with 10 being very good. All of the eligible assets are fairly new and normal use has not yet brought any of them near to a rating of 5 (no amounts are needed to prevent ratings from dropping below a 5).

BUDGETARY HIGHLIGHTS

The County's budget was prepared in compliance with the State of Colorado statutes. In December of 2021, the Rio Blanco County Commissioners budgeted total expenditures (including transfers out) of \$38.1 million for 2022. During 2022 supplemental budgets were approved, increasing the budgeted expenditures by \$1.77 million to \$39.9 million. At year end, 83% of the total budget was utilized, or \$33.1 million.

In general, Rio Blanco County budgets revenue conservatively and includes additional expenditures (like contingency) to prevent budget law violations and to provide adequate fund balance (and cash) availability. Both revenues and expenditures can be significantly impacted by capital projects. Capital projects are normally budgeted in full to ensure the County's match has been fully appropriated, but some projects cannot be completed in one year (or don't get started in the year budgeted). Unused expenditures and related grant reimbursements are re-budgeted in the following year.

	Original Budget	Amendments	Final Budget	Actual	%	Variance (Under)/Over
Revenues & Transfers In						
General	\$ 8,087,025	\$ 2,721,416	\$ 10,808,441	\$ 11,271,538	104%	\$ 463,098
Road and Bridge	6,549,555	1,215,280	7,764,835	7,716,301	99%	(48,534)
Use Tax	1,009,500	310,500	1,320,000	1,448,016	110%	128,016
County Capital Imp. Trust	42,598	-	42,598	(24,138)	-57%	(66,736)
Impact Fee Trust	-	-	-	-	0%	-
Capital Expenditure	182,276	259,273	441,549	440,859	100%	(690)
Capital Improvement Plan	1,006,189	-	1,006,189	915,704	91%	(90,485)
American Rescue Plan	1,200	1,812,096	1,813,296	1,816,965	100%	3,669
Human Services	3,666,067	204,000	3,870,067	3,790,463	98%	(79,604)
Public Health	634,073	22,018	656,091	592,199	90%	(63,892)
Conservation Trust	10,256	-	10,256	12,001	117%	1,745
Contingent	-	-	-	-	0%	-
Solid Waste Landfill	475,000	330,000	805,000	854,549	106%	49,549
Weed and Pest Control	469,333	-	469,333	437,374	93%	(31,959)
Communications	860,209	74,011	934,220	928,484	99%	(5,736)
Fairfield Complex	184,689	-	184,689	186,258	101%	1,569
Central Services	398,613	78,000	476,613	475,929	100%	(684)
Fleet Management	2,416,780	125,235	2,542,015	2,547,141	100%	5,126
	<u>\$ 25,993,364</u>	<u>\$ 7,151,829</u>	<u>\$ 33,145,193</u>	<u>\$ 33,409,644</u>	<u>101%</u>	<u>\$ 264,451</u>
Expenditures & Transfers Out						
General	\$ 10,407,446	\$ 20,809	\$ 10,428,255	\$ 8,497,078	81%	\$ (1,931,177)
Road and Bridge	9,043,746	200,280	9,244,026	7,646,610	83%	(1,597,416)
Use Tax	1,012,667	41,754	1,054,421	824,155	78%	(230,266)
County Capital Imp. Trust	4,684,800	-	4,684,800	4,149,446	89%	(535,354)
Impact Fee Trust	-	-	-	-	0%	-
Capital Expenditure	213,882	367,560	581,442	461,839	79%	(119,603)
Capital Improvement Plan	1,285,087	(37,767)	1,247,320	991,775	80%	(255,545)
American Rescue Plan	460,942	614,181	1,075,123	455,412	42%	(619,712)
Human Services	3,838,365	204,000	4,042,365	3,772,703	93%	(269,662)
Public Health	652,647	22,018	674,665	492,229	73%	(182,436)
Conservation Trust	38,211	-	38,211	11,150	29%	(27,061)
Contingent	100,000	-	100,000	-	0%	(100,000)
Solid Waste Landfill	625,369	65,400	690,769	856,767	124%	165,998
Weed and Pest Control	729,440	-	729,440	453,631	62%	(275,809)
Communications	1,370,257	74,011	1,444,268	987,131	68%	(457,137)
Fairfield Complex	210,658	-	210,658	306,283	145%	95,625
Central Services	376,220	78,000	454,220	441,449	97%	(12,771)
Fleet Management	3,096,490	125,235	3,221,725	2,739,618	85%	(482,107)
	<u>\$ 38,146,227</u>	<u>\$ 1,775,481</u>	<u>\$ 39,921,708</u>	<u>\$ 33,087,277</u>	<u>83%</u>	<u>\$ (6,834,431)</u>

The increase of \$0.37 million in the Capital Expenditure Fund is due to a couple donations for the Sheriff's Office vehicles, radios, and LPR/Body Camera implementation. The increase of \$0.6 million in the American Rescue Plan is due to the final

distribution from the State and Local Fiscal Recovery Funds. The increase of \$0.2 million in the Human Services Fund was mainly due to an increase in the Food Assistance program which is 100% reimbursed by Federal funds (fully offset by additional revenue). The increase of \$0.2 million in the Road & Bridge Fund was an equal increase in revenue from the SRS Title I distribution and additional money received from the Forest Service. The increase of \$0.1 million in the Fleet Management Fund was due to the increase in price of fuel, gas and repair costs for 2022.

In 2022, there was a difference of \$1.9 million between amended budget and actual expenditures plus transfers out in the General Fund. \$0.7 million was due to budgeted contingency amounts not being needed. \$0.2 million was from emergency grant funds not being used/awarded. \$0.4 million was from underspent budget in the Sheriff's Office, due to minimal inmate contract services with Moffat County and normal operations (mainly personnel costs) being under budget. The remaining balance of \$0.6 million was other department normal operations coming in under budget as is required by law and/or carryover of department projects (which were included in the 2023 budget).

The large difference between amended budget and actuals in the Road and Bridge Fund of \$1.1 million is due to the projects coming in under budget, carryover of Title III funds and CR4 bridge project, and contingency funds not being utilized. The remaining \$0.5 million difference was from normal operations.

The difference between amended budget and actuals in the American rescue Plan of \$0.6 million is due to the carryover of obligated projects from the second distribution of State and Local Fiscal Recovery Funds.

FUTURE SIGNIFICANCE

Property tax accounted for 22% of the County's total revenues in 2022. This source of revenue decreased 9% or \$658,373 from 2021. Property assessed valuations always fluctuate, but changes in the oil/gas and industrial categories have the greatest impact on the County property tax revenues. Together, these categories made up 73% of 2022 total assessed value to be collected in 2023 (which equates to an increase in 18.5%, or \$130 million from the 2021 assessed valuation collected in 2022). Oil and gas increased 54% from the previous year assessed valuation, however, industrial valuations decreased 13% from the previous year assessed valuation. The preliminary certification of values for 2023 that will be the basis for the revenues collected in 2024 will not be distributed until late August; thus, expected change cannot yet be quantified. However, it is known that current legislation will have some impacts in total assessed value.

Sales and use taxes decreased from the prior year by 5%. The Supreme Court ruling in *South Dakota v. Wayfair* allows for online sales tax collections, and the Colorado Department of Revenue created a GIS system that should accurately calculate sales tax based on individual addresses (which was rolled out early 2021). The full impact these changes will have on the County's sales tax revenue is still yet to be determined. The sales tax simplification task force created from HB23-1017 will have some impact on how sales tax is distributed within Rio Blanco County, but the total effect is yet to be determined. SJR23-0004 Uniformity on Sales and Use Tax collections on construction materials could also have impact on Rio Blanco's collections.

In January of 2018, Rio Blanco County took over as network operator (for the broadband project) and the Communications Fund was created. A one-time transfer was needed in 2018 to make sure enough fund balance was available for working capital needs (a transfer in 2020 was made in the amount of \$100,000 and the remaining \$50,000 was transferred in 2021 to repay the working capital requirement). This fund is projected to provide for future growth and replacement of equipment without any additional funding sources needed. With the completion of the secondary broadband towers in 2019 and solar upgrade to secondary towers completion in 2022, the current priority is to maintain the existing infrastructure and continue to provide broadband services throughout the County. Future expansion of the network continues to be looked at and discussed as more funding opportunities arise.

On March 11, 2021 the American Rescue Plan was signed into law. Of the \$1.9 trillion package, \$362 billion was distributed to the state and local fiscal recovery funds. Rio Blanco County was awarded around \$1.2 million. The first payment was received in June 2021 in the amount of \$614,000. The second payment was received in June 2022. These funds may be used to support public health expenditures, address negative economic impacts caused by the public health emergency, replace lost public sector revenue, provide premium pay for essential workers, and/or invest in water, sewer and broadband infrastructure. A new fund has been created to account for all revenue and expenditures related to this distribution of funds.

In September 2022, Section 605 of the Social Security Act, added by Section 9901 of the American Rescue Plan (ARPA), established the Local Assistance and Tribal Consistency Fund, which provides \$2 billion to eligible revenue sharing counties and eligible Tribal governments across fiscal years 2022 and 2023 for use on any governmental purpose except for lobbying activities. Rio Blanco County was allocated \$2.4 million and the first distribution of \$1.2 million was received in October 2022. These funds have not been obligated, but discussion continues of what to use the funds for as there is no end date of when the funds have to be spent. The second distribution is expected sometime in 2023, but all funds and expenditures are accounted for within the American Rescue Plan Fund.

In the March 2023 Economic Outlook by the Colorado Office of State Planning and Budgeting, Federal Mineral Lease (FML) revenue that is given as direct distribution through DOLA is expected to increase from \$24.9 million in FY 2021-22 to \$28.5 million for FY 2022-23, decrease to \$18.1 million for FY 2023-24, and increase slightly to \$19.1 million for FY 2024-25. Severance Tax revenue is estimated to decrease from \$325 million in FY 2021-22 to \$297.4 million FY 2022-23. Another decrease of 42.9% is currently forecasted for FY2023-24. Oil and gas severance tax revenue accounts for 97-98% of the total collections which is dependent on productions levels and price. By statute, 50% of the severance tax is distributed to the Dept. of Natural Resources and the other 50% is distributed to the Dept. of Local Affairs. Of the 50% given to the Dept. of Local Affairs, only 30% is distributed to governments based on their oil, gas and mining activities. Due to both revenue sources having a direct distribution passed to Counties, Rio Blanco County might expect to see a small decrease in the combined total August 2023 distribution compared to 2022.

Department and elected offices were asked to submit flat budgets for the 2023 cycle, and explore all options/opportunities for budget reduction. Capital projects continue to be budgeted on a priority basis with an emphasis on maintaining the infrastructure the County currently has. Grants funds budgeted are for emergency purposes. A 34% market wage adjustment along with a 3% COLA and a 3% increase to health insurance costs were approved in the 2023 budget.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of Rio Blanco County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Finance Office, Finance Director, P.O. Box 1047, Meeker, CO 81641.

BASIC FINANCIAL STATEMENTS

RIO BLANCO COUNTY, COLORADO
STATEMENT OF NET POSITION
December 31, 2022

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 65,690,748	\$ 7,366,606	\$ 73,057,354
Property taxes receivable	7,553,235	393,258	7,946,493
Other receivables	188,833	165,674	354,507
Other receivables - leases	-	1,076,060	1,076,060
Due from other governmental units	1,452,905	147	1,453,052
Prepays and deposits	459,553	361,574	821,127
Inventories	1,263,094	64,009	1,327,103
Capital assets, net	90,499,945	3,777,443	94,277,388
Total assets	167,108,313	13,204,771	180,313,084
LIABILITIES			
Accounts payable	488,409	35,304	523,713
Due to other governmental units	379,937	-	379,937
Unearned revenue	214,286	-	214,286
Long-term liabilities			
Due more than one year:			
Compensated absences	423,963	27,786	451,749
Lease Liability	-	368,106	368,106
Closure and postclosure care	-	760,676	760,676
Total liabilities	1,506,595	1,191,872	2,698,467
DEFERRED INFLOW OF RESOURCES			
Unavailable property tax	7,661,522	393,258	8,054,780
Deferred inflow - leases	-	1,076,060	1,076,060
Total deferred inflows of resources	7,661,522	1,469,318	9,130,840
NET POSITION			
Invested in capital assets, net of debt	90,499,945	3,770,911	94,270,856
Restricted	23,211,114	1,217,273	24,428,387
Unrestricted	44,229,137	5,555,397	49,784,534
Total net position	\$ 157,940,196	\$ 10,543,581	\$ 168,483,777

See accompanying notes to the basic financial statements.

RIO BLANCO COUNTY, COLORADO
STATEMENT OF ACTIVITIES
Year Ended December 31, 2022

Functions/Programs	Expenses	Program Revenues		
		Charges for Services and Fees	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 5,484,912	\$ 1,919,210	\$ 2,500	\$ -
Health and welfare	4,968,491	57,668	4,240,213	-
Intergovernmental - Grants, etc.	4,117,970	99,495	-	-
Judicial and public safety	3,859,555	141,128	3,418	-
Public works	9,171,129	118,832	3,247,746	1,068,996
Recreation and culture	521,152	17,639	11,933	-
Total governmental activities	28,123,209	2,353,972	7,505,810	1,068,996
Business-type activities:				
Solid Waste Landfill	856,767	851,164	3,384	-
Weed and Pest Control	453,632	89,188	10,842	-
Communications	987,130	888,121	6,352	-
Fairfield Complex	306,283	56,258	30,000	-
Total business type activities	2,603,812	1,884,731	50,578	-
Total primary government	\$ 30,727,021	\$ 4,238,703	\$ 7,556,388	\$ 1,068,996

General revenues:

Taxes:

- Property
- Sales
- Use
- Specific ownership
- Other

Unrestricted investment earnings

Federal - unrestricted

State - unrestricted

Other general revenues

Gain/(loss) on disposition of assets

Transfers in/(out) -- internal activities

Total general revenues and transfers

Changes in net position

Net position, January 1

Net position, December 31

See accompanying notes to the basic financial statements.

Net (Expense)/Revenue and Changes in Net Assets		
Primary Government		
Governmental Activities	Business-type Activities	Total
\$ (3,563,202)	\$ -	\$ (3,563,202)
(670,610)	-	(670,610)
(4,018,475)	-	(4,018,475)
(3,715,009)	-	(3,715,009)
(4,735,555)	-	(4,735,555)
(491,580)	-	(491,580)
<u>(17,194,431)</u>	<u>-</u>	<u>(17,194,431)</u>
-	(2,219)	(2,219)
-	(353,602)	(353,602)
-	(92,657)	(92,657)
-	(220,025)	(220,025)
-	(668,503)	(668,503)
<u>(17,194,431)</u>	<u>(668,503)</u>	<u>(17,862,934)</u>
6,362,623	165,536	6,528,159
2,947,376	-	2,947,376
1,224,955	-	1,224,955
259,926	6,751	266,677
1,231,818	58	1,231,876
230,480	-	230,480
4,426,414	-	4,426,414
-	-	-
166,457	-	166,457
(380,497)	-	(380,497)
(299,011)	299,011	-
<u>16,170,541</u>	<u>471,356</u>	<u>16,641,897</u>
<u>(1,023,891)</u>	<u>(197,147)</u>	<u>(1,221,038)</u>
<u>158,964,087</u>	<u>10,740,728</u>	<u>169,704,815</u>
<u>\$ 157,940,196</u>	<u>\$ 10,543,581</u>	<u>\$ 168,483,777</u>

See accompanying notes to the basic financial statements.

RIO BLANCO COUNTY, COLORADO
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2022

	Major Special Revenue Funds			
	General Fund	Road and Bridge Fund	Human Services Fund	Use Tax Fund
ASSETS				
Cash and cash equivalents	\$ 27,364,737	\$ 8,434,106	\$ 1,281,373	\$ 3,694,917
Property taxes receivable	2,712,488	4,590,364	83,461	-
Accrued interest receivable	10,650	-	-	-
Due from other funds	-	-	-	-
Due from other governmental units	591,036	62,728	440,487	47,777
Other receivables	106,919	2,375	-	20,780
Inventories	-	930,516	-	-
Prepays and deposits	31,756	425,000	1,797	-
Total assets	\$ 30,817,586	\$ 14,445,089	\$ 1,807,118	\$ 3,763,474
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 272,531	\$ 110,802	\$ 22,642	\$ 10,203
Due to other governmental units	-	-	379,937	-
Unearned revenue	10,293	-	93,751	-
Total liabilities	282,824	110,802	496,330	10,203
Deferred inflow of resources:				
Unavailable property taxes	2,820,775	4,590,364	83,461	-
Total deferred inflow of resources	2,820,775	4,590,364	83,461	-
Fund balances:				
Nonspendable	31,756	1,355,516	1,797	-
Restricted	553,994	267,950	-	-
Committed	-	3,740,886	862,335	2,691,091
Assigned	16,072,494	4,379,571	363,195	1,062,180
Unassigned	11,055,743	-	-	-
Total fund balances	27,713,987	9,743,923	1,227,327	3,753,271
Total liabilities, deferred inflows and fund balances	\$ 30,817,586	\$ 14,445,089	\$ 1,807,118	\$ 3,763,474

See accompanying notes to the basic financial statements.

Major Capital Projects Funds			
County Capital Improvement Trust Fund	Capital Improvement Plan Fund	Other Governmental Funds	Total Governmental Funds
\$ 20,266,118	\$ (117,719)	\$ 2,581,053	\$ 63,504,585
-	-	166,922	7,553,235
26,348	-	-	36,998
-	-	-	-
-	223,184	87,693	1,452,905
-	-	3,693	133,767
-	-	-	930,516
-	-	-	458,553
<u>\$ 20,292,466</u>	<u>\$ 105,465</u>	<u>\$ 2,839,361</u>	<u>\$ 74,070,559</u>
\$ -	\$ 2,952	\$ 23,538	\$ 442,668
-	-	-	379,937
-	-	110,242	214,286
<u>-</u>	<u>2,952</u>	<u>133,780</u>	<u>1,036,891</u>
-	-	166,922	7,661,522
<u>-</u>	<u>-</u>	<u>166,922</u>	<u>7,661,522</u>
-	-	-	1,389,069
20,292,466	-	2,096,704	23,211,114
-	-	334,209	7,628,521
-	102,513	107,746	22,087,699
-	-	-	11,055,743
<u>20,292,466</u>	<u>102,513</u>	<u>2,538,659</u>	<u>65,372,146</u>
<u>\$ 20,292,466</u>	<u>\$ 105,465</u>	<u>\$ 2,839,361</u>	<u>\$ 74,070,559</u>

See accompanying notes to the basic financial statements.

