

**SAGUACHE COUNTY, COLORADO**

**FINANCIAL STATEMENTS**

**December 31, 2022**



Wall,  
Smith,  
Bateman Inc.  
Certified Public Accountants

**SAGUACHE COUNTY, COLORADO**  
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# INDEPENDENT AUDITORS' REPORT



Wall,  
Smith,  
Bateman Inc.

To the Board of County Commissioners  
Saguache County, Colorado  
Saguache, Colorado

## Report on the Audit of the Financial Statements

### *Opinions*

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Saguache County, Colorado (the County), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County, as of December 31, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### *Basis for Opinions*

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

### *Emphasis of Matter*

#### *Change in Accounting Principle*

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

### *Responsibilities of Management for the Financial Statements*

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

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

**Certified Public Accountants**

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### ***Auditors' Responsibilities for the Audit of the Financial Statements***

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

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

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

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

### ***Required Supplementary Information***

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

Accounting principles generally accepted in the United States of America require that the budgetary comparison information, as listed in the table of contents, be presented to supplement the basic financial statements. Such

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

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying combining nonmajor fund financial statements, the schedule of expenditures of federal awards, and the Local Highway Finance Report as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, the schedule of expenditures of federal awards, and the Local Highway Finance Report are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated August 16, 2023 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

*Wall, Smith, Bateman Inc*

Wall, Smith, Bateman Inc.  
Alamosa, Colorado

August 16, 2023

**SAGUACHE COUNTY, COLORADO**

**BASIC FINANCIAL STATEMENTS**

# SAGUACHE COUNTY, COLORADO

## STATEMENT OF NET POSITION

December 31, 2022

	Primary Government		TOTAL
	Governmental Activities	Business-Type Activities	
<b>ASSETS</b>			
<b>Current Assets:</b>			
Cash and Cash Equivalents	\$ 15,750,669	\$ 253,023	\$ 16,003,692
Accounts Receivable	90,793	254	91,047
Property Taxes Receivable	2,159,457	-	2,159,457
Due from Other Governments	333,337	-	333,337
Inventory	1,151,250	-	1,151,250
<b>Total Current Assets</b>	19,485,506	253,277	19,738,783
<b>Noncurrent Assets:</b>			
Capital assets not being depreciated:	468,970	114,000	582,970
Capital assets, net of accumulated depreciation:	5,421,900	164,891	5,586,791
<b>Total Noncurrent Assets</b>	5,890,870	278,891	6,169,761
<b>TOTAL ASSETS</b>	25,376,376	532,168	25,908,544
<b>LIABILITIES</b>			
<b>Current Liabilities:</b>			
Accounts Payable	206,075	5,310	211,385
Security Deposits	210,000	11,238	221,238
Unearned Grant Revenue	2,932,859	-	2,932,859
Notes Payable	-	12,329	12,329
Leases Payable	38,576	-	38,576
Financed Purchase Agreements Payable	-	-	-
Compensated Absences	13,422	-	13,422
<b>Total Current Liabilities</b>	3,400,932	28,877	3,429,809
<b>Noncurrent Liabilities:</b>			
Notes Payable	-	239,220	239,220
Financed Purchased Agreements Payable	-	-	-
Leases Payable	67,521	-	67,521
Compensated Absences	285,793	-	285,793
Closure and Post Closure Costs	747,485	-	747,485
<b>Total Noncurrent Liabilities</b>	1,100,799	239,220	1,340,019
<b>TOTAL LIABILITIES</b>	4,501,731	268,097	4,769,828
<b>DEFERRED INFLOWS OF RESOURCES - CURRENT</b>			
Deferred Revenue - Property Tax	2,159,457	-	2,159,457
<b>NET POSITION</b>			
Net Investment in Capital Assets	5,784,773	27,342	5,812,115
Restricted for TABOR	400,000	-	400,000
Unrestricted	12,530,415	236,729	12,767,144
<b>TOTAL NET POSITION</b>	\$ 18,715,188	\$ 264,071	\$ 18,979,259

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

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

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	TOTAL
<b>Primary Government:</b>							
<b>Governmental Activities:</b>							
General Government	\$ 5,505,675	\$ 1,029,459	\$ 1,584,534	\$ -	\$ (2,891,682)	\$ -	\$ (2,891,682)
Public Safety	2,054,859	128,613	155,550	-	(1,770,696)	-	(1,770,696)
Health and Welfare	7,858,075	158,435	7,454,366	95,772	(149,502)	-	(149,502)
Public Works	3,514,088	396,898	3,171,135	-	53,945	-	53,945
Culture and Recreation	513,123	-	47,264	-	(465,859)	-	(465,859)
Interest on Long-Term Debt	-	-	-	-	-	-	-
<b>Total Governmental Activities</b>	<b>19,445,820</b>	<b>1,713,405</b>	<b>12,412,849</b>	<b>95,772</b>	<b>(5,223,794)</b>	<b>-</b>	<b>(5,223,794)</b>
<b>Business-Type Activities:</b>							
Housing Authority	373,206	151,714	247,216	-	-	25,724	25,724
<b>Total Business-Type Activities</b>	<b>373,206</b>	<b>151,714</b>	<b>247,216</b>	<b>-</b>	<b>-</b>	<b>25,724</b>	<b>25,724</b>
<b>Total Primary Government</b>	<b>\$ 19,819,026</b>	<b>\$ 1,865,119</b>	<b>\$ 12,660,065</b>	<b>\$ 95,772</b>	<b>(5,223,794)</b>	<b>25,724</b>	<b>(5,198,070)</b>
<b>General Revenues:</b>							
Taxes:							
General Property Taxes - Net					2,133,433	-	2,133,433
Sales Taxes					2,237,375	-	2,237,375
Other Taxes					633,218	-	633,218
Payment in Lieu of Taxes					1,176,056	-	1,176,056
Interest on Investments					159,410	293	159,703
Miscellaneous					612,527	10,510	623,037
<b>Total General Revenues</b>					<b>6,952,019</b>	<b>10,803</b>	<b>6,962,822</b>
Change in Net Position					1,728,225	36,527	1,764,752
<b>Net Position - Beginning of Year</b>					<b>16,986,963</b>	<b>227,544</b>	<b>17,214,507</b>
<b>Net Position - Ending</b>					<b>\$ 18,715,188</b>	<b>\$ 264,071</b>	<b>\$ 18,979,259</b>