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

Total governmental fund balances	\$ 65,372,146
Amounts reported for governmental activities in the statement of activities are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	85,904,929
Long-term liabilities and compensated absences, are not due and payable in the current period and therefore are not reported in the governmental funds.	(383,652)
Internal service funds are used by management to charge the costs of insurance and other services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	<u>7,046,773</u>
Net position of governmental activities	<u><u>\$ 157,940,196</u></u>

See accompanying notes to the basic financial statements.

RIO BLANCO COUNTY, COLORADO
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended December 31, 2022

	<u>Major Special Revenue Funds</u>			
	General Fund	Road and Bridge Fund	Human Services Fund	Use Tax Fund
REVENUES				
Property taxes	\$ 2,847,362	\$ 3,058,277	\$ 246,069	\$ -
Specific ownership taxes	116,320	124,937	10,052	-
Sales taxes	2,947,376	-	-	-
Use taxes	-	-	-	1,224,955
Other taxes	11,119	11,466	918	-
Intergovernmental	2,846,783	4,430,967	3,533,424	193,376
Licenses and permits	5,933	-	-	-
Charges for services	293,841	5,013	-	24,685
Interest earnings	249,682	-	-	-
Fees, fines and forfeits	1,641,181	54,815	-	-
Inter-fund charges	167,277	13,382	-	-
Miscellaneous	144,664	17,444	-	5,000
Total revenues	11,271,538	7,716,301	3,790,463	1,448,016
EXPENDITURES				
Current:				
General government	4,409,431	-	-	104,708
Judicial and public safety	3,102,391	-	-	-
Health and welfare	201,584	-	3,772,703	407,672
Recreation and culture	274,996	-	-	105,132
Intergovernmental (Grants, etc)	111,327	-	-	6,643
Public Works	139,257	7,496,675	-	-
Capital outlay	-	149,935	-	-
Total expenditures	8,238,986	7,646,610	3,772,703	624,155
Excess (deficiency) of revenues over expenditures	3,032,552	69,691	17,760	823,861
OTHER FINANCING SOURCES/(USES)				
Sale of assets				
Transfers in	-	-	-	-
Transfers out	(180,093)	-	-	(200,000)
Transfers in/(out) from/to int. service funds	(78,000)	-	-	-
Total other financing sources/(uses)	(258,093)	-	-	(200,000)
Net change to fund balance	2,774,459	69,691	17,760	623,861
Fund balance, January 1	24,939,528	9,674,232	1,209,567	3,129,410
Fund balance, December 31	\$ 27,713,987	\$ 9,743,923	\$ 1,227,327	\$ 3,753,271

See accompanying notes to the basic financial statements.

Major Capital Projects Funds

County Capital Improvement Trust Fund	Capital Improvement Plan Fund	Other Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ 210,916	\$ 6,362,624
-	-	8,616	259,925
-	-	-	2,947,376
-	-	-	1,224,955
-	-	399	23,902
-	795,704	2,526,496	14,326,750
-	-	16,435	22,368
-	-	10,283	333,822
(24,137)	-	4,935	230,480
-	-	-	1,695,996
-	-	-	180,659
-	-	2,860	169,968
<u>(24,137)</u>	<u>795,704</u>	<u>2,780,940</u>	<u>27,778,825</u>
796	381	124,684	4,640,000
-	-	76,578	3,178,969
-	-	539,342	4,921,301
-	-	38,365	418,493
4,000,000	-	-	4,117,970
-	234,572	300,000	8,170,504
148,651	756,822	221,659	1,277,067
<u>4,149,447</u>	<u>991,775</u>	<u>1,300,628</u>	<u>26,724,304</u>
<u>(4,173,584)</u>	<u>(196,071)</u>	<u>1,480,312</u>	<u>1,054,521</u>
-	-	-	-
-	120,000	81,082	201,082
-	-	(120,000)	(500,093)
-	-	-	(78,000)
-	120,000	(38,918)	(377,011)
(4,173,584)	(76,071)	1,441,394	677,510
24,466,050	178,584	1,097,265	64,694,636
<u>\$ 20,292,466</u>	<u>\$ 102,513</u>	<u>\$ 2,538,659</u>	<u>\$ 65,372,146</u>

See accompanying notes to the basic financial statements.

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

Net change in fund balances - total governmental funds \$ 677,510

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 amount by which capital outlays exceeded depreciation in the current period.

Fixed assets current additions	1,116,460	
Depreciation expense	(2,269,139)	
Excess of capital outlay over depreciation and other adjustments		(1,152,681)

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, donations and dispositions) is to decrease net assets		(380,497)
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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.

Decrease/(increase) in compensated absences		(10,225)
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Internal service funds are used by management to charge the costs of certain activities, such as insurance and fleet services, to individual funds.

The net revenue/(expense) of the internal service funds is reported with activities as a "lookback" adjustment.		(157,997)
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Change in net position of governmental activities	\$ (1,023,890)
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See accompanying notes to the basic financial statements.

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

	Business-type Activities				Governmental
	Solid Waste Landfill Fund	Communication Fund	Non-major Enterprise Funds	Total Enterprise Funds	Internal Service Funds
ASSETS					
Current Assets:					
Cash and cash equivalents	\$ 6,174,128	\$ 499,698	\$ 692,780	\$ 7,366,606	\$ 2,186,163
Taxes receivable	-	-	393,258	393,258	-
Due from other governmental units	-	-	147	147	-
Other receivables	27,686	137,623	365	165,674	18,068
Other receivables - leases	-	1,076,060	-	1,076,060	-
Inventories	-	-	64,009	64,009	332,578
Prepays and deposits	-	361,574	-	361,574	1,000
Total current assets	6,201,814	2,074,955	1,150,559	9,427,328	2,537,809
Noncurrent assets:					
Capital assets:					
Land	33,395	-	270,210	303,605	-
Buildings, improvements, equipment, net	521,206	511,163	2,073,363	3,105,732	4,595,017
Lease assets:					
Leases, net	-	368,106	-	368,106	-
Total noncurrent assets	554,601	879,269	2,343,573	3,777,443	4,595,017
Total assets	6,756,415	2,954,224	3,494,132	13,204,771	7,132,826
LIABILITIES					
Current liabilities:					
Accounts payable	17,851	12,147	5,306	35,304	45,741
Unearned revenue	-	-	-	-	-
Total current liabilities	17,851	12,147	5,306	35,304	45,741
Noncurrent liabilities:					
Accrued compensated absences	11,213	6,354	10,219	27,786	40,312
Lease liability	-	368,106	-	368,106	-
Closure and postclosure care	760,676	-	-	760,676	-
Total noncurrent liabilities	771,889	374,460	10,219	1,156,568	40,312
Total liabilities	789,740	386,607	15,525	1,191,872	86,053
DEFERRED INFLOW OF RESOURCES					
Unavailable property tax	-	-	393,258	393,258	-
Deferred inflow - leases	-	1,076,060	-	1,076,060	-
Total deferred inflows of resources	-	1,076,060	393,258	1,469,318	-
NET POSITION					
Invested in capital assets	554,601	872,737	2,343,573	3,770,911	4,595,017
Restricted for closure & post-closure care	1,217,273	-	-	1,217,273	-
Unrestricted	4,194,801	618,820	741,776	5,555,397	2,451,756
Total net position	\$ 5,966,675	\$ 1,491,557	\$ 3,085,349	\$ 10,543,581	\$ 7,046,773

See accompanying notes to the basic financial statements.

RIO BLANCO COUNTY, COLORADO
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
Year Ended December 31, 2022

	Business-type Activities				Governmental
	Solid Waste Landfill Fund	Communications Fund	Non-major Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Operating revenues:					
Property taxes	\$ -	\$ -	\$ 165,536	\$ 165,536	\$ -
Specific ownership taxes	-	-	6,751	6,751	-
Other taxes	-	-	58	58	-
Charges for services	854,549	855,389	144,685	1,854,623	2,655,935
Grants and private contributions	-	-	30,000	30,000	-
Intergovernmental revenues	-	6,352	10,842	17,194	-
Miscellaneous operating	-	32,731	761	33,492	-
Total operating revenues	854,549	894,472	358,633	2,107,654	2,655,935
Operating expenses:					
Personnel	298,422	298,976	209,859	807,257	548,393
Supplies	33,075	60,859	140,513	234,447	924,305
Purchased services	33,197	233,452	190,562	457,211	78,764
Contract services	-	-	-	-	-
Special dues, permits and fees	12,824	-	-	12,824	-
Closure and post-closure costs	60,125	-	-	60,125	-
Rent and utilities	6,326	31,962	42,947	81,235	13,834
Interest Expense	-	11,277	-	11,277	-
Repairs and maintenance	-	-	9,344	9,344	77,088
Insurance and claims	-	-	-	-	377,231
Amortization	-	28,389	-	28,389	-
Interdepartmental charges	199,566	51,870	55,354	306,790	153,738
Capital outlay	-	231,308	-	231,308	1,816
Depreciation	159,287	39,037	111,336	309,660	1,005,898
Total operating expenses	802,822	987,130	759,915	2,549,867	3,181,067
Operating income/(loss)	51,727	(92,658)	(401,282)	(442,213)	(525,132)
Nonoperating revenues/(expenses):					
Gain/(loss) on disposition of assets and inventory	-	-	-	-	74,583
Capital contributed revenue	-	-	-	-	214,552
Capital contributed expense	(53,945)	-	-	(53,945)	-
Total nonoperating revenues/(expenses)	(53,945)	-	-	(53,945)	289,135
Income/(loss) before transfers in/(out)	(2,218)	(92,658)	(401,282)	(496,158)	(235,997)
Transfers in/(out)	-	34,011	265,000	299,011	78,000
Change in net position	(2,218)	(58,647)	(136,282)	(197,147)	(157,997)
Total net position, January 1	5,968,893	1,550,204	3,221,631	10,740,728	7,204,770
Total net position, December 31	\$ 5,966,675	\$ 1,491,557	\$ 3,085,349	\$ 10,543,581	\$ 7,046,773

See accompanying notes to the basic financial statements.

RIO BLANCO COUNTY, COLORADO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended December 31, 2022

	Business-type Activities				Governmental
	Solid Waste Landfill Fund	Communication Fund	Non-major Enterprise Funds	Total Enterprise Funds	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from external customers	\$ 1,062,455	\$ 881,038	\$ 284,879	\$ 2,228,372	\$ 104,906
Cash received from internal customers	12,476	-	73,451	85,927	2,542,911
Cash payments to external suppliers for goods and services	(151,344)	(590,294)	(373,953)	(1,115,591)	(1,460,711)
Cash payments to internal suppliers for goods and services	(199,566)	(51,870)	(55,354)	(306,790)	(153,738)
Cash payments to employees for services	(292,486)	(298,178)	(209,725)	(800,389)	(556,832)
Net cash provided/(used) by operating activities	431,535	(59,304)	(280,702)	91,529	476,537
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers from other funds	-	34,011	265,000	299,011	78,000
Net cash provided by noncapital financing activities	-	34,011	265,000	299,011	78,000
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition of fixed assets	-	(425,745)	-	(425,745)	(1,182,179)
Acquisition of leases	-	(7,781)	-	(7,781)	-
Proceeds from disposal of assets	-	-	-	-	137,281
Net cash (used) by capital and related financing activities	-	(433,526)	-	(433,526)	(1,044,898)
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest on investments	-	-	-	-	-
Net increase/(decrease) in cash and equivalents	431,535	(458,819)	(15,702)	(42,986)	(490,361)
Cash balances, January 1	5,742,593	958,517	708,482	7,409,592	2,676,524
Cash balances, December 31	\$ 6,174,128	\$ 499,698	\$ 692,780	\$ 7,366,606	\$ 2,186,162
Reconciling of operating income/(loss) to net cash provided/(used) by operating activities:					
Operating income/(loss)	\$ 51,727	\$ (92,658)	\$ (401,282)	\$ (442,213)	\$ (525,132)
Adjustments to reconcile operating income/(loss) to net cash provided/(used) by operating activities:					
Depreciation expense	159,287	67,426	111,336	338,049	1,005,898
Miscellaneous nonoperating revenues/(expenses)	(53,945)	-	-	(53,945)	-
Assets (increase)/decrease:					
Taxes receivable	-	-	(227,726)	(227,726)	-
Other receivables	219,906	(13,434)	(365)	206,107	(8,118)
Other receivables - leases	-	456,567	-	456,567	-
Due from other governments	476	-	62	538	-
Due from other funds	-	-	-	-	-
Inventories	-	-	8,942	8,942	16,479
Prepays and deposits	-	(47,494)	-	(47,494)	-
Liabilities increase/(decrease):					
Accounts payable	3,264	3,666	471	7,401	(4,151)
Taxes not yet available	-	-	227,726	227,726	-
Unearned revenue	-	-	-	-	-
Lease liability	-	(434,175)	-	(434,175)	-
Accrued compensated absences	5,936	798	134	6,868	(8,439)
Closure and postclosure care	44,884	-	-	44,884	-
Total adjustments	379,808	33,354	120,580	533,742	1,001,669
Net cash provided/(used) by operating activities	\$ 431,535	\$ (59,304)	\$ (280,702)	\$ 91,529	\$ 476,537

See accompanying notes to the basic financial statements.

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

	Custodial Funds
ASSETS	
Current Assets:	
Cash and cash equivalents	\$ 30,539
Receivables:	
Other Receivables	750
Other Assets:	-
Total assets	31,289
LIABILITIES	
Accounts payable and other liabilities	-
Due to other governments	-
Total liabilities	-
NET POSITION	
Restricted For:	
Individuals, organizations and other governments	31,289
Total net position	\$ 31,289

See accompanying notes to the basic financial statements.

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

	Custodial Funds
ADDITIONS	
Sales	\$ 495,719
Charge for service	10,190
Award sponsorship	6,745
Account deposits	267
Collections for other governments	-
Miscellaneous	5
Total additions	512,925
DEDUCTIONS	
Sales	510,236
Award sponsorship	7,753
Account withdrawals	-
Payments of collections to other governments	-
Miscellaneous	2,214
Total deductions	520,203
Change in net position	(7,277)
Total net position, January 1	38,566
Total net position, December 31	\$ 31,289

See accompanying notes to the basic financial statements.

NOTES TO THE FINANCIAL STATEMENTS

Rio Blanco County, Colorado
Notes to Basic Financial Statements
December 31, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of Rio Blanco County, Colorado conform to Generally Accepted Accounting Principles (GAAP) as applicable to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following summary of significant accounting policies is presented to assist the reader in evaluating the County's financial statements.

A. Reporting Entity

Rio Blanco County is located in northwestern Colorado with a population of approximately 6,308. The two principal towns are Rangely and Meeker. Rio Blanco County is a political subdivision of the State of Colorado, governed by an elected three-member Board of County Commissioners. The County has six other elected officials; the Assessor, the Clerk and Recorder, the Coroner, the Sheriff, the Surveyor, and the Treasurer. Rio Blanco County is included in the Ninth Judicial District. An elected District Attorney serves Garfield, Pitkin, and Rio Blanco Counties.

The County's General Fund accounts for all financial operating transactions of the offices of elected officials and all Rio Blanco County contributions to the Ninth Judicial District Attorney's office. The County's Capital Expenditure Fund and Capital Improvement Plan Fund account for the capital expenditures and capital projects for the elected offices and the County government in general. The County Capital Improvement Trust Fund contributes to capital projects within the boundaries of the County – occasionally projects for the County government, but usually projects for the municipalities, school districts, and special taxing districts in the form of grants.

Component units are legally separate organizations for which the County is financially accountable. The County is financially accountable for an organization if the County appoints a voting majority of the organization's governing board, and (1) the County is able to significantly influence the programs or services performed or provided by the organizations or (2) the County is legally entitled to or can otherwise access the organization's resources; the County is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the County is obligated for the debt of the organization. Component units also may include organizations that are fiscally dependent on the County in that the County approves the budget, levies their taxes, or issues their debt.

These financial statements include two legal entities in addition to the County: Piceance Creek Pest Control District and Lower White River Pest Control District. The Pest Control Districts are integrated into the Weed & Pest Control Fund, with all moneys being tracked by separate departments to keep activity and running balances for each district separate from each other and separate from county-wide pursuits as required by state statute.

At December 31, 2022, Rio Blanco County's total taxable assessed valuation was approximately \$834 million. Of this, approximately \$614 million (or 74%) was owned by ten taxpayers: Scout Energy Group Rangely CO-Invest, \$155 million; Enterprise Gas Processing LLC., \$133 million; TEP Rock Mountain LLC, \$78 million; Caerus Cross Timbers LLC, \$70 million; Willow Creek, \$67 million; Caerus Piceance LLC, \$35 million; Blue Mountain Energy, Inc., \$23 million; Utah Gas Corporation, \$19 million; Bargath, LLC, \$18 million; and, Natural Soda Inc., \$16 million.

Approximately 52% of the County's assessed value is derived from oil and gas activities, and an additional 21% is derived from industrial activities. The assessed value of this property is dependent, to a large extent, on quantities of oil and gas production and upon the market price.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and user charges for support.

Rio Blanco County, Colorado
Notes to Basic Financial Statements
December 31, 2022

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items that are not properly included among program revenues are reported as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. 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* as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as eligibility requirements imposed by the provider have been 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. The County considers revenues to be available if they are collectible within 180 days except for property taxes which are considered available if they are collectible within sixty days after year-end. Property taxes, sales taxes, licenses, and interest associated with the current year are considered to be susceptible to accrual and so have been recognized as revenues of the current year. Expenditures generally are 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 when payment is due.

Under the terms of grant agreements, the County funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted funding available to finance the program. It is the County's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

The government reports the following major governmental funds:

- The General Fund is the County's primary operating fund. 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 records costs related to County road and bridge construction and maintenance. By State law, Colorado counties are required to maintain a road and bridge fund. A portion of road and bridge taxes is allocated to cities and towns for use in their road and street activities.
- The Human Services Fund accounts for activities and programs related to family and individual independence and well-being in Rio Blanco County. Primary sources of funds are property taxes and federal/state grants.
- The Use Tax Fund accounts for all County use tax collections, the fiscal management of the use tax revenues and various other special revenues.
- The County Capital Improvement Trust Fund was established to account for cash received from the State for oil shale mineral leasing receipts. The original State receipts have been held for investment only. The income from these investments has been allocated to local governmental entities, including Rio Blanco County, for countywide capital improvements.
- The Capital Improvement Plan Fund is used to record the expenditures of various capital purchases of general capital assets over \$100,000.

The government reports the following major proprietary funds:

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- The Solid Waste Landfill Fund accounts for the County’s landfill operations.
- The Communications Fund accounts for the County’s broadband operations.

The balance of governmental funds are considered non-major, and account for capital expenditure fund, public health, American rescue plan, and conservation trust activities. The balance of proprietary funds are considered non-major, and account for weed and pest control and Fairfield Complex activities.

The government reports the following fund types:

Internal service funds are considered non-major proprietary funds, and account for insurance, audit fees, rent, copies, postage, and fleet management services on a cost reimbursement basis.

The County has four kinds of fiduciary funds which are all reported as Custodial Funds. These activities meet the following requirements: 1) assets are associated with the activity controlled by the government, 2) assets are not derived from the government’s own-source revenue or non-exchange transactions, and 3) assets are for the benefit of individuals and the government does not have administrative/direct financial involvement. The Sheriff’s inmate balances are cash held for prisoners until release. The Social Services stimulus account is held for children placed in out of home placement that received stimulus checks issued pursuant to the CARES Act. The Fair Board account and 4-H Livestock Sale account is held for the operation of the County Fair/Livestock Sale each year. The Fair Board has direct control over these assets.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are certain charges between the County’s enterprise funds and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

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

D. Assets, Liabilities, Deferred Inflows, and Net Assets or Equity

1. Investments

Investments at December 31, 2022, consisted of treasury notes stated at fair market value, C-SAFE, CSIP and money market mutual funds stated at amortized cost, and ColoTrust stated at net asset value.

2. Cash and Cash Equivalents

The County considers cash and cash equivalents to be cash on hand in demand accounts. Because the treasury pool is sufficiently liquid to permit withdrawal of cash at any time without prior notice or penalty, equity in the pool is also deemed to be a cash equivalent.

3. Disaggregation of Receivable and Payable Balances

Significant components of receivables and payables are disaggregated in the financial statements. All receivables are expected to be collected within one year. All material payables are expected to be paid within one year with the exception of the amounts for the accrual for compensated absences and liabilities for landfill closure and post-closure costs.

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4. Prepaid Expenses and Deposits

Of the prepaid expenses and deposits shown on the statement of net position, 38% (\$314,080) is a prepaid IRU to link broadband service directly between the towns of Meeker and Rangely, 51% (\$420,000) is a prepayment for gravel to be taken from the Wakara pit over a period of 30 years ending December 31, 2043, 6% (47,494) is a prepayment for Cross Connect Engineering (Palo Alto), 3% (\$25,114) is a prepayment for CoverageOne Pure Support, and of the 2% balance (\$5,000) is prepayments of royalties for gravel being extracted from other pits, (\$1,000) is prepayment of postage, (\$6,219) is a prepayment for Techxtend support, (\$1,797) is prepayment for CYMA software support, (\$34) is prepayment for the Extension Office microscope warranty (\$354) is prepayment for the Extension Office newspaper ads and (\$36) is prepayment for RBC Domain Name.

5. Property Taxes

Property taxes are levied in December and attach as an enforceable lien on property as of January 1 of the following year. Taxes are payable either in two installments due on February 28 and June 15 or in full on April 30. The County, through the Rio Blanco County Treasurer, bills and collects its own property taxes as well as property taxes of all other taxing authorities within the County. Taxes levied in 2022 for collection in 2023 are recorded in governmental funds as taxes receivable and deferred inflow of resources as of December 31, 2022 since the amount is measurable but not available until 2023. An allowance for un-collectible taxes is not provided as the uncollectible amounts were determined to be negligible based upon an analysis of historical trends.

Current general local property taxes levied in 2021 and collected in 2022 are as follows:

Fund	Assessed Valuations	Mill Levy	Taxes Levied	Taxes Collected	Percent Collected
General	\$704,273,300	4.050	\$2,852,307	\$2,847,362	99.8%
Road and Bridge	704,273,300	4.350	3,063,589	3,058,277	99.8%
Human Services	704,273,300	0.350	246,496	246,069	99.8%
Public Health Agency	704,273,300	0.100	70,427	70,306	99.8%
Capital Expenditures	704,273,300	0.200	140,855	140,610	99.8%

6. Interfund Transactions

Transactions between funds that would be treated as revenues, expenditures, or expenses if they involved organizations external to the County are accounted for as revenues, expenditures, or expenses in the funds involved. Transactions which constitute reimbursements of a fund for expenditures or expenses initially made from that fund which are properly applicable to another fund are recorded as expenditures or expenses in the reimbursing fund and as reductions of the expenditure or expense in the fund that is reimbursed. At year end, outstanding balances between funds are reported as “due to/from other funds.”

7. Inventories

Inventories in most governmental funds are recorded as expenditures when purchased. Inventories in the Road and Bridge Fund, and chemicals in the Weed & Pest Control Fund are adjusted to reflect expenditures when consumed rather than when purchased. The material and supplies inventory (except gravel) held by the Road and Bridge Fund is stated at average cost. The weighted average method is used for gravel inventory. The parts and supplies inventory held by the Fleet Management Fund are stated at the lower of cost or market using the first-in, first-out method. The chemical inventory held by the Weed & Pest Control Fund is valued at cost, which is determined using the first-in, first-out method.

8. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The County defines capital assets, other than infrastructure assets, as assets with an initial, individual cost of more than \$5,000 and a useful life of more than one year. Infrastructure assets are not recorded as capital assets unless the cost is greater than \$5,000. All capital assets are valued at historical cost or estimated

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historical cost if actual historical cost is not available. Donated capital assets are recorded at fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized.

Depreciation on capital assets, with the exception of infrastructure, is provided on the straight-line basis over the following estimated useful lives:

Buildings and improvements	20 to 50 Years
Land improvements (depreciable)	25 to 30 Years
Equipment and Furniture	5 to 40 Years

For reporting infrastructure assets, a modified approach is allowed by GASB 34. This approach is in lieu of the depreciation of infrastructure assets. The County has elected to use this method of reporting infrastructure assets. The County must maintain two requirements in order to qualify to use this approach:

1. The County must manage the eligible infrastructure assets using an asset management system with specific characteristics.
2. The County must document that the eligible infrastructure assets are being preserved approximately at (or above) a condition level established and disclosed by the County.

The County has developed and implemented an asset management system to measure, at least every third year by class of infrastructure asset, if the minimum standards are being maintained. Additional required disclosures are included as part of the Required Supplementary Information.

Rio Blanco qualified as a Phase III county as per GASB Statement 34 and elected not to report infrastructure assets which were acquired and in service at January 1, 2002. Infrastructure assets, acquired subsequent to January 1, 2002, are included with other fixed assets and the disclosure provisions are shown below.

At December 31, 2022 Rio Blanco County has recognized only sixteen items of infrastructure; seven bridges and ten road sections. The following information is presented in regard to these assets:

1. The Rio Blanco County Commissioners have made the commitment to preserve and maintain these eligible infrastructure assets at a level of 5 on a maintenance scale of 1 to 10.
2. The Rio Blanco County Commissioners are responsible for determining the appropriate condition level at which these assets are rated.
3. No depreciation expense is reported for these assets, nor are amounts capitalized in connection with improvements that lengthen the life of the assets, unless the improvement also increases the service potential of these assets.
4. Rio Blanco County maintains an inventory of these assets and performed condition assessments during 2022 to establish that the specified condition level (1 above) has been maintained. The assessment for 2022 provided condition assessments equal to or greater than 8 for all sixteen items currently on the eligible asset list. These high levels of condition are primarily due to the very limited use (low traffic) of the assets and their relatively new installation.
5. The County's estimate of the amount to be expended to preserve and maintain these assets, at the stated condition level of 5, for the subsequent year (2023) is zero dollars.

9. Leases

All of the County leases pertain to the Broadband tower sites and are accounted for in the Communications Fund. The County acts as the lessee and lessor. A liability/expenditure is reported for the: 1) Douglas Pass site, 2) TeePee Park site, 3) Mellen Hill site, and 4) Cathedral Bluff site. A receivable/revenue is reported for: 1) Marvine Tower site, 2) Douglas Pass site, 3) Lobo Tower site, 4) Rangely North Tower site and 5) Stadtman Tower site. All leases are disclosed in the notes if not already accounted for in the financial statements.

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10. Future Compensated Absences

County employees accumulate sick leave and vacation benefits at rates of 8 hours per month and 8 to 16 hours per month, respectively, depending on position and length of service. In the event of retirement or termination, an employee is paid 100% of accumulated vacation pay, and those with five or more years of continuous service are paid a percentage of their accumulated sick leave from 5% to 20% dependent upon number of years of service. 240 hours of annual vacation accrual may be carried over from one year to the next. 960 hours of sick leave accrual may be carried over from one year to the next. Compensatory time is granted (except for official, professional, and administrative positions) at the rate of one and one-half hours for each overtime hour worked, with various limitations. The entire compensated absence liability is reported on the government-wide financial statements as long-term debt.

11. Long-term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. At December 31, 2022, the only long-term debt that Rio Blanco County had was from the accrual of compensated absences, the recognition and recording of closure and post-closure costs related to County landfills, and lease liability costs related to the Broadband leases.

12. Deferred Inflows of Resources

In addition to liabilities, the statement of net position reports 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.

13. Fund Equity

Net Position

Net position represents the difference between assets and liabilities plus deferred inflows in the government-wide financial statements. Net investment in capital assets consist of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The County first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

Fund Balance

In the fund financial statements, governmental funds report designations of fund balance for amounts that are non-spendable, legally restricted by laws or outside parties, committed internally by the Board of County Commissioners, assigned internally by an appointed body/official (County Finance/Budget Director), or remain unassigned. These classifications comprise a hierarchy based primarily on the extent to which the government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. When funds in more than one classification could be used for an expenditure, the funds highest in the hierarchy (most constrained) are used first.

14. Emergency Reserve

The reserve for emergencies, as required by Section 20 to Article X of the Colorado Constitution, also known as the Taxpayer's Bill of Rights (TABOR), is classified as restricted on the entity-wide statements. It is recorded as restricted in the General Fund even though the calculation of the amount required includes portions for other governmental funds and small amounts for some of the proprietary funds.

15. Contraband Proceeds

The Colorado Contraband Forfeiture Act requires the proceeds from the seizure of contraband be audited and reported through the Department of Local Affairs Civil Asset Forfeiture electronic file and publicly published on a biannual basis. During 2022, the County had no proceeds from the seizures of contraband.

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16. Estimates

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

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

Annual budgets are adopted for all funds, except fiduciary funds, of the County. The Budget Office submits a proposed operating budget for the following calendar year to the County Commissioners prior to October 15 of each year. The budget is prepared using the modified accrual basis of accounting. The operating budget includes proposed expenditures/expenses and anticipated revenues. As required by statute, public hearings are conducted to obtain citizen's comments. Prior to the levy of property tax, the budget is legally adopted through the passage of budget adoption and appropriation resolutions prior to December 15 of each year.

B. Budgeted Level of Expenditures

Budgetary control is maintained at the department level for the General Fund, Use Tax Fund and Weed & Pest Control Fund and at specific fund level for all other funds. Although the budget shows various classifications by object and by function, the department directors are authorized to transfer budgeted amounts within each of the object classifications; however, use of any budgeted contingency amounts must be specifically authorized by the Board of County Commissioners. All annual appropriations lapse at year-end. During 2022, the County Commissioners adopted two supplemental appropriations which included transfer appropriations between funds.

For the budget to actual reporting required by state statutes, the proprietary funds present the adjustments necessary to reconcile ending net income/(loss) on the budgetary basis to the GAAP basis net change in fund equity.

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

NOTE 3 - CASH AND INVESTMENTS

A. Deposits

Title 11, Article 10.5 of the Colorado Revised Statutes, (the Public Deposit Protection Act of 1989), require all public monies to be deposited in financial institutions that have been designated as eligible public depositories. Eligible public depositories must pledge eligible collateral, as promulgated by the State banking board, having a market value in excess of 102% of the aggregate uninsured public deposits. Eligible collateral must be held in a single financial institution collateral pool in the custody of any federal reserve bank or any branch thereof or of any depository trust company which is a member of the federal reserve system, and which is supervised by the State banking board. The Statutes further restrict such deposits to eligible public depositories having their principal offices within the State of Colorado. Collateral in the pool is considered to be equal to depository insurance pursuant to definitions listed in GASB Statement No. 40. At year end the County's deposits were not exposed to credit risk, as all deposits were insured by the Federal Deposit Insurance Commission (FDIC) or collateralized in accordance with PDPA. As of December 31, 2022, the carrying amount of the County's Primary Government's Funds demand account deposits were \$32,827,665 and the bank balance was \$26,171,193. Of the bank balance \$750,000 was covered by FDIC insurance and the excess was collateralized in accordance with PDPA.

B. Investments

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local government entities may invest. Authorized investments include obligations of the United States and certain U.S. government

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agency securities; certain international agency securities; general obligation and revenue bonds of U.S. local government entities; bankers' acceptances of certain banks; commercial paper; written repurchase agreements collateralized by certain authorized securities; certain money market funds; guaranteed investment contracts and local government investment pools.

Rio Blanco County currently has funds invested in the following investment pools:

- (1) Colorado Government Liquid Asset Trust (COLOTRUST) is an investment vehicle established by local government entities in Colorado to pool surplus funds for investment purposes. The State Securities Commission oversees this pool. COLOTRUST operates similarly to money market funds and each share is valued at \$1.00. The investment pool is routinely monitored by the Colorado Division of Securities with regard to operations and investments. Investments consist of U.S. Treasury bills, notes and note strips, and repurchase agreements collateralized by U.S. Treasury Notes. The designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions of each pooled investment. All securities owned by the pooled investments are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by each pool investor. The custodian's internal records identify the investments owned by COLOTRUST. These pools are not required to be (and are not) registered with the SEC. COLOTRUST's funds are rated AAA by Standard and Poor's, Fitch's and Moody's rating services. Information on COLOTRUST can be obtained at www.colotrust.com.
- (2) Colorado Surplus Asset Fund Trust (CSAFE) is an original Local Government Investment Pool (LGIP) established in 1988 under Colorado State Statutes CRS 25-75-601 and 701. This pool is an investment vehicle established by local government entities in Colorado to pool operating & surplus funds for overnight investment purposes. The State Securities Commission oversees this pool. CSAFE operates similarly to money market funds and each share is valued at \$1.00. The investment pool is monitored quarterly by the Colorado Division of Securities with regard to operations and investments and audited annually. Investments consist of U.S. Treasury bills, notes and note strips, and repurchase agreements collateralized by U.S. Treasury Notes, Government Agencies, Colorado Rated Bank Deposits that are collateralized at 102% and A1+, A1 and P1 (AAA rated) Commercial Paper. The designated custodial bank, US Bank, provides safekeeping and depository services in connection with the direct investment and withdrawal functions of each pooled investment. All securities owned by the pooled investments are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by each pool investor. CSAFE is not required to be registered with the SEC. CSAFE's fund is rated AAA by Standard and Poor's rating service. Additional information on CSAFE can be obtained at www.csafe.org.
- (3) PFM Funds Prime Series, Colorado Investors Class is a money market mutual fund marketed as the Colorado Statewide Investment Program (CSIP). The Prime Series is a separate investment portfolio of PFM Funds (the Trust). The Trust is an open-end, diversified, management investment company registered under the Investment Company Act of 1940. The PFM Funds Prime Series invests in obligations of the United States Government and its agencies, high quality debt obligations of U.S. companies and obligations of financial institutions and is rated AAA by Standard & Poor's rating service. PFM Asset Management, LLC serves as the investment advisor, administrator, and transfer agent. Shares of the Fund are distributed by PFM Fund Distributors, Inc., member Financial Industry Regulatory Authority (FINRA). U.S. Bank N.A. serves as the custodian and acts as safekeeping agent. To obtain financial statements for PFM Funds Prime Series, Colorado Investors Class, you may visit its website at www.csipinvest.com.

The County's investment policy follows all statutory requirements, concentrates on investments with maturities of 60 months or less in order to limit principal risk caused by changes in interest rates and encourages diversification of the portfolio. The County invests its funds in a manner which will provide the highest investment return while ensuring preservation of capital and protection of investment principal. The County reports investments at fair value. The County's investments are registered in the name of the government.

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Summary of Cash and Investments Held by County for Primary Government's Funds

Cash on hand	\$	17,465
Demand accounts (bank and money markets)		10,554,944
ColoTrust, CSafe, CSIP		28,035,728
Certificates of deposit		22,271,188
LPL Cash Account		1,533
U.S. Treasury Notes		12,176,497
		12,176,497
		\$ 73,057,355

Cash and Investments Held by County for Others

Demand accounts	\$	310,524
		310,524

Fair Value

The County categorized its fair value measurements within the fair value hierarchy established by generally accepted accounting principles.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value.

- Level 1: Quoted prices (unadjusted) in active markets for an identical asset or liability that a government can access at the measurement date.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities
- Level 3: Unobservable inputs for an asset or liability.