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

**SAGUACHE COUNTY, COLORADO**  
**GOVERNMENTAL FUNDS**  
**BALANCE SHEET**  
**December 31, 2022**

	GENERAL FUND	ROAD AND BRIDGE FUND	SOCIAL SERVICES FUND	PUBLIC SAFETY FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
<b>ASSETS</b>						
Cash and Investments	\$ 8,003,743	\$ 2,522,334	\$ 697,262	\$ 3,158,795	\$ 1,368,535	\$ 15,750,669
Accounts Receivable	-	-	(4,885)	-	95,678	90,793
Property Taxes Receivable	1,804,835	-	306,700	-	47,922	2,159,457
Due from Other Funds	11,440	1,677	-	-	5,005	18,122
Due from Other Governments	-	240,846	92,491	-	-	333,337
Inventory	-	1,151,250	-	-	-	1,151,250
<b>TOTAL ASSETS</b>	<b>\$ 9,820,018</b>	<b>\$ 3,916,107</b>	<b>\$ 1,091,568</b>	<b>\$ 3,158,795</b>	<b>\$ 1,517,140</b>	<b>\$ 19,503,628</b>
<b>LIABILITIES AND FUND BALANCE</b>						
<b>LIABILITIES</b>						
Accounts Payable	\$ 134,846	\$ 63,768	\$ -	\$ -	\$ 7,461	\$ 206,075
Security Deposits	210,000	-	-	-	-	210,000
Due to Other Funds	6,682	-	-	11,440	-	18,122
Deferred Grant Revenue	2,657,651	-	220,874	-	54,334	2,932,859
<b>TOTAL LIABILITIES</b>	<b>3,009,179</b>	<b>63,768</b>	<b>220,874</b>	<b>11,440</b>	<b>61,795</b>	<b>3,367,056</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unearned Revenue - Property Tax	1,804,835	-	306,700	-	47,922	2,159,457
<b>FUND BALANCE</b>						
Nonspendable	-	1,151,250	-	-	-	1,151,250
Restricted	400,000	-	-	-	-	400,000
Committed	1,315,000	2,701,089	563,994	3,147,355	1,407,423	9,134,861
Unassigned	3,291,004	-	-	-	-	3,291,004
<b>TOTAL FUND BALANCE</b>	<b>5,006,004</b>	<b>3,852,339</b>	<b>563,994</b>	<b>3,147,355</b>	<b>1,407,423</b>	<b>13,977,115</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 9,820,018</b>	<b>\$ 3,916,107</b>	<b>\$ 1,091,568</b>	<b>\$ 3,158,795</b>	<b>\$ 1,517,140</b>	<b>\$ 19,503,628</b>

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

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

<b>Total governmental fund balances</b>		\$ 13,977,115
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>		
<p>Capital assets and leased assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.</p>		5,890,870
<p>Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.</p>		
Compensated Absences	\$ (299,215)	
Landfill Closure and Post-Closure Costs	(747,485)	
Financed and Leased Purchase Agreements Payable	(106,097)	
		(1,152,797)
<b>Net position of governmental activities</b>		<b>\$ 18,715,188</b>

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

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

	GENERAL FUND	ROAD AND BRIDGE FUND	SOCIAL SERVICES FUND	PUBLIC SAFETY FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
<b>REVENUES</b>						
Taxes	\$ 2,435,509	\$ -	\$ 349,515	\$ 1,242,172	\$ 976,830	\$ 5,004,026
Intergovernmental Revenue	3,304,990	2,911,486	7,004,859	-	496,771	13,718,106
Licenses and Permits	280,635	36,380	-	-	-	317,015
Charges for Services	1,119,218	360,518	-	-	156,785	1,636,521
Interest on Deposits	159,368	-	42	-	-	159,410
Miscellaneous	574,121	6,934	24,373	-	7,099	612,527
<b>TOTAL REVENUES</b>	<b>7,873,841</b>	<b>3,315,318</b>	<b>7,378,789</b>	<b>1,242,172</b>	<b>1,637,485</b>	<b>21,447,605</b>
<b>EXPENDITURES</b>						
Current Expenditures:						
General Government	4,996,368	-	-	-	-	4,996,368
Public Safety	1,692,255	-	-	133,639	161,362	1,987,256
Health and Welfare	6,776	-	7,244,053	-	642,606	7,893,435
Public Works	45,825	3,209,359	-	-	145,943	3,401,127
Culture and Recreation	143,465	-	-	-	369,658	513,123
Capital Outlay	561,726	443,914	-	-	27,517	1,033,157
Debt Service	33,504	108,258	-	-	-	141,762
<b>TOTAL EXPENDITURES</b>	<b>7,479,919</b>	<b>3,761,531</b>	<b>7,244,053</b>	<b>133,639</b>	<b>1,347,086</b>	<b>19,966,228</b>
Excess (deficiency) of revenues over expenditures	393,922	(446,213)	134,736	1,108,533	290,399	1,481,377
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers In	-	-	-	-	916,505	916,505
Transfers Out	(62,000)	-	-	-	(854,505)	(916,505)
Lease Proceeds	42,639	-	-	-	-	42,639
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(19,361)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>62,000</b>	<b>42,639</b>
Net Change in Fund Balance	374,561	(446,213)	134,736	1,108,533	352,399	1,524,016
<b>Fund Balance at Beginning of Year</b>	<b>4,631,443</b>	<b>4,298,552</b>	<b>429,258</b>	<b>2,038,822</b>	<b>1,055,024</b>	<b>12,453,099</b>
<b>Fund Balance at End of Year</b>	<b>\$ 5,006,004</b>	<b>\$ 3,852,339</b>	<b>\$ 563,994</b>	<b>\$ 3,147,355</b>	<b>\$ 1,407,423</b>	<b>\$ 13,977,115</b>