The County has the following fair value measurements as of December 31, 2022:

	12/31/2022	Level 1	Level 2	Level 3
Investments by Fair Value Level:				
Treasury Notes	\$ 12,176,497	\$ -	\$12,176,497	\$ -
Investments Measured at Amortized Costs:				
Money Market Mutual Funds	1,533			
CSAFE, CSIP	14,927,799			
Investments Measured at Net Asset Value:				
ColoTrust	13,107,929			
Total Investments	\$ 40,213,758			

Rio Blanco County, Colorado
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NOTE 4 – INTERFUND TRANSACTIONS

The County reports internal transactions between its funds. Certain eliminations have been made in regards to interfund activities. All internal balances in the Statement of Net Position have been eliminated. Transfers between governmental and business-type activities on the government wide Statement of Activities are reported as general revenues. Transfers between funds reported in the business-type activities column are eliminated.

Due To/Due From Other Funds

Due to and due from balances result from interfund transactions for which the related transfer has not yet occurred, creating a receivable in one fund and an offsetting payable in another fund. There were no outstanding due to/due from interfund transactions at year-end.

Interfund Transfers

Transfers are indicative of funding for capital projects, subsidies of various County operations, and re-allocation of special revenues. The following schedule briefly summarizes the County’s transfer activity:

<u>Transfers out:</u>	Transfers in:					
	Capital Improvement Plan Fund	Weed & Pest Control Fund	Communications Fund	Fairfield Complex Fund	Central Services Fund	Transfers Total
General Fund	\$ -	\$ -	\$ 34,011	\$ 65,000	\$ 78,000	\$ 258,093
Use Tax Fund	-	165,000	-	35,000	-	200,000
Capital Exp Fund	120,000	-	-	-	-	120,000
	\$ 120,000	\$ 165,000	\$ 34,011	\$ 100,000	\$ 78,000	\$ 578,093

Rio Blanco County normally allocates a portion of its 9.050 mill levy for capital projects each year. The full amount is receipted into the Capital Expenditure Fund. But, because Rio Blanco County maintains two separate capital funds (one for projects under \$100,000 and one for projects over \$100,000), the portion needed for the larger projects in the Capital Improvement Plan Fund must be transferred from the Capital Expenditure Fund. In 2022, \$120,000 was transferred to the Capital Improvement Plan Fund to cover budgeted expenditures.

Rio Blanco County currently subsidizes two of its three enterprise (business type) funds.

- (1) The Solid Waste Landfill Fund continued to be self-sustaining in 2022 due to its level of fund balance and increased commercial revenue.
- (2) Because the Weed & Pest Control Fund includes two districts that have a cap of 2.0 mills on residents within their borders, the County cannot assess additional mills for county-wide weed/pest control efforts; thus, the General Fund’s property tax revenues can’t be used for this purpose. So, the County transfers funds from the Use Tax Fund to support this function. In 2022, \$165,000 was transferred to the Weed & Pest Control Fund. This amount has fluctuated between \$100,000 and \$200,000 for a number of years.
- (3) In 2022, the County contributed \$100,000 to the Fairfield Complex Fund in the form of transfers, plus an additional \$52,689 in the form of internal rent for the spaces the government occupies in the community center. The County’s contributions to this fund have been increasing over the years as the Town of Meeker’s and Freeman E. Fairfield Trust contributions declined and then stopped. \$35,000 is transferred annually from the Use Tax Fund with the balance needed for operations and projects being transferred from the General Fund. Generally, about \$100,000 combined (between transfers from the General Fund and Use Tax Fund) is needed to support operations and more is contributed in years when projects are planned.

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NOTE 5 - CAPITAL ASSETS

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

	Balance 1/1/2022	Additions	Deletions	Balance 12/31/2022
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 2,480,498	\$ -	\$ -	\$ 2,480,498
Land Improvements	620,797	-	-	620,797
Infrastructure	25,355,849	2,031,347	-	27,387,196
Construction-In-Progress	5,673,463	820,797	2,239,831	4,254,429
Total capital assets not being depreciated	34,130,606	2,852,144	2,239,831	34,742,919
Capital assets being depreciated:				
Land Improvements	30,836,848	-	-	30,836,848
Buildings and Improvements	37,764,146	-	-	37,764,146
Equipment and Furniture	17,574,564	1,611,979	1,322,520	17,864,023
Total capital assets being depreciated	86,175,558	1,611,979	1,322,520	86,465,017
Less accumulated depreciation:				
Land Improvements	10,108,276	1,065,323	-	11,173,599
Buildings and Improvements	7,732,273	901,557	-	8,633,830
Equipment and Furniture	10,760,627	1,308,158	1,168,223	10,900,562
Total accumulated depreciation	28,601,176	3,275,038	1,168,223	30,707,991
Total capital assets being depreciated, net	57,574,382	(1,663,059)	154,297	55,757,026
Governmental activities capital assets, net	\$91,704,988	\$ 1,189,085	\$ 2,394,128	\$90,499,945
	Balance 1/1/2022	Additions	Deletions	Balance 12/31/2022
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 303,605	\$ -	\$ -	\$ 303,605
Construction-In-Progress	17,740	-	-	17,740
Total capital assets not being depreciated	321,345	-	-	321,345
Capital assets being depreciated:				
Land Improvements	1,324,594	-	-	1,324,594
Buildings and Improvements	3,311,717	-	-	3,311,717
Equipment and Furniture	1,031,280	425,745	-	1,457,025
Total capital assets being depreciated	5,667,592	425,745	-	6,093,337
Less accumulated depreciation:				
Land Improvements	816,139	144,444	-	960,583
Buildings and Improvements	1,381,788	92,330	-	1,474,118
Equipment and Furniture	497,757	72,886	-	570,643
Total accumulated depreciation	2,695,683	309,660	-	3,005,343
Total capital assets being depreciated, net	2,971,908	116,085	-	3,087,993
Business-type activities capital assets, net	\$ 3,293,253	\$ 116,085	\$ -	\$ 3,409,338

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

Governmental activities:	
General Government	\$ 790,901
Health and Welfare	21,966
Judicial and Public Safety	618,195
Public Works	743,201
Recreation and Culture	94,878
Total depreciation expense - governmental activities	<u>2,269,141</u>
Central Services	6,220
Fleet Management	999,678
Total depreciation expense - governmental activities including internal services	<u><u>\$ 3,275,039</u></u>
Business-type activities:	
Solid Waste Landfill Fund	\$ 159,287
Weed & Pest Control Fund	2,352
Communications Fund	39,037
Fairfield Complex Fund	108,984
Total depreciation expense - business-type activities	<u><u>\$ 309,660</u></u>

The County maintains a fixed asset capitalization threshold of \$5,000.

NOTE 6 – LEASES

Lessor –

The Marvine Tower Site sublease agreement was signed on November 13, 2012. The lease term is for twenty-eight (28) years beginning December 1, 2012 and ending November 30, 2041. The lease agreement can renew for another twenty (20) year term if the County’s lease agreement for the Marvine Tower Site is extended. Rent is paid to the County in the amount of \$3,600 per year and adjusted in accordance with the Consumer Price Index. Total amount of inflows recognized in the reporting period (2022) and schedule of future payments is provided below:

Year ended December 31,	Marvine Tower		
	Principal	Interest	Total Payment
2022	\$ (889)	\$ 6,274	\$ 5,385
2023	(754)	6,300	5,547
2024	(610)	6,323	5,713
2025	(457)	6,341	5,884
2026	(294)	6,355	6,061
2027 - 2031	1,344	31,799	33,143
2032 - 2036	7,154	31,268	38,422
2037 - 2041	14,780	29,762	44,542
2042 - 2046	24,654	26,983	51,636
2047 - 2051	37,298	22,563	59,860
2052 - 2056	53,344	16,050	69,395
2057 - 2061	73,557	6,890	80,447

The Douglas Pass Site lease agreement was signed on November 25, 2013. The lease term is for eighteen (18) years beginning August 1, 2012 and ending July 31, 2030. The lease agreement can renew for another ten (10) year term if the County’s lease agreement for the Douglas Pass Site is extended. Rent is paid to the County in the amount of one-half the annual rental costs associated with the Union Lease (details are listed under the Lessee section for Douglas

Rio Blanco County, Colorado
Notes to Basic Financial Statements
December 31, 2022

Pass Site), and adjusted in accordance with the Consumer Price Index. Total amount of inflows recognized in the reporting period (2022) and schedule of future payments is provided below:

Douglas Pass Tower			
Year ended December 31,	Principal	Interest	Total Payment
2022	\$ 1,911	\$ 2,106	\$ 4,017
2023	2,089	2,049	4,138
2024	2,276	1,986	4,262
2025	2,472	1,918	4,389
2026	2,678	1,844	4,521
2027 - 2031	16,845	7,879	24,724
2032 - 2036	23,702	4,959	28,661
2037 - 2039	18,228	1,116	19,344

The first Lobo Tower Site lease agreement was signed on October 9, 2017. The lease term is for an initial five (5) years with the option to extend for three (3) additional five (5) year terms. Rent is paid to the County in the amount of \$600/month (\$7,200/year) with an annual increase of 3% on the anniversary of the commencement date. Total amount of inflows recognized in the reporting period (2022) and schedule of future payments is provided below:

Lobo Tower (Site 1)			
Year ended December 31,	Principal	Interest	Total Payment
2022	\$ 4,563	\$ 3,540	\$ 8,104
2023	4,943	3,404	8,347
2024	5,342	3,255	8,597
2025	5,760	3,095	8,855
2026	6,199	2,922	9,121
2027 - 2031	38,340	11,536	49,876
2032 - 2036	52,868	4,953	57,820

The Rangely North Tower Site lease agreement was signed on February 2, 2019. The lease term is for an initial five (5) years with the option to extend for five (5) additional five (5) year terms. Rent is paid to the County in the amount of \$500/month (\$6,000/year) with an annual increase of 3% on the anniversary of the commencement date. Total amount of inflows recognized for the reporting period (2022) and schedule of future payments is provided below:

Rangely North Tower			
Year ended December 31,	Principal	Interest	Total Payment
2022	\$ 1,585	\$ 4,944	\$ 6,529
2023	1,828	4,896	6,724
2024	2,085	4,842	6,926
2025	2,355	4,779	7,134
2026	2,640	4,708	7,348
2027 - 2031	18,014	22,167	40,181
2032 - 2036	27,667	18,914	46,581
2037 - 2041	39,938	14,062	54,000
2042 - 2046	55,416	7,186	62,601
2047 - 2047	13,271	398	13,669

The Stadtman Tower Site lease agreement amendment was signed on January 30, 2019 (originally signed on November 3, 2017). The lease term is for an initial five (5) years with the option to extend for five (5) additional five

Rio Blanco County, Colorado
Notes to Basic Financial Statements
December 31, 2022

(5) year terms. Rent is paid to the County in the amount of \$1,200/month (\$14,400/year) with an annual increase of 3% on the anniversary of the commencement date. Total amount of inflows recognized for the reporting period (2022) and schedule of future payments is provided below:

Year ended December 31,	Stadtman Tower		
	Principal	Interest	Total Payment
2022	\$ 4,292	\$ 11,497	\$ 15,789
2023	4,895	11,368	16,263
2024	5,529	11,221	16,751
2025	6,198	11,055	17,253
2026	6,901	10,869	17,771
2027 - 2031	46,397	50,780	97,177
2032 - 2036	70,193	42,462	112,655
2037 - 2041	100,392	30,206	130,598
2042 - 2046	138,431	12,969	151,399

The second Lobo Tower Site lease agreement was signed on January 12, 2021. The lease term is for an initial five (5) years with the option to extend for three (3) additional five (5) year terms. Rent is paid to the County in the amount of \$650/month (\$7,800/year) with an annual increase of 3% on the anniversary of the commencement date. Total amount of inflows recognized in the reporting period (2022) and schedule of future payments is provided below:

Year ended December 31,	Lobo Tower (Site 2)		
	Principal	Interest	Total Payment
2022	\$ 3,527	\$ 4,370	\$ 7,898
2023	3,870	4,265	8,134
2024	4,230	4,149	8,378
2025	4,608	4,022	8,630
2026	5,005	3,883	8,889
2027 - 2031	31,702	16,905	48,607
2032 - 2036	44,957	11,392	56,349
2037 - 2040	47,783	3,693	51,476

Lessee—

The Douglas Pass lease was originally signed on October 12, 2012 and amended on March 9, 2021. The term of the agreement is for 10 years from August 1, 2020 through July 31, 2030. The lease can be renewed for four (4) additional five (5) year terms. The lease payment is for \$7,800 per year with an annual increase in accordance with the Consumer Price Index. For purposes of reporting, the total amount of outflows recognized for the reporting period (2022) and maturity analysis of all future lease payments is provided below:

Year ended December 31,	Douglas Pass Tower		
	Principal	Interest	Total Payment
2022	\$ 1,482	\$ 6,552	\$ 8,034
2023	1,767	6,508	8,275
2024	2,069	6,455	8,523
2025	2,387	6,392	8,779
2026	2,721	6,321	9,042
2027 - 2031	19,288	30,159	49,447

Rio Blanco County, Colorado
Notes to Basic Financial Statements
December 31, 2022

2032 - 2036	30,708	26,615	57,323
2037 - 2041	45,277	21,176	66,453
2042 - 2046	63,707	13,330	77,037
2047 - 2049	48,994	2,999	51,993

The TeePee Park lease was signed on July 12, 2012. The term of the agreement is for ten (10) years from July 1, 2012 through June 30, 2022. The lease will automatically renew for an additional ten (10) years through June 30, 2032. The lease payment is for \$2,800 per year with no annual increase. For purposes of reporting, the total amount of outflows recognized for the reporting period (2021) and maturity analysis of all future lease payments is provided below:

TeePee Park Tower			
Year ended December 31,	Principal	Interest	Total Payment
2022	\$ 2,083	\$ 717	\$ 2,800
2023	2,146	654	2,800
2024	2,210	590	2,800
2025	2,277	523	2,800
2026	2,345	455	2,800
2027 - 2031	12,823	1,177	14,000

The Mellen Hill agreement was signed on June 14, 2011. The term of the agreement is for six (6) years, with the option to extend for two (2) additional five (5) year terms. The lease payment is for \$3,600 per year with an annual increase of 3%. For purposes of reporting, the total amount of outflows recognized for the reporting period (2022) and maturity analysis of all future lease payments is provided below:

Mellen Hill Tower			
Year ended December 31,	Principal	Interest	Total Payment
2022	\$ 2,806	\$ 2,177	\$ 4,983
2023	3,040	2,093	5,133
2024	3,285	2,002	5,287
2025	3,542	1,903	5,445
2026	3,812	1,797	5,609
2027 - 2031	23,577	7,094	30,671
2032 - 2036	32,510	3,046	35,556

The Cathedral Bluffs lease was signed on December 8, 2020. The term of the agreement is for ten (10) years from January 1, 2021 through December 31, 2031. The lease may be renewed for an additional five (5) years. The lease payment is for \$3,000 per year with an annual increase in accordance with the Consumer Price Index. For purposes of reporting, the total amount of outflows recognized for the reporting period (2021) and maturity analysis of all future lease payments is provided below:

Cathedral Bluffs Tower			
Year ended December 31,	Principal	Interest	Total Payment
2022	\$ 1,409	\$ 1,831	\$ 3,240
2023	1,711	1,789	3,499
2024	2,042	1,737	3,779
2025	2,405	1,676	4,081
2026	2,804	1,604	4,408
2027 - 2031	21,452	6,476	27,929
2032 - 2035	29,208	2,312	31,520

NOTE 7 - RISK MANAGEMENT AND SELF-INSURANCE

Colorado Counties Casualty and Property Pool

The County is exposed to various risks of loss related to property and casualty losses. The County has 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 Pool provides the County with general property, vehicle comprehensive and collision, and various liability insurance coverage. The County pays an annual contribution to CAPP for its property and casualty insurance coverage. During 2022, the County paid contributions of \$377,231 as compared to \$300,000 in the prior year. The intergovernmental agreement of formation of CAPP provides that the pool will be financially self-sustaining through member contributions and additional assessments, if necessary, and that the pool will purchase insurance through commercial companies for members' claims in excess of a specified self-insured retention, which is determined each policy year. There were no significant reductions in insurance coverage from the prior year by major categories of risk, and there have been no settlements that exceed the County's insurance coverage during the past three years.

County Workers' Compensation Pool

The County is exposed to various risks of loss related to injuries of employees while on the job. In 1985, the County joined together with other Counties in the State of Colorado to form the County Workers' Compensation Pool (CWCP), a public entity risk pool currently operating as a common risk management and insurance program for member counties. The County pays an annual contribution to CWCP for its workers' compensation insurance coverage. During 2022, the County paid contributions of \$227,289 as compared to \$220,483 in the prior year. The intergovernmental agreement of formation of CWCP provides that the pool will be financially self-sustaining through member contributions and additional assessments, if necessary, and that the Pool will purchase insurance through commercial companies for members' claims in excess of specified self-insured retention, which is determined each policy year. There were no significant reductions in insurance coverage from the prior year by major categories of risk, and there have been no settlements that exceed the County's insurance coverage during the past three years.

NOTE 8 - CLOSURE AND POSTCLOSURE CARE COST OF LANDFILLS

The U. S. Environmental Protection Agency rule of October 9, 1991 is the primary basis for Municipal Solid Waste Landfill (SWL) closure care requirements. The Solid Waste Regulations promulgated by the Colorado Board of Health with authority under the Solid Waste Disposal Act of 30-20-104.5 of the Colorado Revised Statutes also apply.

The costs associated with SWL closure and post closure care are properly accounted for by utilizing procedures that are established to insure compliance with Generally Accepted Accounting Principles as outlined in Statement No. 18 of the Governmental Accounting Standards Board. This statement was published in August of 1993 and is effective for financial statements for all periods beginning after June 15, 1993.

Rio Blanco County's estimates of "current total closure and post-closure costs" are based upon current technology and engineering techniques. A new estimate of closure and post-closure costs were obtained in 2019 for the Wray Gulch Landfill and 2021 for the Rangely Landfill from a Registered Professional Engineer. While the estimates applicable for December 31, 2022 are as accurate as possible, changes in these estimates due to inflation or deflation, technology or changes to laws and regulations will continue and will be subject to annual reevaluation and adjustment during each year.