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

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

**Net change in fund balances - total governmental funds** \$ 1,524,016

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

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

Capital asset additions	\$	826,659	
Depreciation and amortization expense		(651,307)	
Deletions net of accumulated depreciation		-	
Lease asset additions		42,639	
		42,639	217,991

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

Financed Purchase Agreement Payments		218,050	
Lease Payments		43,059	
Lease Proceeds		(42,639)	
		218,470	218,470

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Compensated Absences		(51,403)	
Landfill Closure and Post-Closure Costs		(180,849)	
		(232,252)	(232,252)

**Change in net position of governmental funds** \$ 1,728,225

**SAGUACHE COUNTY, COLORADO**  
**PROPRIETARY FUND TYPES**  
**STATEMENT OF NET POSITION**  
**December 31, 2022**

	<b>Business-type Activities</b>
	<b>HOUSING AUTHORITY</b>
<b>ASSETS</b>	
<b>Current Assets:</b>	
Cash and Cash Equivalents	\$ 253,023
Accounts Receivable	254
Total Current Assets	253,277
<b>Noncurrent Assets:</b>	
Capital Assets:	
Capital assets not being depreciated:	114,000
Capital assets, net of accumulated depreciation:	164,891
Total Noncurrent Assets	278,891
<b>TOTAL ASSETS</b>	532,168
<b>LIABILITIES</b>	
<b>Current Liabilities:</b>	
Accounts Payable	5,310
Security Deposit	11,238
Notes Payable (current portion)	12,329
Total Current Liabilities	28,877
<b>Noncurrent Liabilities:</b>	
Notes Payable	239,220
Total Noncurrent Liabilities	239,220
<b>TOTAL LIABILITIES</b>	268,097
<b>NET POSITION</b>	
Net Investment in Capital Assets	27,342
Unrestricted	236,729
<b>TOTAL NET POSITION</b>	\$ 264,071

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

**SAGUACHE COUNTY, COLORADO**  
**PROPRIETARY FUND TYPES**  
**STATEMENT OF REVENUES, EXPENSES, AND**  
**CHANGES IN NET POSITION**  
**For the Year Ended December 31, 2022**

	<b>Business-type Activities</b>
	<b>HOUSING AUTHORITY</b>
<b>OPERATING REVENUES</b>	
Rent from Tenants	\$ 151,714
HUD Operating Subsidy	109,279
Contributions and Donations	117,937
Miscellaneous	10,510
	389,440
Total Charges for Services	389,440
<b>Total operating revenues</b>	<b>389,440</b>
<b>OPERATING EXPENSES</b>	
Administrative	109,330
Utilities	66,639
Operating and Maintenance	164,562
Insurance	12,969
Depreciation Expense	10,721
	364,221
<b>Total operating expenses</b>	<b>364,221</b>
Operating Income (Loss)	25,219
<b>NONOPERATING REVENUES (EXPENSES)</b>	
Interest on Investments	293
Grant Revenue	20,000
Interest Expense	(8,985)
	11,308
<b>Total Nonoperating Revenues (Expenses)</b>	<b>11,308</b>
<b>TRANSFERS AND CAPITAL CONTRIBUTIONS</b>	
Capital Contribution Transfer from General Fund	-
Changes in Net Position	36,527
<b>Net Position, Beginning of Year</b>	<b>227,544</b>
<b>Net Position, End of Year</b>	<b>\$ 264,071</b>

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

**SAGUACHE COUNTY, COLORADO**  
**PROPRIETARY FUND TYPES**  
**STATEMENT OF CASH FLOWS**  
**For the Year Ended December 31, 2022**

	<b>Business-type Activities</b>
	<b>HOUSING AUTHORITY</b>
<b>Cash flows from operating activities:</b>	
Cash received from tenants and others	\$ 164,668
Cash received from HUD operating subsidy	109,279
Cash paid to employees for services	(109,330)
Cash paid to suppliers and service providers	(120,923)
	43,694
Net cash provided (used) by operating activities:	43,694
<b>Cash flows from noncapital financing activities:</b>	
Grant Revenue	20,000
	20,000
Net cash provided (used) by noncapital financing activities	20,000
<b>Cash flows from capital and related financing activities:</b>	
Payment of note principal and interest	(53,164)
Purchase of Capital Assets	(5,300)
	(58,464)
Net cash provided (used) by capital and related financing activities	(58,464)
<b>Cash flows from investing activities:</b>	
Interest received	293
	293
Net cash provided (used) by investing activities	293
<b>Increase (decrease) in cash and investments</b>	5,523
<b>Cash and cash equivalents, Beginning of the Year</b>	247,500
<b>Cash and cash equivalents, End of the Year</b>	\$ 253,023
 <b>Operating income (loss)</b>	 \$ 25,219
<b>Adjustments to reconcile net income to net cash provided (used) by operating activities</b>	
Depreciation	10,721
(Increase) Decrease in Accounts Receivable	(254)
Increase (Decrease) in Accounts Payable	5,310
Increase (Decrease) in Security Deposits	2,698
	18,475
Total adjustments	18,475
<b>Net cash provided (used) by operating activities</b>	\$ 43,694
 <b>Noncash Noncapital Financing Activities</b>	
Contributions of repairs, maintenance, and materials	\$ 117,936

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

**SAGUACHE COUNTY, COLORADO**  
**FIDUCIARY FUND**  
**STATEMENT OF NET POSITION**  
**December 31, 2022**

	<u>PUBLIC TRUSTEE</u>	<u>COUNTY TREASURER</u>	<u>COUNTY SHERIFF</u>	<u>COUNTY CLERK</u>	<u>TOTAL CUSTODIAL FUNDS</u>
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 2,031	\$ 954,200	\$ 16,341	\$ 280,879	\$ 1,253,451
<b>TOTAL ASSETS</b>	<u>2,031</u>	<u>954,200</u>	<u>16,341</u>	<u>280,879</u>	<u>1,253,451</u>
<b>LIABILITIES</b>					
Due to Other Governments	-	954,200	-	121,826	1,076,026
Deposits held for Others	-	-	-	-	-
<b>TOTAL LIABILITIES</b>	<u>-</u>	<u>954,200</u>	<u>-</u>	<u>121,826</u>	<u>1,076,026</u>
<b>NET POSITION</b>					
Restricted for:					
Individuals, Organizations, and Other Governments	2,031	-	16,341	159,053	177,425
<b>TOTAL NET POSITION</b>	<u>\$ 2,031</u>	<u>\$ -</u>	<u>\$ 16,341</u>	<u>\$ 159,053</u>	<u>\$ 177,425</u>

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

**SAGUACHE COUNTY, COLORADO**  
**FIDUCIARY FUND**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**December 31, 2022**

	<b>PUBLIC TRUSTEE</b>	<b>COUNTY TREASURER</b>	<b>COUNTY SHERIFF</b>	<b>COUNTY CLERK</b>	<b>TOTAL CUSTODIAL FUNDS</b>
<b>ADDITIONS</b>					
Tax Collections for Other Governments	\$ -	\$ 7,003,472	\$ -	\$ -	\$ 7,003,472
Public Trustee Activity	11,129	-	-	-	11,129
Held for Others	-	-	71,200	2,208,788	2,279,988
Miscellaneous	-	6,971,370	-	-	6,971,370
Total Additions	<u>11,129</u>	<u>13,974,842</u>	<u>71,200</u>	<u>2,208,788</u>	<u>16,265,959</u>
<b>DEDUCTIONS</b>					
Taxes Disbursed	-	13,974,842	-	-	13,974,842
Public Trustee Disbursements	16,114	-	-	-	16,114
Funds Held for Others	-	-	79,037	2,349,517	2,428,554
Total Deductions	<u>16,114</u>	<u>13,974,842</u>	<u>79,037</u>	<u>2,349,517</u>	<u>16,419,510</u>
Net Increase (Decrease) in Fiduciary Net Position	<u>(4,985)</u>	<u>-</u>	<u>(7,837)</u>	<u>(140,729)</u>	<u>(153,551)</u>
Net Position - Beginning of the Year, Restated	<u>7,016</u>	<u>-</u>	<u>24,178</u>	<u>299,782</u>	<u>330,976</u>
Net Position - End of the Year	<u>\$ 2,031</u>	<u>\$ -</u>	<u>\$ 16,341</u>	<u>\$ 159,053</u>	<u>\$ 177,425</u>

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

**SAGUACHE COUNTY, COLORADO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**REPORTING ENTITY**

***Primary Government***

Saguache County is a political subdivision organized under the statutes of the State of Colorado. The County is governed by a three-member Board of County Commissioners (the Board). Each commissioner is elected at-large by the voters of the County to represent one of the three separate districts and must reside in the district for which he or she is elected. There are also six other elected officials - assessor, clerk and recorder, coroner, sheriff, district attorney, and treasurer. The treasurer is also the County Public Trustee.

The County provides a wide range of services to its residents including general administration, public safety, highways and streets, health and social services, public improvements, planning, zoning, airport, predatory animal and weed control.

***Component Units***

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

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

The Saguache County Housing Authority (the Authority) is administered and governed by the Saguache County Commissioners. The Authority is blended into the County's financial statements as an Enterprise Fund.

**GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

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

**SAGUACHE COUNTY, COLORADO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

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

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

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

**MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION**

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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

The County reports the following major governmental funds:

- The *General Fund* is the general operating fund of the County. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The *Road and Bridge Fund* is used to account for the maintenance and improvements of streets and highways. The sources of funds include highway users fees and other revenue sources.
- The *Social Services Fund* is used to account for the operations of social programs; i.e. Temporary Aid to Needy Families, Old Age Pension, Aid to the Blind, Aid to the Needy and Disabled, among others. Financing is provided by grants, allotments, and property tax revenue.
- The *Public Safety Fund* is used to account for an approved one and one-half sales tax revenue specifically to be used for the operations of law enforcement.

**SAGUACHE COUNTY, COLORADO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

Proprietary fund financial statements are used to account for activities, which are similar to those often found in the private sector. The measurement focus is based upon determination of net income, financial position, and cash flows. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All other revenues and expenses are reported as non-operating.

- The *Housing Authority Fund* is reported as an enterprise fund. The principal operating revenue of the Housing Authority Fund are monthly unit rental fees charged to tenants.

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

- The *Public Trustee Fund* was established to account for expenditures for the Public Trustee's Office. The Public Trustee is appointed by the Governor of Colorado for a four-year term. This office administers foreclosures including issuance of Public Trustee deeds, cure of default and lien redemptions.
- The *County Treasurer Fund* accounts for monies collected (principally tax collections) by the Saguache County Treasurer for various local government entities within the County.
- The *County Sheriff Fund* is used to account for funds collected for and disbursed for inmates and search and rescue.
- The *Clerk and Recorder Fund* accounts for four checking accounts for the collection of various taxes, fees, and surcharges which are reimbursed to the State of Colorado, other taxing entities and remaining funds are used at the Clerk's discretion.