The "current estimate of total combined closure and post closure cost," for all landfills, as last revised, is \$1,977,948. This amount includes \$364,910 for the Rangely Landfill and \$1,613,038 for the Meeker (Wray Gulch) Landfill. The total expense that has been recognized for the currently operating landfills in all years through 2022 is \$1,220,296 (\$562,221 for Rangely, \$658,075 for Meeker). All previously recorded expense, which has not been disbursed, is carried in the books as a noncurrent liability of \$760,676. The Fund has available cash of \$760,676 to pay for recognized closure and post-closure costs for all County landfills. The portion of total costs that have been recognized as an expense and recorded as a liability are based upon the portion of landfill capacity used.

Rio Blanco County, Colorado
Notes to Basic Financial Statements
December 31, 2022

The percentages of each landfill's capacity used to date and the estimated remaining landfill lives in years are shown below:

<u>Landfill</u>	<u>Percent of capacity used</u>	<u>Remaining life</u>
Rangely	22.8%	0 years
Meeker (Wray Gulch)	42.0%	45 years

Expense recognition, for landfill closure and post closure costs, is further complicated by the Colorado State Health Department's requirements that the reserves be based upon time (20-year maximum amortization) rather than upon usage of landfill space as per Generally Accepted Accounting Principles (GAAP). The County continues to hold reserves in excess of recognized expenses per GAAP in order to insure compliance with the State of Colorado's statutes and regulations. The differences in calculations would require that \$1,977,948 (\$364,910 for Rangely, \$1,613,038 for Meeker) be held vs. the \$760,676 liability recognition that is required by GAAP for operating landfills. At the end of 2022, reserves are also held in the Solid Waste Landfill Fund in the amount of \$1,217,273 to insure adequate reserves for all closure/post-closure costs. By providing these reserves, Rio Blanco County has mostly eliminated the risks of not being financially prepared for unanticipated catastrophic losses.

Calculations of the estimated total current cost of closure/post-closure care applicable to each landfill are as follows:

	Meeker	Rangely
Final cover closure cost	\$ 784,843	\$ -
Post closure-care cost	828,196	364,910
Total closure and post closure costs	\$ 1,613,038	\$ 364,910

NOTE 9 - LONG-TERM LIABILITIES

The only long-term debt Rio Blanco County had was from the accrual of compensated absences (vacation, sick, and comp time to be used at some future date), the recognition of lease agreements for broadband tower sites, and the recognition of closure and post-closure costs for landfills.

	Balance 1/1/2022	Changes	Balance 12/31/2022
Governmental activities			
Compensated absences	\$ 422,177	\$ 1,786	\$ 423,963
Total governmental	422,177	1,786	423,963
Business type activities			
Compensated absences	20,918	6,869	27,787
Lease liability	501,236	(133,129)	368,106
Closure/post-closure costs	715,792	44,884	760,676
Total business type	1,237,946	(81,376)	1,156,569
Total long-term obligations	\$ 1,660,123	\$ (79,590)	\$ 1,580,532

NOTE 10 – COMMITMENTS

The County entered into contractual agreements during the year with amounts outstanding at December 31, 2022 for the following projects: Rangely Airport Wildlife Fence construction \$39,007; RBC Justice Center Security System \$25,420; Clerk recording index project \$9,900; Meeker Airport waterline project engineering \$21,488; Rangely Fleet fueling system \$19,640; and Rangely Airport Wildlife Fence engineering \$17,403. The completion of all of these projects/commitments is included in the 2023 budget.

Rio Blanco County, Colorado
Notes to Basic Financial Statements
December 31, 2022

NOTE 11 - RESERVATIONS OF FUND BALANCE

Reservations of fund balance either indicate that a portion of fund balance is legally segregated for a specific future use or indicate that a portion of fund balance is not available for appropriation.

Fund balances reserved for prepaid expenditures and inventories do not represent available resources, thus, they are considered non-spendable. For committed fund balances, the Board of County Commissioners is the decision-making authority, and the action required to commit funds or release committed funds is a resolution. For assigned fund balances, the Board of County Commissioners authorized by resolution the County Finance/Budget Director to designate funds for intended uses to be reviewed bi-annually (for the finalization of financial statements and budget). Also defined by resolution, in any case where there are various components of fund balance available to be spent for a specific purpose, the most restricted funds shall be spent first in the order of restricted, then committed, then assigned and unassigned last.

Fund balance reserved for emergencies represents a 3% legal restriction pursuant to Article X, Section 20 of the State Constitution (TABOR Amendment). This requirement applies to the majority of the funds to some extent, but the total is set aside in the General Fund for the sake of simplicity.

Fund balances:	General Fund	Major Special Revenue Funds		
		Road & Bridge Fund	Human Services Fund	Use Tax Fund
Nonspendable:				
Inventory	\$ -	\$ 930,516	\$ -	\$ -
Prepays	31,756	425,000	1,797	-
Nonspendable	<u>31,756</u>	<u>1,355,516</u>	<u>1,797</u>	<u>-</u>
Restricted for:				
General Purpose of Fund	-	-	-	-
Emergencies	541,513	-	-	-
Forest Service Title III Projects	-	82,308	-	-
Capital Projects	12,481	185,642	-	-
Grant Match Requirements	-	-	-	-
Restricted	<u>553,994</u>	<u>267,950</u>	<u>-</u>	<u>-</u>
Committed to:				
General Purpose of Fund	-	3,740,886	862,334	2,691,091
Committed	<u>-</u>	<u>3,740,886</u>	<u>862,334</u>	<u>2,691,091</u>
Assigned to:				
General Purpose of Fund	-	-	-	-
Electric Sales Tax Grants	350,407	-	-	-
Extension Program Activities	5,084	-	-	-
Incomplete Capital Projects	-	54,370	-	-
Future Capital Projects	3,900,000	2,000,000	-	1,100,000
Future Funding Stabilization	7,500,000	-	-	-
Projected Budget Deficit	4,317,004	2,325,201	363,196	(37,820)
Assigned	<u>16,072,494</u>	<u>4,379,570</u>	<u>363,196</u>	<u>1,062,180</u>
Unassigned:	11,055,743	-	-	-
Unassigned	<u>11,055,743</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total funds	<u>\$ 27,713,987</u>	<u>\$ 9,743,923</u>	<u>\$ 1,227,327</u>	<u>\$ 3,753,271</u>

Rio Blanco County, Colorado
Notes to Basic Financial Statements
December 31, 2022

Major Capital Projects Funds			
	County Capital Improvement Trust Fund	Capital Improvement Plan Fund	Other Governmental Funds
Fund balances:			
Nonspendable:			
Inventory	\$ -	\$ -	\$ -
Prepays	-	-	-
	Nonspendable -	-	-
Restricted for:			
General Purpose of Fund	-	-	1,996,704
Emergencies	-	-	100,000
Forest Service Title III Projects	-	-	-
Capital Projects	20,292,466	-	0
Grant Match Requirements	-	-	-
	Restricted 20,292,466	-	2,096,704
Committed to:			
General Purpose of Fund	-	-	334,208
	Committed -	-	334,208
Assigned to:			
General Purpose of Fund	-	82,513	34,914
Electric Sales Tax Grants	-	-	-
Extension Program Activities	-	-	-
Incomplete Capital Projects	-	-	-
Future Capital Projects	-	-	-
Future Funding Stabilization	-	-	-
Projected Budget Deficit	-	20,000	72,833
	Assigned -	102,513	107,747
Unassigned:	-	-	-
	Unassigned -	-	-
	Total funds \$ 20,292,466	\$ 102,513	\$ 2,538,658

NOTE 12 - RETIREMENT PLAN

Rio Blanco County is a member employer of the Colorado Retirement Association (CRA). This association was formed by Colorado State Statute to provide retirement benefits to employees of Colorado local governments. CRA administers two different retirement plans a 401(a) Defined Contribution Plan and a 457 Deferred Compensation Plan.

Rio Blanco County provides pension benefits for all of its full-time employees and all regular part-time employees who work more than 20 hours per week through a defined contribution plan with the Colorado Retirement Association Retirement Plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate one year from the date of employment. Elected officials are eligible to participate immediately. Participation is mandatory for all eligible employees and for all elected officials. Both the County and the employee contribute 6% of the employee's biweekly base salary to the plan. Employees may also make additional contributions.

Rio Blanco County, Colorado
Notes to Basic Financial Statements
December 31, 2022

The County's contribution for each employee (and interest allocated to the employee's account) is 100% vested after five years. If an elected official fails to become re-elected, they immediately become fully vested. Any non-vested County contributions forfeited by an employee who leaves the County's employment are remitted to the County. For the year ended December 31, 2022 the County's total payroll was \$7,131,884, the total payroll covered by the retirement plan was \$5,690,404 and the total contribution paid was \$682,848. The County's portion of the contribution was \$341,424 and the employee's portion was \$341,424. The County has no liability for losses under the plan.

NOTE 13 - POST EMPLOYMENT BENEFITS

The County provides no post-employment benefits to employees who retire from the County other than those mandated by the State and Federal governments. The "Consolidated Omnibus Budget Reconciliation Act of 1985" (COBRA), that is mandated by the Federal Government, requires that employers allow eligible employees the opportunity to purchase medical and dental insurance for various periods of time after their employment is discontinued. Rio Blanco County complies with the Federal Statutes.

NOTE 14 – COMPONENT UNIT TRANSACTIONS

The financial activity and balances of the Piceance Creek Pest Control District and the Lower White River Pest Control District are included as separate departments within the Weed and Pest Control Fund. The revenues, expenses, and ending fund balances for each is detailed on page E-15 of this report.

NOTE 15 - RELATED PARTY TRANSACTIONS

Due to the size of the County, certain related party transactions are unavoidable. During the year various amounts of goods and services were purchased from related parties, these include County Commissioners, elected officials and various department heads. The amounts are not considered to be material to these financial statements.

NOTE 16 – SUBSEQUENT EVENTS

Subsequent to December 31, 2022, and prior to publication of these financial statements, the County has entered into contractual agreements for the following significant amounts:

Contract for dust control project \$362,641; contract for herbicide \$152,789; contract for chip seal project \$1,130,892; contract for CR 8 surface treatment project \$2,355,996; contract for Lower White River Pest Control District mosquito control project \$100,250; and amendment one of \$108,196 for the CR 4 Bridge Grant to a new total amount of \$340,248.

Rio Blanco County, Colorado
Notes to Basic Financial Statements
December 31, 2022

NOTE 17 - BUDGET AMENDMENTS

During 2022 the County amended its budget. The following is a schedule of the changes to the original budget:

Fund	Original Budget	Amendment	Final Budget
General	\$ 10,342,445	\$ (172,284)	\$ 10,170,161
Road and Bridge	9,043,746	200,280	9,244,026
Use Tax	812,667	41,754	854,421
County Capital Imp. Trust	4,684,800	-	4,684,800
Impact Fee Trust	-	-	-
Capital Expenditure	93,882	367,560	461,442
Capital Improvement Plan	1,285,087	(37,767)	1,247,320
American Rescue Plan	460,942	614,181	1,075,123
Human Services	3,838,365	204,000	4,042,365
Public Health	652,647	22,018	674,665
Conservation Trust	38,211	-	38,211
Contingent	100,000	-	100,000
Solid Waste Landfill	625,369	65,400	690,769
Weed and Pest Control	729,440	-	729,440
Communications	1,370,257	74,011	1,444,268
Fairfield Complex	210,658	-	210,658
Central Services	376,220	78,000	454,220
Fleet Management	3,096,490	125,235	3,221,725
Total expenditures	<u>\$ 37,761,226</u>	<u>\$ 1,582,388</u>	<u>\$ 39,343,614</u>

NOTE 18 - TAX, SPENDING AND DEBT LIMITATIONS

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. However, the entity has made certain interpretations of the amendment's language in order to determine its compliance. The Amendment requires that emergency reserves be established. These reserves must be at least three percent of fiscal year spending. Emergency reserves at December 31, 2022 were \$541,513.

REQUIRED SUPPLEMENTARY INFORMATION

RIO BLANCO COUNTY, COLORADO

REQUIRED SUPPLEMENTARY INFORMATION FOR GOVERNMENTS USING THE MODIFIED APPROACH

Year Ended December 31, 2022

Eligible Asset	Life	Condition (scale of 1 to 10)						Last Assessment	Maintenance					Description of Repairs Needed	Internal Use: Reason for adding to Infrastructure Eligible List
	Placed in Service	Condition Assessed							Actual Cost						
	Age of Asset (years)	Average Daily Traffic (ADT)							Estimated Cost						
		12/31/18	12/31/19	12/31/20	12/31/21	12/31/22	Current Change		2018	2019	2020	2021	2022		
County Road 54 Bridge RIOB 054-00.06	2003	8	8	8	8	8		Inspected by Engineering Operations LLC in 2022.	\$0	\$0	\$0	\$0	\$0	None	Lanes increased from 1 to 2. Cleaned and spot painted trusses in 2013.
County Road 14 Bridge RIOB 014-00.23	2004	9.5	9.5	9.5	10	10		Inspected by in 2022.	\$0	\$0	\$0	\$0	\$0	None	Lanes increased from 1 to 2.
County Road 27 Bridge RIOB 027-00.20	2011	9.5	9.5	9.5	10	10		Inspected in 2022.	\$0	\$0	\$0	\$0	\$0	None	Lanes increased from 1 to 2. Replaced substandard bridge.
County Road 5 Mile Post 10.75 - 11.71	2012	10	10	10	10	10		Road Improvement - not inspected	\$23,229	\$0	\$0	\$0	\$0	None	Project 1: This section of road was widened with shoulders, guardrail installed, radius of corner reduced, and sight distance improved by removing an embankment obstruction.
County Road 5 & 24 Mile Post 26.60 - 27.34	2012	10	10	10	10	10		Road Intersection	\$17,906	\$0	\$0	\$0	\$0	None	Project 2B: Intersection at County Road 5 and County Road 24 was replaced with improved full movement (adding turn/merge lanes).
County Road 72 All 1.4 Miles to WGLF	2014	10	10	10	10	10		Road paved	\$0	\$0	\$0	\$0	\$0	None	Surface upgraded from gravel to asphalt. Chip Sealed in 2016 to protect surface.
County Road 5 (SP 7) Mile Post 18.9 to 19.41	2015	10	10	10	10	10		Inspected in 2022.	\$12,341	\$0	\$0	\$0	\$0	None	Project consisted of replacement of a stock pass with wildlife crossing and also widening, excavation, embankment, drainage and hot mix asphalt to improve the segment of road adjacent to the structure.
County Road 5 & 3 Mile Post 17.31 to 18.12	2015	10	10	10	10	10		HDR Inspection - 2020	\$19,600	\$0	\$0	\$0	\$0	None	This project constructed a full movement intersection with acceleration/deceleration turning lanes and replaced a sub-standard stock pass with a pre-cast concrete box culvert.
County Road 5 & 20 (SP 17) Mile Post 36.27-36.95	2015	10	10	10	10	10		Inspected in 2022.	\$16,454	\$0	\$0	\$0	\$0	None	This project improved site distance, added shoulders, and improved intersection and replaced a sub-standard livestock underpass (drainage structure) with a pre-cast concrete box culvert.
County Road 10 Bridge RIOB-010-07.27	2015	10	10	10	10	10		Inspected in 2022.	\$0	\$0	\$0	\$0	\$0	None	In 2012 the original bridge was given a sufficiency rating of 49.5 (out of a possible 100) which means the bridge was structurally obsolete and eligible for state bridge funds. The bridge was replaced with a single span (92'0") bridge with precast concrete girders, 320" roadway, 26' curb to curb. Orig. capacity 48.5 tons, new bridge capacity 93.0 tons.
County Road 5 (SP 4) Mile Post 15.2	2016	10	10	10	10	10		Inspected 2020	\$6,049	\$0	\$0	\$0	\$0	None	Project consisted of replacement of a substandard bridge with an 8' x 8' pre-cast concrete box culvert and also widening, excavation, embankment, drainage and hot mix asphalt to improve the segment of road adjacent to the structure.

RIO BLANCO COUNTY, COLORADO
 REQUIRED SUPPLEMENTARY INFORMATION FOR GOVERNMENTS USING THE MODIFIED APPROACH
 Year Ended December 31, 2022

Eligible Asset	Life	Condition (scale of 1 to 10)						Maintenance					Description of Repairs Needed	Internal Use: Reason for adding to Infrastructure Eligible List	
	Placed in Service	Condition Assessed						Last Assessment	Actual Cost						
		Average Daily Traffic (ADT)						Rating and/or comment	Estimated Cost						
		Age of Asset (years)	12/31/18	12/31/19	12/31/20	12/31/21	12/31/22		Current Change	2018	2019	2020			2021
County Road 0 Bridge RIOB-000-00.01	2016	10	10	10	10	10		Inspected 2022.	\$0	\$0	\$0	\$0	\$0	None	In 2012 the original bridge was given a sufficiency rating of 36.8 which means the bridge was structurally obsolete and eligible for state bridge funds. The bridge was replaced with a single span (101.9') bridge with precast concrete girders, 27.0' roadway, 24.7' curb to curb. Orig. capacity 14.7 tons, new bridge capacity 78.4 tons.
	6	153	153	153	49	73	24	Sufficiency 94.7 (very good)	\$0	\$0	\$0	\$0	\$0		
County Road 5 (SP 5) Mile Post 15.7	2019		10	10	10	10		Constructed in 2019			\$0	\$0	\$0	None	Project consisted of replacement of a substandard bridge with an 8' x 8' pre-cast concrete box culvert and also widening, excavation, embankment, drainage and hot mix asphalt to improve the segment of road adjacent to the structure.
	3		467	411	310	268	-42	Excellent			\$0	\$0	\$0		
County Road 7 Bridge Replace. Mile Post 4.24	2020			10	10	10		Constructed in 2020			\$0	\$0	\$0	None	Project consisted of replacement of a substandard bridge with an 16' x 10' x 50'6" pour in place concrete box culvert and also widening, excavation, embankment, drainage and hot mix asphalt to improve the segment of road adjacent to the structure.
	2			350	355	312	-43	Excellent			\$0	\$0	\$0		
County Road 5 (SP 3) Mile Post 14.05	2021				10	10		Constructed in 2021				\$0	\$0	None	Project consisted of replacement of a substandard bridge with an 8' x 8' pre-cast concrete box culvert and also widening, excavation, embankment, drainage and hot mix asphalt to improve the segment of road adjacent to the structure.
	1				310	234	-76	Excellent				\$0	\$0		
County Road 73 Bridge Replacement Mile Post 0.01	2022					10		New Bridge					\$0	None	Off-system bridge replacement included roadway reconstruction, grading, bridge replacement signing, and seeding. In 2020, the original bridge was a sufficiency rating of 27.3 (out of a possible 100) which means the bridge was structurally obsolete and eligible for state bridge funds. The bridge was replaced with a single span (140') bridge with concrete girders 27' roadway, 23' curb to curb.
	0					40	0	Sufficiency - 100.0					\$0		

The Rio Blanco County Commissioners are responsible for determining the appropriate condition level at which infrastructure assets are to be maintained. They made the commitment to preserve and maintain eligible road and bridge assets at a level of 5 on a maintenance scale of 1 to 10, with 10 being very good condition. The Rio Blanco County Road & Bridge Department maintains an inventory of these assets and performs condition assessments to insure the specified condition level is being maintained.