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

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

***Cash***

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

***Investments***

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

***Property Taxes***

Property taxes attach as an enforceable lien on property as of January 1 each year. The taxes are payable in two installments on February 28 and June 15 or in full on April 30. The County Treasurer bills and collects all property taxes for the County. Property tax revenue is recognized by the County to the extent it results in a current receivable. The 2022 property tax levy due January 1, 2023 has been recorded in the financial statements as a receivable and a corresponding deferred inflow of resources in the financial statements.

**SAGUACHE COUNTY, COLORADO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

***Inventories and Prepaid Items***

Inventory is valued at the lower of cost (last-in, first-out) or market. Inventory in the Road and Bridge Fund consists of expendable supplies held for use. Reported inventories are equally offset by a fund balance reserve, which indicates that they do not constitute "available spendable resources", even though they are a component of net current assets. Inventory policy on government-wide statements is consistent with fund statements.

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

***Capital Assets***

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

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings and Improvements	7-40
Vehicles and Equipment	5-15
Infrastructure	25-40

***Leases***

Lessee: The County recognizes a lease liability and intangible right-to-use lease assets in the government-wide financial statements. The County recognizes lease liabilities with an initial, individual value of \$15,000 or more.

At the commencement of a lease, the County initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of the lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

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

- The County uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term include the noncancellable period of the leases. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the County is reasonably certain to exercise.

The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

**SAGUACHE COUNTY, COLORADO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

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

***Compensated Absences***

Annual leave may be accrued to the maximum of:

Under 5 years	144 hours
5 but less than 10 years	168 hours
10 - 15 or (20) years	192 hours

Upon separation from the County, an employee shall be paid for the amount of annual leave that he/she has accrued, subject to the limitation above. All vacation leave pay is accrued when incurred in the government-wide financial statements. A liability is reported in governmental funds only if they have matured, for example as a result of employee resignations or retirements.

***Unearned Revenue***

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

***Deferred Inflows 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.

***Net Position***

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

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

**SAGUACHE COUNTY, COLORADO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

***Fund Balance***

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

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

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

**SAGUACHE COUNTY, COLORADO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

	General Fund	Road and Bridge Fund	Social Services Fund	Public Safety Fund	Other Governmental Funds	Total Governmental Funds
Nonspendable						
Inventory	\$ -	1,151,250	\$ -	\$ -	\$ -	\$ 1,151,250
	-	1,151,250	-	-	-	1,151,250
Restricted						
TABOR	400,000	-	-	-	-	400,000
	400,000	-	-	-	-	400,000
Committed						
Contingencies	500,000	-	-	-	803,347	1,303,347
Capital Expenditures	415,000	-	-	-	-	415,000
Landfill	400,000	-	-	-	-	400,000
Public Safety	-	-	-	3,147,355	-	3,147,355
Health and Welfare	-	-	563,994	-	176,290	740,284
Highways and Streets	-	2,701,089	-	-	-	2,701,089
Culture and Recreation	-	-	-	-	281,944	281,944
Emergency Services	-	-	-	-	37,142	37,142
Renewable Energy	-	-	-	-	36,042	36,042
Crestone Fire Station	-	-	-	-	72,658	72,658
	1,315,000	2,701,089	563,994	3,147,355	1,407,423	9,134,861
Unassigned	3,291,004	-	-	-	-	3,291,004
Total Fund Balance	\$ 5,006,004	\$ 3,852,339	\$ 563,994	\$ 3,147,355	\$ 1,407,423	\$ 13,977,115

***Encumbrances***

The County does not record purchase orders in the accounting system until invoices are ready for payment. Unfulfilled purchase commitments outstanding at the end of the budget year are re-budgeted in the succeeding year.

***Use of Estimates***

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

***Reclassifications***

Certain reclassifications were made to fiscal year 2021 financial statements in order to conform to the fiscal year 2022 financial statement presentation.

**SAGUACHE COUNTY, COLORADO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

***New Accounting Pronouncements***

During fiscal year 2022, the County adopted the provisions of GASB Statement No. 87, *Leases*, that establishes a single model for lease accounting based on the foundational principle that leases are financing of the right to use an underlying asset. The standard requires the recognition of certain lease assets and liabilities for leases that previously were classified as operating leases. Under the statement, a lessee is required to recognize a lease liability and a tangible right to use asset, and a lesser is required to recognize a lease receivable, and a deferred inflow of resources. There is no effect on fund balance or net position as a result of the implementation of this standard. However, beginning lease assets and lease liabilities were restated by \$106,517 to reflect the net present value of financing leases as of December 31, 2021.

The County adopted the provisions of GASB Statement No. 84, *Fiduciary Activities*, that improves guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and post-employment benefit arrangements that are fiduciary activities. This Statement changed the reporting of fiduciary activities by defining the four types of fiduciary funds as pension and OPEB trust funds, investment trust funds, private-purpose trust funds, and custodial funds. Custodial funds have replaced what was previously known as agency funds, although the criteria are slightly different. Fiduciary net position for custodial funds was restated by \$330,976 to reflect the change in accounting principle.

**NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

***Budgets and Budgetary Accounting***

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

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

Formal budgetary integration is employed as a management control device for all funds of the County. All budgets are adopted on a basis consistent with U.S. generally accepted accounting principles (GAAP), with the exception of the enterprise funds which budget capital outlay versus depreciation expenses.

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

***Stewardship***

Expenditures in the Social Services Fund exceeded appropriations by \$541,441 during 2022. This may be a violation of Colorado State Statutes.

**SAGUACHE COUNTY, COLORADO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 3 CASH, DEPOSITS, AND INVESTMENTS**

A summary of cash, deposits, and investments for the County are as follow:

Cash on Hand	\$ 3,603
Cash Deposited in Banks	7,107,393
ColoTrust	4,302,557
C-SAFE	5,843,590
Total Cash, Deposits, and Investments (Book Balance)	17,257,143
Less amounts related to Trust & Agency Fund	(1,253,451)
Total Cash, Deposits, and Investments on Statement of Net Position	\$ 16,003,692

***Cash and Deposits***

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

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

***Custodial Credit Risk – Deposits***

The County’s investment policy addresses custodial credit risk. At December 31, 2022, \$7,354,383 was exposed to custodial credit risk. Those deposits exposed to credit risk are collateralized with securities held by the pledging financial institutions through PDPA.

***Investments***

The County’s investment policy and Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local government entities may invest. They include:

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

**SAGUACHE COUNTY, COLORADO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

***Custodial Credit Risk - Investments***

The County’s investment policy calls for investment diversification within the portfolio to avoid unreasonable risks inherent in over investing in specific instruments, individual financial institutions, or maturities. The policy allows for the investment in local government investment pools.

***Interest Rate Risk***

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

***Fair Value***

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

Colorado Government Liquid Asset Trust (ColoTrust) is an investment vehicle established for local government entities in Colorado pursuant to Part 7 of Article 75 of Title 24 of the Colorado Revised Statutes, to pool surplus funds for investment purposes. ColoTrust operates similarly to a money market fund and each share is equal in value to \$1.00. The fair value of the position in the pool is the same as the value of the pool shares. The designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. Substantially all securities owned by the pool are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian’s internal records identify the investments owned by the pool. Investments of the pools consist of U.S. Treasury bills, notes and note strips, and repurchase agreements collateralized by U.S. Treasury Notes. ColoTrust is rated AAAM by Standard and Poor’s.

The Colorado Surplus Asset Fund Trust (C-SAFE) investments are valued using the net asset value per share (or its equivalent) of the investments. The investments do not have any unfunded commitments, redemption restrictions or redemption notice periods. C-SAFE investments conform to Colorado Statutes CRS 24-75-601 et. seq. and therefore invests primarily in securities of the United States Treasury, United States Agencies, Primary Dealer Repurchase Agreements, highly rated commercial paper, highly rated corporate bonds, Colorado depositories collateralized at 102% of market value according to the guidelines of the Public Deposit Protection Act. C-SAFE measures all of its investments at amortized cost. C-SAFE is rated AAAM by Standard and Poor’s.

**NOTE 4 PROPERTY TAXES RECEIVABLE**

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

General Fund	\$	1,804,835
Social Services Fund		306,700
Public Health Fund		47,922
		47,922
	\$	2,159,457

**SAGUACHE COUNTY, COLORADO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 5 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

The County reports interfund balances between many of its funds. The balances result from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. Interfund balances are generally expected to be repaid within one year of the financial statement date.

Interfund receivable and payable balances at December 31, 2022, were as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Public Safety Fund	\$ 11,440
Road and Bridge Fund	General Fund	1,677
Conservation Trust Fund	General Fund	<u>5,005</u>
	Total	<u><u>\$ 18,122</u></u>

Interfund transfers for the year ended December 31, 2022, were as follows:

<u>Transfer In</u>	<u>Transfer Out</u>	<u>Amount</u>
Sales Tax - Youth and Seniors (Contingency) Fund	Sales Tax- Emergency Services Fund	\$ 314,990
	Sales Tax- Youth and Seniors Fund	142,317
	Sales Tax- Renewable Energy Fund	<u>397,198</u>
		854,505
Public Health Fund	General Fund	<u>62,000</u>
	Total	<u><u>\$ 916,505</u></u>

The General Fund transferred funds to supplement the Public Health Fund. The other Sales Tax Funds transferred to the Sales Tax Youth and Seniors (Contingency) Fund excess monies.

**SAGUACHE COUNTY, COLORADO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 6 CAPITAL ASSETS**

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

	Balance 12/31/2021	Additions	Deletions	Balance 12/31/2022
<b><i>Governmental Activities:</i></b>				
Capital assets not being depreciated:				
Land	\$ 231,693	\$ -	\$ -	\$ 231,693
Construction in Progress	-	237,277	-	237,277
Total capital assets not being depreciated	<u>231,693</u>	<u>237,277</u>	<u>-</u>	<u>468,970</u>
Capital assets being depreciated:				
Buildings and Improvements	7,846,233	37,071	38,324	7,844,980
Vehicles and Heavy Equipment	8,855,617	522,340	101,203	9,276,754
Equipment	663,609	29,971	76,200	617,380
Infrastructure	1,699,300	-	-	1,699,300
Total capital assets being depreciated	<u>19,064,759</u>	<u>589,382</u>	<u>215,727</u>	<u>19,438,414</u>
Lease assets being depreciated:				
Equipment	218,119	42,639	-	260,758
Total lease assets being depreciated	<u>218,119</u>	<u>42,639</u>	<u>-</u>	<u>260,758</u>
Less accumulated depreciation for:				
Buildings and Improvements	6,582,831	62,738	38,324	6,607,245
Vehicles and Heavy Equipment	6,343,966	464,049	101,203	6,706,812
Equipment	459,649	38,979	76,200	422,428
Infrastructure	343,644	42,482	-	386,126
Lease assets	111,602	43,059	-	154,661
Total accumulated depreciation	<u>13,841,692</u>	<u>651,307</u>	<u>215,727</u>	<u>14,277,272</u>
Total capital assets being depreciated, net	<u>5,441,186</u>	<u>(19,286)</u>	<u>-</u>	<u>5,421,900</u>
<b><i>Governmental Activities Capital Assets, net</i></b>	<b><u>\$ 5,672,879</u></b>	<b><u>\$ 217,991</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 5,890,870</u></b>