Van Pilaud

01/17/23

Van Pilaud, RBC Civil Engineer

Date

RIO BLANCO COUNTY, COLORADO
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year Ended December 31, 2022

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Property taxes	\$ 2,852,307	\$ 2,852,307	\$ 2,847,362	\$ (4,945)
Specific ownership taxes	127,989	127,989	116,320	(11,669)
Sales taxes	2,548,000	2,548,000	2,947,376	399,376
Other taxes	-	-	11,119	11,119
Intergovernmental	197,418	2,905,712	2,846,783	(58,929)
Licenses and permits	2,550	2,550	5,933	3,383
Charges for services	201,700	210,042	293,841	83,799
Interest earnings	160,000	160,000	249,682	89,682
Fees, fines and forfeits	1,723,450	1,723,450	1,641,181	(82,269)
Inter-fund charges	167,277	167,277	167,277	-
Private contributions	10,000	10,000	3,418	(6,582)
Miscellaneous	96,335	101,114	141,246	40,132
Total revenues	8,087,026	10,808,441	11,271,538	463,097
EXPENDITURES				
General government				
Assessor	592,365	633,751	577,008	56,743
Board of County Commissioners	1,867,316	1,547,434	521,750	1,025,684
C.D. Planning	15,334	15,334	11,258	4,076
Clerk and Recorder	603,497	627,047	606,558	20,489
County Attorney	224,413	224,413	181,037	43,376
County Surveyor	7,059	7,059	6,283	776
Financial	501,132	533,400	509,667	23,733
Human Resources	140,192	150,192	141,264	8,928
Information Management	461,875	427,864	410,854	17,010
Graphic Information Systems	174,037	174,037	161,260	12,777
Maintenance of Buildings	877,636	877,635	858,778	18,857
Treasurer	486,963	508,103	423,714	84,389
Total general government	5,951,819	5,726,269	4,409,431	1,316,838
Judicial and public safety				
Emergency Management	202,451	208,051	192,909	15,142
C.D. Building Inspection	173,832	175,919	155,420	20,499
Coroner	102,181	102,181	97,174	5,007
Dispatch	523,528	529,996	477,685	52,311
District Attorney	327,953	327,953	327,953	-
Jail	194,096	219,262	112,346	106,916
Sheriff	2,054,266	2,054,268	1,738,904	315,364
Total judicial and public safety	3,578,307	3,617,630	3,102,391	515,239
Health and welfare				
Extension	177,392	177,392	167,031	10,361
Extension Program Activities	8,000	16,342	14,141	2,201
Veteran Services	25,561	26,381	20,412	5,969
Total health and welfare	210,953	220,115	201,584	18,531
Intergovernmental				
Water Related Programs & Projects	110,804	110,804	111,327	(523)
Total intergovernmental	110,804	110,804	111,327	(523)

RIO BLANCO COUNTY, COLORADO
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
(Continued)
Year Ended December 31, 2022

	Budgeted		Actual	Variance
	Original	Final		
Recreation and Culture				
County Fair	42,533	42,533	36,350	6,183
Meeker Fairgrounds	188,757	193,537	199,146	(5,609)
White River Museum	39,500	39,500	39,500	-
Total recreation and culture	270,790	275,570	274,996	574
Public Works				
Meeker Airport	108,938	108,938	73,074	35,864
Rangely Airport	110,836	110,836	66,183	44,653
Total public works	219,774	219,774	139,257	80,517
Total general fund expenditures	10,342,447	10,170,162	8,238,986	1,931,176
Excess (deficiency) of revenues over expenditures	(2,255,421)	638,279	3,032,552	2,394,273
OTHER FINANCING SOURCES/(USES)				
Transfers out (internal service funds)	-	-	(78,000)	(78,000)
Transfers out	(65,000)	(258,093)	(180,093)	78,000
Total other financing sources/(uses)	(65,000)	(258,093)	(258,093)	-
Net change to fund balance	(2,320,421)	380,186	2,774,459	2,394,273
Fund balance, January 1	23,962,742	23,962,742	24,939,528	976,786
Fund balance, December 31	\$ 21,642,321	\$ 24,342,928	\$ 27,713,987	\$ 3,371,059

RIO BLANCO COUNTY, COLORADO
ROAD AND BRIDGE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year Ended December 31, 2022

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Property taxes	\$ 3,063,589	\$ 3,063,589	\$ 3,058,277	\$ (5,312)
Specific ownership taxes	137,470	137,470	124,937	(12,533)
Other taxes	-	-	11,466	11,466
Charges for services	-	86,224	5,013	(81,211)
Federal shared revenues	-	105,056	105,056	-
State shared revenues	3,065,855	3,065,855	3,155,687	89,832
Intergovernmental	185,642	1,209,642	1,170,224	(39,418)
Inter-fund charges	46,500	46,500	13,382	(33,118)
Licenses, permits, fees	50,000	50,000	54,815	4,815
Miscellaneous	500	500	17,444	16,944
Total revenues	6,549,556	7,764,836	7,716,301	(48,535)
EXPENDITURES				
Operations	6,321,850	6,498,130	-	6,498,130
Construction	2,102,896	2,126,896	1,489,088	637,808
Maintenance of condition	-	-	4,415,591	(4,415,591)
Snow and ice removal	-	-	865,583	(865,583)
Traffic services	-	-	233,303	(233,303)
Administration	619,000	619,000	643,045	(24,045)
Total expenditures	9,043,746	9,244,026	7,646,610	1,597,416
Excess (deficiency) of revenues over expenditures	(2,494,190)	(1,479,190)	69,691	1,548,881
OTHER FINANCING SOURCES/(USES)				
Transfers out	-	-	-	-
Total other financing sources	-	-	-	-
Net change to fund balance	(2,494,190)	(1,479,190)	69,691	1,548,881
Fund balance, January 1	9,653,713	9,653,713	9,674,232	20,519
Fund balance, December 31	\$ 7,159,523	\$ 8,174,523	\$ 9,743,923	\$ 1,569,400

RIO BLANCO COUNTY, COLORADO
HUMAN SERVICES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year Ended December 31, 2022

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Property taxes	\$ 246,496	\$ 246,496	\$ 246,069	\$ (427)
Specific ownership taxes	11,061	11,061	10,052	(1,009)
Other taxes	-	-	918	918
Intergovernmental	3,408,510	3,612,510	3,533,424	(79,086)
Total revenues	3,666,067	3,870,067	3,790,463	(79,604)
EXPENDITURES				
Health and welfare	3,838,365	4,042,365	3,772,703	269,662
Total expenditures	3,838,365	4,042,365	3,772,703	269,662
Net change to fund balance	(172,298)	(172,298)	17,760	190,058
Fund balance, January 1	1,158,816	1,158,816	1,209,567	50,751
Fund balance, December 31	\$ 986,518	\$ 986,518	\$ 1,227,327	\$ 240,809

RIO BLANCO COUNTY, COLORADO
USE TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year Ended December 31, 2022

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Charges/donations for services	\$ 20,500	\$ 20,500	\$ 24,685	\$ 4,185
Intergovernmental	89,000	130,000	193,376	63,376
Use taxes	900,000	1,169,500	1,224,955	55,455
Miscellaneous	-	-	5,000	5,000
Total revenues	1,009,500	1,320,000	1,448,016	128,016
EXPENDITURES				
General Government	110,085	110,085	104,708	5,377
Intergovernmental	102,500	102,500	6,643	95,857
Public health and welfare	460,781	502,535	407,672	94,863
Recreation and culture	139,301	139,301	105,132	34,169
Total expenditures	812,667	854,421	624,155	230,266
Excess (deficiency) of revenues over expenditures	196,833	465,579	823,861	358,282
OTHER FINANCING SOURCES/(USES)				
Transfers out	(200,000)	(200,000)	(200,000)	-
Transfers in	-	-	-	-
Total other financing sources/(uses)	(200,000)	(200,000)	(200,000)	-
Net change to fund balance	(3,167)	265,579	623,861	358,282
Fund balance, January 1	3,102,525	3,102,525	3,129,410	26,885
Fund balance, December 31	\$ 3,099,358	\$ 3,368,104	\$ 3,753,271	\$ 385,167

RIO BLANCO COUNTY, COLORADO
COUNTY CAPITAL IMPROVEMENT TRUST FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year Ended December 31, 2022

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Interest earnings	\$ 42,303	\$ 42,303	\$ 240,030	\$ 197,727
Amortized Discounts/(Premiums)	295	295	-	(295)
Change in fair value of investments	-	-	(264,167)	(264,167)
Total revenues	42,598	42,598	(24,137)	(66,735)
EXPENSES				
Administration and fees	800	800	796	4
Intergovernmental	4,684,000	4,684,000	4,148,651	535,349
Total expenditures	4,684,800	4,684,800	4,149,447	535,353
Excess (deficiency) of revenues over expenditures	(4,642,202)	(4,642,202)	(4,173,584)	468,618
OTHER FINANCING SOURCES/(USES)				
Total other financing sources/(uses)	-	-	-	-
Net change to fund balance	(4,642,202)	(4,642,202)	(4,173,584)	468,618
Fund balance, January 1	24,644,565	24,644,565	24,466,050	(178,515)
Fund balance, December 31	\$ 20,002,363	\$ 20,002,363	\$ 20,292,466	\$ 290,103

RIO BLANCO COUNTY, COLORADO
CAPITAL IMPROVEMENT PLAN FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year Ended December 31, 2022

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Intergovernmental	\$ 886,189	\$ 886,189	\$ 795,704	\$ (90,485)
Total revenues	886,189	886,189	795,704	(90,485)
EXPENDITURES				
Treasury fees	2,600	2,600	381	2,219
Contingency	31,300	1,300	-	1,300
Rangely Airport Projects	932,229	932,229	759,185	173,044
Meeker Airport Projects	318,958	311,191	232,209	78,982
Total expenditures	1,285,087	1,247,320	991,775	255,545
Excess (deficiency) of revenues over expenditures	(398,898)	(361,131)	(196,071)	165,060
OTHER FINANCING SOURCES/(USES)				
Transfers in	120,000	120,000	120,000	-
Total other financing sources/(uses)	120,000	120,000	120,000	-
Net change to fund balance	(278,898)	(241,131)	(76,071)	165,060
Fund balance, January 1	297,097	297,097	178,584	(118,513)
Fund balance, December 31	\$ 18,199	\$ 55,966	\$ 102,513	\$ 46,547

OTHER SUPPLEMENTARY INFORMATION

RIO BLANCO COUNTY, COLORADO
EXPLANATION OF NON-MAJOR FUNDS

Year Ended December 31, 2022

Governmental Funds - Special Revenue

The *Capital Expenditure Fund* accounts for annual expenditures, exceeding \$5,000, for long-lived additions or betterments, which are not chargeable as an expenditure of operations and maintenance.

The *Public Health Agency Fund* accounts for activities and programs related to public health in Rio Blanco County. Primary sources of funds are property taxes, federal/state grants, charges, and fees.

The *American Rescue Plan* accounts for funds received from the American Rescue Plan - State & Local Fiscal Recovery Funds (SLFRF) distribution and the spending of approved projects/programs as determined by the US Treasury Final Rule.

The *Conservation Trust Fund* accounts for funds received from Colorado Lottery proceeds.

The *Contingent Fund* accounts for the funds the County would use to cover unforeseen contingencies.

Proprietary Funds Enterprise Funds

The *Weed and Pest Control Fund* accounts for the County's weed and pest control programs, cost sharing sales of herbicides to County landowners and to control programs established by Federal, State and local organizations. The *Piceance Creek Pest Control District* and the *Lower White River Pest Control District* are included within this fund.

The *Fairfield Complex Fund* accounts for Meeker's community center which provides a location for the senior nutrition program, meeting rooms and a large hall/kitchen for public use and community activities as well as senior housing. The community center also rents space to the County government for administrative offices.

Proprietary Funds - Internal Service Funds

The *Central Services Fund* accounts for all county wide charges, such as insurances, audit fees, and internet access.

The *Fleet Management Fund* accounts for the County's vehicles and heavy equipment.

**RIO BLANCO COUNTY, COLORADO
 COMBINING BALANCE SHEET
 NON-MAJOR GOVERNMENTAL FUNDS
 Year Ended December 31, 2022**

	Non-Major Cap		Non-Major Special Revenue Funds				Total Nonmajor Governmental Funds
	Project Fund Capital Expenditure Fund	Impact Fee Trust Fund	Public Health Fund	American Rescue Plan	Conservation Trust Fund	Contingent Fund	
ASSETS							
Cash and cash equivalents	\$ 71,437	\$ -	\$ 404,003	\$ 1,965,347	\$ 40,266	\$ 100,000	\$ 2,581,053
Taxes receivable	166,922	-	-	-	-	-	166,922
Due from other governmental units	125	-	87,568	-	-	-	87,693
Other receivables	-	-	1,087	2,606	-	-	3,693
Total assets	\$ 238,484	\$ -	\$ 492,658	\$ 1,967,953	\$ 40,266	\$ 100,000	\$ 2,839,361
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ -	\$ -	\$ 12,023	\$ 365	\$ 11,150	\$ -	\$ 23,538
Unearned revenue	36,109	-	74,133	-	-	-	110,242
Total liabilities	36,109	-	86,156	365	11,150	-	133,780
Deferred inflow of resources:							
Unavailable property taxes	166,922	-	-	-	-	-	166,922
Total deferred inflow of resources	166,922	-	-	-	-	-	166,922
Fund balances:							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	-	1,967,588	29,116	100,000	2,096,704
Committed	-	-	334,209	-	-	-	334,209
Assigned	35,453	-	72,293	-	-	-	107,746
Unassigned	-	-	-	-	-	-	-
Total fund balance	35,453	-	406,502	1,967,588	29,116	100,000	2,538,659
Total liabilities, deferred inflows and fund balances	\$ 238,484	\$ -	\$ 492,658	\$ 1,967,953	\$ 40,266	\$ 100,000	\$ 2,839,361

RIO BLANCO COUNTY, COLORADO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2022

	Non-Major Cap Project Fund		Non-Major Special Revenue Funds				Total Nonmajor Governmental Funds
	Capital Expenditure Fund	Public Health Fund	American Rescue Plan	Conservation Trust Fund	Contingent Fund		
REVENUES							
Property taxes	\$ 140,610	\$ 70,306	\$ -	\$ -	\$ -	\$ 210,916	
Specific ownership taxes	5,744	2,872	-	-	-	8,616	
Other taxes	131	268	-	-	-	399	
Intergovernmental	213,292	489,174	1,812,097	11,933	-	2,526,496	
Licenses and permits	-	16,435	-	-	-	16,435	
Charges for service	-	10,283	-	-	-	10,283	
Interest earnings	-	-	4,867	68	-	4,935	
Total revenues	359,777	592,198	1,816,964	12,001	-	2,780,940	
EXPENDITURES							
Current:							
General government	16,386	-	108,298	-	-	124,684	
Judicial and public safety	76,578	-	-	-	-	76,578	
Health and welfare	-	492,229	47,113	-	-	539,342	
Recreation	27,216	-	-	11,149	-	38,365	
Public Works	-	-	300,000	-	-	300,000	
Capital outlay	221,659	-	-	-	-	221,659	
Total expenditures	341,839	492,229	455,411	11,149	-	1,300,628	
Excess (deficiency) of revenues over expenditures	17,938	99,969	1,361,553	852	-	1,480,312	
OTHER FINANCING SOURCES/(USES)							
Transfers out	(120,000)	-	-	-	-	(120,000)	
Total other financing sources/(uses)	(38,918)	-	-	-	-	(38,918)	
Net change to fund balance	(20,980)	99,969	1,361,553	852	-	1,441,394	
Fund balance, January 1	56,433	306,533	606,035	28,264	100,000	1,097,265	
Fund balance, December 31	\$ 35,453	\$ 406,502	\$ 1,967,588	\$ 29,116	\$ 100,000	\$ 2,538,659	

RIO BLANCO COUNTY, COLORADO
CAPITAL EXPENDITURE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year Ended December 31, 2022

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Other taxes	-	-	131	131
Intergovernmental	35,101	213,292	213,292	-
Total revenues	182,276	360,467	359,777	(690)
EXPENDITURES				
Treasury fees	9,114	9,114	9,949	(835)
Central Service Charges	6,437	6,437	6,437	-
Contingency	7,121	7,121	-	7,121
Judicial and public safety:				
Sheriff	35,101	402,661	289,288	113,373
Recreation and culture:				
Meeker Fairgrounds	36,109	36,109	36,165	(56)
Total expenditures	93,882	461,442	341,839	119,603
Excess (deficiency) of revenues over expenditures	88,394	(100,975)	17,938	118,913
OTHER FINANCING SOURCES/(USES)				
Transfers in	-	81,082	81,082	-
Transfers out	(120,000)	(120,000)	(120,000)	-
Total other financing sources/(uses)	(120,000)	(38,918)	(38,918)	-
Net change to fund balance	(31,606)	(139,893)	(20,980)	118,913
Fund balance, January 1	103,647	103,647	56,433	(47,214)
Fund balance, December 31	\$ 72,041	\$ (36,246)	\$ 35,453	\$ 71,699