**SAGUACHE COUNTY, COLORADO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

	Balance 12/31/2021	Additions	Deletions	Balance 12/31/2022
<b><i>Business-type Activities:</i></b>				
Capital assets not being depreciated:				
Land	\$ 114,000	\$ -	\$ -	\$ 114,000
Total capital assets not being depreciated	114,000	-	-	114,000
Capital assets being depreciated:				
Buildings and Improvements	1,105,535	5,300	-	1,110,835
Furniture and Equipment	71,636	-	-	71,636
Total capital assets being depreciated	1,177,171	5,300	-	1,182,471
Less accumulated depreciation for:				
Buildings and Improvements	935,223	10,721	-	945,944
Furniture and Equipment	71,636	-	-	71,636
Total accumulated depreciation	1,006,859	10,721	-	1,017,580
Total capital assets being depreciated, net	284,312	(5,421)	-	278,891
<b><i>Business-type Activities Capital Assets, net</i></b>	<b>\$ 284,312</b>	<b>\$ (5,421)</b>	<b>\$ -</b>	<b>\$ 278,891</b>

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

Governmental Activities:

General Government	\$ 85,808
Public Safety	82,841
Health and Welfare	34,603
Public Works	448,055
Culture and Recreation	-
	\$ 651,307
	\$ 651,307

Business-type Activities:

Housing Authority	\$ 10,721
	\$ 10,721

**SAGUACHE COUNTY, COLORADO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 7 LONG-TERM LIABILITIES**

***Changes in Long-term Liabilities***

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

	12/31/2021			12/31/2022	Due Within
	Balance	Additions	Deletions	Balance	One Year
<i>Governmental Activities:</i>					
Financed Purchase Agreement	\$ 218,050	\$ -	\$ 218,050	\$ -	\$ -
Leases Payable	106,517	42,639	43,059	106,097	38,576
Landfill Closure and Post-Closure	566,636	180,849	-	747,485	-
Compensated Absences	247,812	51,403	-	299,215	13,422
<b>Total Governmental Activities</b>	<b>\$ 1,139,015</b>	<b>\$ 274,891</b>	<b>\$ 261,109</b>	<b>\$ 1,152,797</b>	<b>\$ 51,998</b>
<i>Business-Type Activities:</i>					
DOLA-Division of Housing	\$ 184,315	\$ -	\$ 43,223	\$ 141,092	\$ 11,307
US Department of Agriculture Blue Waters Hacienda Project, 2005	111,413	-	956	110,457	1,022
<b>Total Business-Type Activities</b>	<b>\$ 295,728</b>	<b>\$ -</b>	<b>\$ 44,179</b>	<b>\$ 251,549</b>	<b>\$ 12,329</b>

**GOVERNMENTAL ACTIVITIES:**

***Financed Purchase Agreements***

The County entered into a financed purchase agreement with Caterpillar Financial Services on June 13, 2018, in the amount of \$296,436, payable in 5 annual installments of \$59,287, beginning August 2019 at 4.550% interest, with final payment due in August 2023. This agreement was entered into for the purchase of a Caterpillar motor grader. These payments were made from the Road and Bridge Fund. Due to a prepayment the agreement was paid off in 2022. This asset is recorded in capital assets of the government-wide financial statements for a total of \$292,704 less accumulated depreciation of \$78,054 at December 31, 2022.

The County entered into a financed purchase agreement with Caterpillar Financial Services on September 5, 2018, in the amount of \$250,902, payable in 5 annual installments of \$57,233, beginning October 2018, at 4.550% interest, with a final payment due in October 2023. This agreement was entered into for the purchase of a Caterpillar motor grader. These payments were made from the Road and Bridge Fund. Due to a prepayment the agreement was paid off in 2022. This asset is recorded in capital assets of the government-wide financial statements for a total of \$281,635 less accumulated depreciation of \$75,103 at December 31, 2022.

***Lease Agreements***

The County, as a lessee, has entered into lease agreements for equipment with lease terms of 5 to 7 years. The total costs of these right-to-use lease assets are recorded as \$260,757 less accumulated depreciation of \$154,661. The County has determined that as of December 31, 2022, there is no loss associated with an impairment of the right-to-use lease asset.

**SAGUACHE COUNTY, COLORADO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

The future lease payments under lease agreements as of December 31, 2022 are as follows:

	Principal	Interest	Total
2023	\$ 38,576	\$ 12,777	\$ 51,353
2024	28,321	2,157	30,478
2025	26,069	1,049	27,118
2026	10,648	300	10,948
2027	2,483	25	2,508
	\$ 106,097	\$ 16,308	\$ 122,405

***Landfill Closure and Post-Closure Care Costs***

State and Federal law require the County to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. The County uses the “Local Government Finance Test” as its financial mechanism to assure full payment of all closure, post closure, and if applicable, corrective action estimated costs. The estimated liability for landfill closure and post closure care costs represents the County’s total current estimate of such future costs, and is based on the estimated amount to be paid if all equipment, facilities, and services required to close, monitor and maintain the landfill were acquired as of December 31, 2022. As of December 31, 2022, the County estimated that existing landfill capacity was approximately 60% utilized (filled), and that the existing landfill was expected to be filled to capacity in fiscal year 2042. The \$747,485 reported as landfill closure and post-closure care liability at December 31, 2022 represents the cumulative amount reported to date based on the use of 60% of the estimated capacity of the landfill. The aggregate estimated liability of \$1,245,808 is comprised of \$395,726 of estimated closure costs and \$850,082 of estimated post closure costs. The County will recognize the remaining estimated cost of closure and post-closure care of \$498,323 as the remaining estimated capacity is filled. However, the actual costs of closure and post closure may be higher, due to inflation, changes in technology, or changes in the landfill laws and regulations.