RIO BLANCO COUNTY, COLORADO
PUBLIC HEALTH AGENCY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year Ended December 31, 2022

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Property taxes	\$ 70,427	\$ 70,427	\$ 70,306	\$ (121)
Specific ownership taxes	3,160	3,160	2,872	(288)
Other taxes	-	-	268	268
Intergovernmental	535,985	558,003	489,174	(68,829)
Licenses and permits	10,000	10,000	16,435	6,435
Charges for service	-	-	10,283	10,283
Miscellaneous	14,500	14,500	2,860	(11,640)
Total revenues	634,072	656,090	592,198	(63,892)
EXPENDITURES				
Health and welfare	652,647	674,665	492,229	182,436
Total expenditures	652,647	674,665	492,229	182,436
Excess (deficiency) of revenues over expenditures	(18,575)	(18,575)	99,969	118,544
OTHER FINANCING SOURCES/(USES)				
Total other financing sources/(uses)	-	-	-	-
Net change to fund balance	(18,575)	(18,575)	99,969	118,544
Fund balance, January 1	264,218	264,218	306,533	42,315
Fund balance, December 31	\$ 245,643	\$ 245,643	\$ 406,502	\$ 160,859

RIO BLANCO COUNTY, COLORADO
AMERICAN RESCUE PLAN
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year Ended December 31, 2022

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ 1,812,096	\$ 1,812,097	\$ 1
Interest earnings	1,200	1,200	4,867	3,667
Total revenues	1,200	1,813,296	1,816,964	3,668
EXPENDITURES				
General government	400,012	639,772	108,298	531,474
Judicial and public safety	-	-	-	-
Health and welfare	60,930	60,930	47,113	13,817
Public works	-	374,421	300,000	74,421
Recreation and culture	-	-	-	-
Total expenditures	460,942	1,075,123	455,411	619,712
Net change to fund balance	(459,742)	738,173	1,361,553	623,380
Fund balance, January 1	607,338	607,338	606,035	(1,303)
Fund balance, December 31	\$ 147,596	\$ 1,345,511	\$ 1,967,588	\$ 622,077

**RIO BLANCO COUNTY, COLORADO
 CONSERVATION TRUST FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 Year Ended December 31, 2022**

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Intergovernmental	\$ 10,246	\$ 10,246	\$ 11,933	\$ 1,687
Interest earnings	10	10	68	58
Total revenues	10,256	10,256	12,001	1,745
EXPENDITURES				
Recreation	38,210	38,210	11,149	27,061
Total expenditures	38,210	38,210	11,149	27,061
Net change to fund balance	(27,954)	(27,954)	852	28,806
Fund balance, January 1	27,955	27,955	28,264	309
Fund balance, December 31	\$ 1	\$ 1	\$ 29,116	\$ 29,115

RIO BLANCO COUNTY, COLORADO
CONTINGENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year Ended December 31, 2022

	Budgeted		Actual	Variance
	Original	Final		
REVENUES	\$ -	\$ -	\$ -	\$ -
EXPENDITURES	100,000	100,000	-	100,000
Net change to fund balance	(100,000)	(100,000)	-	100,000
Fund balance, January 1	100,000	100,000	100,000	-
Fund balance, December 31	\$ -	\$ -	\$ 100,000	\$ 100,000

RIO BLANCO COUNTY, COLORADO
COMBINING STATEMENT OF NET POSITION
NON-MAJOR ENTERPRISE FUNDS
December 31, 2022

	Weed and Pest Control Fund	Fairfield Complex Fund	Total Non-major Enterprise Funds
ASSETS			
Current Assets:			
Cash and cash equivalents	\$ 510,874	\$ 181,906	\$ 692,780
Taxes receivable	393,258	-	393,258
Due from other governmental units	147	-	147
Other receivables - leases			-
Inventories	64,009	-	64,009
Total current assets	968,653	181,906	1,150,559
Noncurrent assets:			
Capital assets:			
Land	-	270,210	270,210
Buildings and equipment, net	28,541	2,044,822	2,073,363
Total noncurrent assets	28,541	2,315,032	2,343,573
Total assets	997,194	2,496,938	3,494,132
LIABILITIES			
Current liabilities:			
Accounts payable	2,946	2,360	5,306
Total current liabilities	2,946	2,360	5,306
Noncurrent liabilities:			
Compensated absences	3,474	6,745	10,219
Total noncurrent liabilities	3,474	6,745	10,219
Total liabilities	6,420	9,105	15,525
DEFERRED INFLOW OF RESOURCES			
Unavailable property tax	393,258	-	393,258
Total deferred inflows of resources	393,258	-	393,258
NET POSITION			
Invested in capital assets	28,541	2,315,032	2,343,573
Unrestricted (deficit)	568,975	172,801	741,776
Total net position	\$ 597,516	\$ 2,487,833	\$ 3,085,349

RIO BLANCO COUNTY, COLORADO
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
NON-MAJOR ENTERPRISE FUNDS
Year Ended December 31, 2022

	Weed and Pest Control Fund	Fairfield Complex Fund	Total Non-major Enterprise Funds
Operating revenues:			
Property taxes	\$ 165,536	\$ -	\$ 165,536
Specific ownership taxes	6,751	-	6,751
Other taxes	58	-	58
Charges for services	68,296	3,000	71,296
Private contributions	-	30,000	30,000
Intergovernmental revenues	10,842	-	10,842
Interdepartmental fees	20,700	52,689	73,389
Miscellaneous operating	192	569	761
Total operating revenues	272,375	86,258	358,633
Operating expenses:			
Salaries and wages	71,699	65,000	136,699
Employee benefits	32,726	40,434	73,160
Supplies	35,276	9,203	44,479
Chemicals	94,689	-	94,689
Purchased services	182,825	7,737	190,562
Utilities	-	42,947	42,947
Repairs and maintenance	-	9,344	9,344
Interdepartmental charges	32,720	22,634	55,354
Depreciation	2,352	108,984	111,336
Other	1,345	-	1,345
Total operating expenses	453,632	306,283	759,915
Operating income/(loss)	(181,257)	(220,025)	(401,282)
Nonoperating revenues/(expenses):			
Total nonoperating revenues/(expenses)	-	-	-
Income/(loss) before transfers in/(out)	(181,257)	(220,025)	(401,282)
Transfers in/(out)	165,000	100,000	265,000
Change in net position	(16,257)	(120,025)	(136,282)
Total net position, January 1	613,773	2,607,858	3,221,631
Total net position, December 31	\$ 597,516	\$ 2,487,833	\$ 3,085,349

RIO BLANCO COUNTY, COLORADO
COMBINING STATEMENT OF CASH FLOWS
NON-MAJOR ENTERPRISE FUNDS
Year Ended December 31, 2022

	Weed and Pest Control Fund	Fairfield Complex Fund	Total Non-major Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from external customers	\$ 251,310	\$ 33,569	\$ 284,879
Cash received from internal customers	20,762	52,689	73,451
Cash payments to external suppliers for goods and services	(304,171)	(69,782)	(373,953)
Cash payments to internal suppliers for goods and services	(32,720)	(22,634)	(55,354)
Cash payments to employees for services	(104,487)	(105,238)	(209,725)
Net cash provided/(used) by operating activities	(169,306)	(111,396)	(280,702)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers from/(to) other funds	165,000	100,000	265,000
Net cash provided by noncapital financing activities	165,000	100,000	265,000
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of fixed assets	-	-	-
Net cash provided by capital and related financing activities	-	-	-
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on investments	-	-	-
Net increase/(decrease) in cash and equivalents	(4,306)	(11,396)	(15,702)
Cash balances, January 1	515,180	193,302	708,482
Cash balances, December 31	\$ 510,874	\$ 181,906	\$ 692,780

Reconciling of operating income/(loss) to net cash provided/(used) by operating activities:

Operating income/(loss)	\$ (181,257)	\$ (220,025)	\$ (401,282)
Adjustments to reconcile operating income/(loss) to net cash provided/(used) by operating activities:			
Depreciation expense	2,352	108,984	111,336
Assets (increase)/decrease:			
Other receivables	(365)	-	(365)
Due from other governments	62	-	62
Inventories	8,942	-	8,942
Liabilities increase/(decrease):			
Accounts payable	1,022	(551)	471
Lease Liability			-
Accrued compensated absences	(62)	196	134
Total Adjustments	11,951	108,629	120,580
Net cash provided/(used) by operating activities	\$ (169,306)	\$ (111,396)	\$ (280,702)

RIO BLANCO COUNTY, COLORADO
SOLID WASTE LANDFILL FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY
BUDGET AND ACTUAL
Year Ended December 31, 2022

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Charges for sales and services	\$ 460,000	\$ 790,000	\$ 839,165	\$ 49,165
Interdepartmental fees	12,000	12,000	12,000	-
Miscellaneous	3,000	3,000	3,384	384
Total revenues	475,000	805,000	854,549	49,549
EXPENSES				
Salaries and wages	176,727	201,527	208,090	(6,563)
Employee benefits	93,844	95,844	90,332	5,512
Supplies	6,000	32,100	33,075	(975)
Purchased services	50,722	50,722	33,197	17,525
Contract services	-	-	-	-
Special dues, permits and fees	8,500	15,000	12,824	2,176
Closure and post-closure costs	60,000	60,000	60,125	(125)
Utilities	6,500	6,500	6,326	174
Interdepartmental charges	173,076	175,076	199,566	(24,490)
Equipment and other	-	-	-	-
Total operating expenses	575,369	636,769	643,535	(6,766)
Capital outlay	50,000	54,000	53,945	55
Total expenses	625,369	690,769	697,480	(6,711)
Income/(loss) before other financing sources/(uses)	(150,369)	114,231	157,069	42,838
TRANSFERS AND CONTRIBUTED CAPITAL				
Transfers out	-	-	-	-
Total other financing sources/(uses)	-	-	-	-
Net income/(loss)	\$ (150,369)	\$ 114,231	157,069	\$ 42,838

Adjustments to Reconcile Budgetary Basis to GAAP Basis - Adjustment for:

Capital purchased by this fund	53,945
Capital contributed to another fund from this fund	(53,945)
Capital contributed to this fund by another fund	-
Depreciation (not budgeted)	(159,287)
Total adjustments to basis	(159,287)
Net change in fund equity	(2,218)
Fund equity, January 1	5,968,893
Fund equity, December 31	\$ 5,966,675

RIO BLANCO COUNTY, COLORADO
WEED AND PEST CONTROL FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY
BUDGET AND ACTUAL
Year Ended December 31, 2022

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Property taxes	\$ 165,532	\$ 165,532	\$ 165,536	\$ 4
Specific ownership taxes	9,551	9,551	6,751	(2,800)
Other taxes	-	-	58	58
Charges for sales and services	48,500	48,500	68,296	19,796
Intergovernmental revenues	35,000	35,000	10,842	(24,158)
Interdepartmental charges	45,750	45,750	20,700	(25,050)
Miscellaneous	-	-	192	192
Total revenues	304,333	304,333	272,375	(31,958)
EXPENSES				
Salaries and Wages	113,336	113,336	71,699	41,637
Employee benefits	36,129	36,129	32,726	3,403
Supplies	55,000	55,000	35,276	19,724
Chemicals	120,000	120,000	94,689	25,311
Purchased services	365,312	365,312	182,825	182,487
Interdepartmental charges	35,463	35,463	32,720	2,743
Other	2,200	2,200	1,345	855
Equipment and other	-	-	-	-
Total operating expenses	727,440	727,440	451,280	276,160
Capital outlay	2,000	2,000	-	2,000
Total expenses	729,440	729,440	451,280	278,160
Income/(loss) before other financing sources/(uses)	(425,107)	(425,107)	(178,905)	246,202
TRANSFERS AND CONTRIBUTED CAPITAL				
Transfers in	165,000	165,000	165,000	-
Total other financing sources/(uses)	165,000	165,000	165,000	-
Net income/(loss)	\$ (260,107)	\$ (260,107)	(13,905)	\$ 246,202

Adjustments to Reconcile Budgetary Basis to GAAP Basis - Adjustment for:

Depreciation (not budgeted)	(2,352)
Total adjustments to basis	(2,352)
Net change in fund equity	(16,257)
Fund equity, January 1	613,773
Fund equity, December 31	\$ 597,516

The above includes all county-wide efforts and the efforts of two pest control districts in accordance with Title 35 Agriculture, Article 5 Pest Control Districts. C.R.S. 35-5-111(2) states, "moneys derived from a particular district shall be used only in that district, and moneys derived on a county-wide basis shall be used for the whole county". The segregation of these funds is being tracked in separate departments within this fund.

	County-wide	Piceance Creek Pest Control Dist.	Lower White River Pest Control Dist.	Total
Fund equity, January 1	\$ 252,200	\$ 240,947	\$ 120,626	\$ 613,773
Total revenues	264,837	90,521	82,016	437,374
Total expenses	(228,423)	(157,461)	(67,747)	(453,631)
Fund equity, December 31	\$ 288,614	\$ 174,007	\$ 134,895	\$ 597,516

RIO BLANCO COUNTY, COLORADO
COMMUNICATIONS FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY
BUDGET AND ACTUAL
Year Ended December 31, 2022

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Charges for sales and services	\$ 854,913	\$ 894,913	\$ 855,389	\$ (39,524)
Intergovernmental revenues	5,296	5,296	6,352	1,056
Miscellaneous	-	-	32,731	32,731
Total revenues	860,209	900,209	894,472	(5,737)
EXPENSES				
Salaries and wages	163,788	199,870	198,649	1,221
Employee benefits	78,615	102,144	100,327	1,817
Supplies	55,000	55,000	60,859	(5,859)
Purchased services	248,630	263,030	233,452	29,578
Utilities	32,638	32,638	31,028	1,610
Rent/Lease	19,220	19,220	934	18,286
Interest Expense	-	-	11,277	(11,277)
Interdepartmental charges	61,898	61,898	51,870	10,028
Amortization	24,160	24,160	-	24,160
Equipment and other	-	-	231,308	(231,308)
Total operating expenses	683,949	757,960	919,704	(161,744)
Capital outlay	686,308	686,308	425,745	260,563
Total expenses	1,370,257	1,444,268	1,345,449	98,819
Income/(loss) before other financing sources/(uses)	(510,048)	(544,059)	(450,977)	93,082
TRANSFERS AND CONTRIBUTED CAPITAL				
Transfers in	-	34,011	34,011	-
Total other financing sources/(uses)	-	34,011	34,011	-
Net income/(loss)	\$ (510,048)	\$ (510,048)	(416,966)	\$ 93,082

Adjustments to Reconcile Budgetary Basis to GAAP Basis - Adjustment for:

Capital purchased by this fund	425,745
Amortization	(24,160)
Amortization - Leases	(4,229)
Depreciation (not budgeted)	(39,037)
Loss on Disposal of Assets	-
Total adjustments to basis	<u>358,319</u>
Net change in fund equity	(58,647)
Fund equity, January 1	<u>1,550,204</u>
Fund equity, December 31	<u>\$ 1,491,557</u>

RIO BLANCO COUNTY, COLORADO
FAIRFIELD COMPLEX FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY
BUDGET AND ACTUAL
Year Ended December 31, 2022

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Charges for sales and services	\$ 2,000	\$ 2,000	\$ 3,000	\$ 1,000
Private contributions	30,000	30,000	30,000	-
Interdepartmental charges	52,689	52,689	52,689	-
Miscellaneous	-	-	569	569
Total revenues	84,689	84,689	86,258	1,569
EXPENSES				
Salaries and wages	72,876	72,876	65,000	7,876
Employee benefits	43,787	43,787	40,434	3,353
Supplies	10,191	10,191	9,203	988
Purchased services	9,316	9,316	7,737	1,579
Utilities	40,640	40,640	42,947	(2,307)
Repairs and maintenance	10,000	10,000	9,344	656
Interdepartmental charges	23,848	23,848	22,634	1,214
Equipment and other	-	-	-	-
Total operating expenses	210,658	210,658	197,299	13,359
Capital outlay	-	-	-	-
Total expenses	210,658	210,658	197,299	13,359
Income/(loss) before other financing sources/(uses)	(125,969)	(125,969)	(111,041)	14,928
TRANSFERS AND CONTRIBUTED CAPITAL				
Transfers in	100,000	100,000	100,000	-
Total other financing sources/(uses)	100,000	100,000	100,000	-
Net income/(loss)	\$ (25,969)	\$ (25,969)	(11,041)	\$ 14,928

Adjustments to Reconcile Budgetary Basis to GAAP Basis - Adjustment for:

Depreciation (not budgeted)	(108,984)
Total adjustments to basis	(108,984)
Net change in fund equity	(120,025)
Fund equity, January 1	2,607,858
Fund equity, December 31	\$ 2,487,833

RIO BLANCO COUNTY, COLORADO
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
December 31, 2022

	Central Service Fund	Fleet Management Fund	Total Internal Service Funds
ASSETS			
Current Assets:			
Cash and cash equivalents	\$ 137,208	\$ 2,048,955	\$ 2,186,163
Other receivables	28	18,040	18,068
Inventories	-	332,578	332,578
Prepays and deposits	1,000	-	1,000
Total current assets	138,236	2,399,573	2,537,809
Noncurrent assets:			
Capital assets:			
Buildings and equipment, net	20,395	4,574,622	4,595,017
Total noncurrent assets	20,395	4,574,622	4,595,017
Total assets	158,631	6,974,195	7,132,826
LIABILITIES			
Current liabilities:			
Accounts payable	-	45,741	45,741
Total current liabilities	-	45,741	45,741
Noncurrent liabilities:			
Compensated absences	-	40,312	40,312
Total noncurrent liabilities	-	40,312	40,312
Total liabilities	-	86,053	86,053
NET POSITION			
Invested in capital assets	20,395	4,574,622	4,595,017
Unrestricted	138,236	2,313,520	2,451,756
Total net position	\$ 158,631	\$ 6,888,142	\$ 7,046,773

RIO BLANCO COUNTY, COLORADO
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
Year Ended December 31, 2022

	Central Service Fund	Fleet Management Fund	Total Internal Service Funds
Operating revenues:			
Charges for services-internal	\$ 397,613	\$ 2,112,359	\$ 2,509,972
Charges for services-external	316	113,024	113,340
Miscellaneous operating	-	32,623	32,623
Total operating revenues	397,929	2,258,006	2,655,935
Operating expenses:			
Salaries and wages	-	382,573	382,573
Employee benefits	-	165,820	165,820
Supplies	9,369	914,936	924,305
Purchased services	47,504	31,260	78,764
Rent	600	-	600
Utilities	-	13,234	13,234
Repairs and maintenance	525	76,563	77,088
Insurance and claims	377,231	-	377,231
Interdepartmental charges	-	153,738	153,738
Capital outlay	-	1,816	1,816
Depreciation	6,220	999,678	1,005,898
Total operating expenses	441,449	2,739,618	3,181,067
Operating income/(loss)	(43,520)	(481,612)	(525,132)
Nonoperating revenues:			
Gain/(loss) on disposition of assets and inventory	-	74,583	74,583
Total nonoperating revenues/(expenses)	-	289,135	289,135
Income/(loss) before contributions and transfers in/(out)	(43,520)	(192,477)	(235,997)
Transfers in/(out)	78,000	-	78,000
Change in net position	34,480	(192,477)	(157,997)
Total net position, January 1	124,151	7,080,619	7,204,770
Total net position, December 31	\$ 158,631	\$ 6,888,142	\$ 7,046,773

RIO BLANCO COUNTY, COLORADO
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
Year Ended December 31, 2022

	Central Service Fund	Fleet Management Fund	Total Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from external customers	\$ 8	\$ 104,898	\$ 104,906
Cash received from internal customers	397,929	2,144,982	2,542,911
Cash payments to external suppliers for goods and services	(436,663)	(1,024,047)	(1,460,711)
Cash payments to internal suppliers for goods and services	-	(153,738)	(153,738)
Cash payments to employees for services	-	(556,832)	(556,832)
Net cash provided/(used) by operating activities	(38,726)	515,262	476,537
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers from/(to) other funds	78,000	-	78,000
Net cash provided by noncapital financing activities	78,000	-	78,000
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of fixed assets	(7,100)	(1,175,079)	(1,182,179)
Proceeds from disposal of assets and reimbursements	-	137,281	137,281
Net cash (used) by capital and related financing activities	(7,100)	(1,037,798)	(1,044,898)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on investments	-	-	-
Net increase/(decrease) in cash and equivalents	32,174	(522,536)	(490,361)
Cash balances, January 1	105,033	2,571,490	2,676,524
Cash balances, December 31	\$ 137,208	\$ 2,048,955	\$ 2,186,162

Reconciling of operating income to net cash provided/(used) by operating activities:

Operating income/(loss)	\$ (43,520)	\$ (481,612)	\$ (525,132)
Adjustments to reconcile operating income/(loss) to net cash provided/(used) by operating activities:			
Depreciation expense	6,220	999,678	1,005,898
Miscellaneous nonoperating revenues/(expenses)	-	-	-
Assets (increase)/decrease:			
Other receivables	8	(8,126)	(8,118)
Due from other funds	-	-	-
Inventories	-	16,479	16,479
Prepays and deposits	-	-	-
Liabilities increase/(decrease):			
Accounts payable	(1,434)	(2,717)	(4,151)
Accrued compensated absences	-	(8,439)	(8,439)
Total Adjustments	4,794	996,874	1,001,669
Net cash provided/(used) by operating activities	\$ (38,726)	\$ 515,262	\$ 476,537

RIO BLANCO COUNTY, COLORADO
CENTRAL SERVICES FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year Ended December 31, 2022

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Interfund Charges	\$ 397,613	\$ 397,613	\$ 397,613	\$ -
Charges for sales and services	1,000	1,000	316	(684)
Total revenues	398,613	398,613	397,929	(684)
EXPENSES				
Supplies	10,215	10,215	9,369	846
Contracted services	33,880	33,880	23,988	9,892
Audit services	23,000	23,000	23,200	(200)
Rent	600	600	600	-
Repairs and maintenance	525	525	525	-
Pass thru costs	1,000	1,000	316	684
Insurance	300,000	378,000	377,231	769
Equipment and other	-	-	-	-
Total operating expenses	369,220	447,220	435,229	11,991
Capital outlay	7,000	7,000	7,100	(100)
Total expenses	376,220	454,220	442,329	11,891
Income/(loss) before other financing sources/(uses)	22,393	(55,607)	(44,400)	11,207
TRANSFERS AND CONTRIBUTED CAPITAL				
Transfers in	-	78,000	78,000	-
Total other financing sources/(uses)	-	78,000	78,000	-
Net income/(loss)	\$ 22,393	\$ 22,393	33,600	\$ 11,207

Adjustments to Reconcile Budgetary Basis to GAAP Basis - Adjustment for:

Capital purchased by this fund	7,100
Depreciation (not budgeted)	(6,220)
Total adjustments to basis	880
Net change in fund equity	34,480
Fund equity, January 1	124,151
Fund equity, December 31	\$ 158,631

RIO BLANCO COUNTY, COLORADO
FLEET MANAGEMENT FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY
BUDGET AND ACTUAL
Year Ended December 31, 2022

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Interdepartmental fees	\$ 2,346,780	\$ 2,346,780	\$ 2,112,359	\$ (234,421)
Charges for sales and services	70,000	101,000	113,024	12,024
Miscellaneous	-	94,235	32,623	(61,612)
Total revenues	2,416,780	2,542,015	2,258,006	(284,009)
EXPENSES				
Salaries and wages	418,780	418,780	382,573	36,207
Employee benefits	185,580	185,580	165,820	19,760
Supplies	743,500	837,735	914,936	(77,201)
Purchased services	22,000	22,000	31,260	(9,260)
Utilities	12,318	12,318	13,234	(916)
Repairs and maintenance	50,000	80,000	76,563	3,437
Interdepartmental charges	153,123	154,123	153,738	385
Equipment and other	-	-	1,816	(1,816)
Total operating expenses	1,585,301	1,710,536	1,739,940	(29,404)
Capital outlay	1,511,189	1,511,189	1,114,198	396,991
Total expenses	3,096,490	3,221,725	2,854,138	367,587
Income/(loss) before other financing sources/(uses)	(679,710)	(679,710)	(596,132)	83,578
TRANSFERS AND CONTRIBUTED CAPITAL				
Total other financing sources/(uses)	-	-	74,583	74,583
Net income/(loss)	\$ (679,710)	\$ (679,710)	(521,549)	\$ 158,161

Adjustments to Reconcile Budgetary Basis to GAAP Basis - Adjustment for:

Capital purchased by this fund	1,114,198
Capital contributed to this fund by another fund	214,552
Depreciation (not budgeted)	(999,678)
Total adjustments to basis	<u>329,072</u>
Net change in fund equity	(192,477)
Fund equity, January 1	<u>7,080,619</u>
Fund equity, December 31	<u>\$ 6,888,142</u>

ADDITIONAL REPORTS

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

LOCAL HIGHWAY FINANCE REPORT	STATE: COLORADO YEAR ENDING (mm/yy): 12/22
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This Information From The Records Of: Rio Blanco County	Prepared By: Janae Stanworth, Finance/Budget Director
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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. EXPENDITURES FOR ROAD AND STREET PURPOSES	
ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway expenditures:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	\$ 1,489,087.63
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	\$ 4,415,590.81
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	\$ 233,302.57
2. General fund appropriations		b. Snow and ice removal	\$ 865,583.38
3. Other local imposts (from page 2)	\$ 3,249,494.46	c. Other	
4. Miscellaneous local receipts (from page 2)	\$ 35,839.90	d. Total (a. through c.)	\$ 1,098,885.95
5. Transfers from toll facilities		4. General administration & miscellaneous	\$ 643,045.15
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	
a. Bonds - Original Issues		6. Total (1 through 5)	\$ 7,646,609.54
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	\$ -	a. Interest	
7. Total (1 through 6)	\$ 3,285,334.36	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	\$ -
C. Receipts from State government (from page 2)	\$ 3,215,686.52	2. Notes:	
D. Receipts from Federal Government (from page 2)	\$ 1,215,280.20	a. Interest	
E. Total receipts (A.7 + B + C + D)	\$ 7,716,301.08	b. Redemption	
		c. Total (a. + b.)	\$ -
		3. Total (1.c + 2.c)	\$ -
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total expenditures (A.6 + B.3 + C + D)	\$ 7,646,609.54

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)				\$ -
1. Bonds (Refunding Portion)				\$ -
B. Notes (Total)				\$ -

V. LOCAL ROAD AND STREET FUND BALANCE (RECEIPTS AND DISBURSEMENTS ONLY)

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	\$ 9,674,231.57	\$ 7,716,301.08	\$ 7,646,609.54	\$ 9,743,923.10	\$ 0.00

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT

STATE:
COLORADO
 YEAR ENDING (mm/yy):
 12/22

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 Assesments	\$ 3,069,742.62	a. Interest on investments	
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	\$ 54,815.00	f. Charges for Services	\$ 18,394.50
5. Specific Ownership &/or Other	\$ 124,936.84	g. Other Misc. Receipts	\$ 17,445.40
6. Total (1. through 5.)	\$ 179,751.84	h. Other	
c. Total (a. + b.)	\$ 3,249,494.46	i. Total (a. through h.)	\$ 35,839.90
<i>(Carry forward to page 1)</i>		<i>(Carry forward to page 1)</i>	

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes (from Item I.C.5.)	\$ 3,134,081.27	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	\$ 215,280.20
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	\$ 18,165.08	d. Federal Transit Administration	
d. DOLA Grant		e. U.S. Corps of Engineers	
e. Other	\$ 63,440.17	f. Other Federal	\$ 1,000,000.00
f. Total (a. through e.)	\$ 81,605.25	g. Total (a. through f.)	\$ 1,215,280.20
4. Total (1. + 2. + 3.f)	\$ 3,215,686.52	3. Total (1. + 2.g)	\$ 1,215,280.20
<i>(Carry forward to page 1)</i>		<i>(Carry forward to page 1)</i>	

III. EXPENDITURES FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			\$ -
b. Engineering Costs			\$ -
c. Construction:			
(1). New Facilities			\$ -
(2). Capacity Improvements			\$ -
(3). System Preservation		\$ 1,489,087.63	\$ 1,489,087.63
(4). System Enhancement And Operation			\$ -
(5). Total Construction (1)+(2)+(3)+(4)	\$ -	\$ 1,489,087.63	\$ 1,489,087.63
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.4)	\$ -	\$ 1,489,087.63	\$ 1,489,087.63
<i>(Carry forward to page 1)</i>			

Notes and Comments:



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

To the Board of County Commissioners
Rio Blanco County, Colorado

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Rio Blanco County, Colorado, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise Rio Blanco County, Colorado's basic financial statements, and have issued our report thereon dated May 17, 2023.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

Blair and Associates, P.C.

Cedaredge, Colorado
May 17, 2023

Certified Public Accountants



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

To the Board of County Commissioners
Rio Blanco County, Colorado

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Rio Blanco County, Colorado's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Rio Blanco County, Colorado's major federal programs for the year ended December 31, 2022. Rio Blanco County, Colorado's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Rio Blanco County, Colorado complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2022.

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of Rio Blanco County, Colorado and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of Rio Blanco County, Colorado's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

Certified Public Accountants

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding City of X, State Y's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Rio Blanco County, Colorado's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Rio Blanco County, Colorado's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

Blair and Associates, P.C.

Cedaredge, Colorado
May 17, 2023

RIO BLANCO COUNTY
 Schedule of Findings and Questioned Costs
 For the Year Ended December 31, 2022

SECTION I – SUMMARY OF AUDITOR’S RESULTS

Financial Statements

Type of auditor’s report issued: UNMODIFIED

Internal control over financial reporting:

Material weakness identified. NONE NOTED

Significant deficiency identified that is not considered material weaknesses. NONE NOTED

Noncompliance material to financial statements noted. NONE NOTED

Federal Awards

Internal control over major programs: Material weakness identified. NONE NOTED

Significant deficiency identified that is not considered material weaknesses. NONE NOTED

Type of auditor’s report issued: UNMODIFIED

Any auditing findings that are required to be reported in accordance with the Uniform Guidance NONE NOTED

Identification of major program:

20.106 Airport Improvement Grant

20.205 Federal-Aid & Federal Lands Program Highway Program

Rio Blanco County
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2022

Dollar threshold used to distinguish between Type A and type B programs	\$750,000
Auditee qualified as low-risk auditee.	YES

SECTION II – FINANCIAL STATEMENT FINDINGS

There were no financial findings for the year ended December 31, 2022

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There were no Federal Award Findings or Questioned Costs for the year ending December 31, 2022.

SECTION IV – PRIOR YEAR FINDINGS AND QUESTIONED COSTS.

There were no prior year findings or questioned costs.

Rio Blanco County
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2022

C.F.D.A. PROGRAM TITLE	C.F.D.A. PROGRAM NUMBER	AMOUNT OF EXPENDITURES
U.S. DEPARTMENT OF AGRICULTURE		
<i>Passed through CO Dept. of Human Services</i>		
SNAP Cluster:		
Supplemental Nutrition Assistance Program Benefits (Food Stamps) - Fed Incentives	10.551	53
State Administrative Matching Grants for Food Stamp Program	10.561	91,271
Total SNAP Cluster		91,324
<i>Passed through CO Dept. Public Health & Environment</i>		
Special Supplemental Nutrition Program for Women, Infants and Children	10.557	54,430
Special Supplemental Nutrition Program for Women, etc. - Non-Cash	10.557	80,340
		134,770
<i>Passed through CO Division of Local Affairs</i>		
Forest Service Schools & Roads Cluster:		
Forest Service Title I	10.665	105,056
Forest Service Title III (2000 SRS Act)	10.665	28,979
Total Forest Service Schools & Roads Cluster		134,035
Total		360,129
U.S. DEPARTMENT OF THE INTERIOR		
<i>Direct assistance</i>		
Invasive and Noxious Plant Management	15.230	842
Total		842
U.S. DEPARTMENT OF JUSTICE		
Edward Byrne Memorial Justice Assistance Grant Program	16.738	16,579
Total		16,579
U.S. DEPARTMENT OF TRANSPORTATION		
<i>Direct assistance</i>		
Airport Improvement Grants (Meeker)	20.106 *	36,417
Airport Improvement Grants (Rangely)	20.106 *	721,132
<i>Passed through CO Department of Transportation</i>		
Federal-Aid Highway Program & Federal Lands Highway Program	20.205 *	60,000
		817,549
Total		817,549
U.S. DEPARTMENT OF THE TREASURY		
<i>Direct assistance</i>		
Coronavirus State and Local Fiscal Recovery Funds	21.027	456,338
<i>Passed through CO Dept. of Human Services</i>		
Coronavirus State and Local Fiscal Recovery Funds	21.027	3,053
Total		459,386
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES		
<i>Passed through CO Dept. Public Health & Environment</i>		
Family Planning	93.217	1,173
Immunization Grants	93.268	4,486
Immunization Grants - Addtl Fed Funding	93.268	3,513
Immunization Grants - IMMZ #3	93.268	64,273
Epidemiology & Laboratory Capacity for Infectious Diseases	93.323	130,384
Epidemiology & Laboratory Capacity for Infectious Diseases #2	93.323	66,981
PHE Response: Cooperative Agreement for Emerg Response: Public Health Crisis	93.354	27,515
Maternal and Child Health Services Block Grant to the States	93.994	6,477
Emergency Preparedness and Response	93.069	8,227
Preventive Health and Health Services Block Grant	93.991	1,168
Preventive Health Services - Sexually Transmitted Diseases Control Grants	93.977	2,000
		316,197
<i>Passed through Mesa County Department of Human Services</i>		
Aging Cluster:		
Nutrition - Parts C1 and C2 Administration	93.045	94,021
NSIP - Nutrition Services	93.053	8,693
Total Aging Cluster		102,714
<i>Passed through CO Division of Local Affairs</i>		
Community Services Block Grant Formula and Discretionary Awards - Community Food and Nutrition Programs (CSBG)	93.569	58,505
		58,505
<i>Passed through CO Dept. of Human Services</i>		
Guardianship Assistance	93.090	4,503
Promoting Safe and Stable Families	93.556	377
Child Support Enforcement	93.563	38,676
Child Welfare Services - State Grants	93.645	8,936
Foster Care - Title IV-E	93.658	146,620
Adoption Assistance	93.659	41,008
Social Services Block Grant	93.667	17,703
Elder Abuse Prevention Interventions Program	93.747	7,758
		265,581
TANF Cluster		
Temporary Assistance for Needy Families	93.558	147,768
Total TANF Cluster		147,768
CCDF Cluster:		
Child Care and Development Block Grant	93.575	18,210
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	20,999
Total CCDF Cluster		39,209
<i>Passed through Dept. of Health Care Policy and Financing</i>		
Medicaid Cluster:		
Medical Assistance Program	93.778	94,448
Total Medicaid Cluster		94,448
Total		1,024,421
Grand Total		2,678,907

* Denotes Major Program

RIO BLANCO COUNTY, COLORADO
Notes to schedule of Expenditures of Federal Awards
December 31, 2022

Note A – Basis of Presentation

The accompanying schedule of expenditures of federal awards includes federal grant activity of Rio Blanco County, Colorado and is presented on the accrual basis of accounting.

The information in this schedule is presented in accordance with the requirements Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Costs Principles, and Audit Requirements of Federal Awards (Uniform Guidance).

The 10% de Minimis rule is not used.