**BUSINESS-TYPE ACTIVITIES:**

***Colorado Department of Local Affairs – Division of Housing***

The Housing Authority has entered into a mortgage note payable with Colorado Department of Local Affairs – Division of Housing (DOH) to refinance the construction of two projects operated by the Housing Authority. The note has an original principal balance in the amount of \$341,000, maturing May 2033, payable in semi-annual blended payments of \$7,585 beginning November 30, 2003, and with a stated interest rate of 2% annum. The mortgage is secured by a deed of trust on the Housing Authority’s Puerto Del Norte Haciendas housing project, which is located in Saguache County.

The 2009 and 2010 payments were deferred due to cash flow shortages. Payments resumed in December 2011. The note maturity date was extended until December 2035. Due to extra payments made in 2022, the note maturity date was shortened back to May 2033.

***United States Department of Agriculture***

The Housing Authority has entered into a mortgage note payable with the United States Department of Agriculture (USDA), with an original principal amount of \$118,592, maturing December 2054, payable in blended monthly payments of \$528, and with a stated interest rate of 6.75% per annum. The mortgage note was entered into to refinance the construction of two projects operated by the Housing Authority and is secured by a deed of trust on the Housing Authority’s Blue Waters Haciendas housing project, which is located in Saguache County.

**SAGUACHE COUNTY, COLORADO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

The annual debt service for the mortgage notes payable is as follows:

	Principal	Interest	Total
2023	\$ 12,329	\$ 7,835	\$ 20,164
2024	13,970	7,534	21,504
2025	14,280	7,221	21,501
2026	14,600	6,905	21,505
2027	14,735	6,770	21,505
2028-2032	79,356	28,168	107,524
2033-2037	17,434	20,231	37,665
2038-2042	16,122	15,549	31,671
2043-2047	22,572	9,099	31,671
2048-2052	31,604	1,362	32,966
2053-2056	14,547	-	14,547
	\$ 251,549	\$ 110,674	\$ 362,223

**NOTE 8 EMPLOYEE BENEFITS**

***Pension Plans***

The County provides a participatory salary deferral plan under Internal Revenue Code (IRC) section 401(k), a defined contribution plan, administered by Principal Financial Group, for all County employees over the age of 18 with more than six months of employment with the County. Participating employees may contribute, on a tax-deferred basis, any whole percentage of their total pay each period to the Plan. Federal law limits the deferral amounts in any tax year. The County matches 100% of the first 5% contributed by each employee. The County's matching contributions vest with the employee over a 4-year period. Nonvested County contributions are forfeited upon termination of employment. Such forfeitures are used to cover a portion of the pension plan's administrative expenses. Plan provisions and contribution requirements are established and may be amended by the Board of County Commissioners.

For the year ended December 31, 2022, total employee contributions to the Plan were \$122,490 and the County recognized pension expense of \$104,903. The County recognized \$377 of forfeitures in retirement expense during 2022.

***Cafeteria Plan***

The County also offers its employees a cafeteria compensation plan organized under Section 125 of the Internal Revenue Code, which includes the following benefits: medical, disability, accident and/or term life insurance, and health expense reimbursement. No cost to the County is recognized, as the plan is a salary reduction plan.

***Post-Employment Health Care Benefits***

All County employees covered by COBRA insurance may continue their health insurance after a reduction in work hours or termination of employment. The County recognizes no cost for such coverage, as those electing to continue COBRA coverage must reimburse the County for 100% of their premium cost for the extended coverage period.

**SAGUACHE COUNTY, COLORADO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 9 COLORADO CONTRABAND FORFEITURE ACT**

The County has reviewed financial activities in the Sheriff's Department for compliance with the above referenced act. There were no sales of contraband during the year ended December 31, 2022.

**NOTE 10 TABOR AMENDMENT RESERVE**

In November 1992, Colorado voters amended Article X of the Colorado Constitution by adding section 20; commonly known as the Taxpayer's Bill of Rights ("TABOR"). TABOR contains revenue, spending, tax and debt limitations that apply to the State of Colorado and local governments. TABOR requires, with certain exceptions, advance voter approval for any new tax, tax rate policy change directly causing a net tax revenue gain to any local government.

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

Except for refinancing bonded debt at a lower interest rate or adding new employees to existing pension plans, TABOR requires advance voter approval for the creation of any multiple-fiscal year debt or other obligation unless adequate present cash reserves are pledged irrevocably and held for payments in all future fiscal years.

TABOR also required local governments to establish emergency reserves to be used for declared emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. These reserves are required to be 3% or more of fiscal year spending. Fiscal year spending excludes enterprise spending. The Emergency Reserve has been presented as a restriction of fund balance in the County funds and restricted net position on the Statement of Net Position.

The County's management believes it is in compliance with the financial provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of its provisions, including the interpretation of how to calculate fiscal year spending limits, will require judicial interpretation.

The electorate of the County passed a referendum allowing the County to collect and expend the full revenues generated during 1997 and each subsequent year, from its existing tax rates, to receive and expand all sales and property revenues without regard to Article X, Section 20 of the Colorado Constitution of law. Approval of this question does not authorize any increase in property tax rates of any kind above the 1995 rates.

**NOTE 11 RISK MANAGEMENT**

***Colorado Counties Casualty and Property Pool (CAPP)***

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

**SAGUACHE COUNTY, COLORADO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

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

***Colorado Workers' Compensation Pool (CWCP)***

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

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

**NOTE 12 COMMITMENTS AND CONTINGENCIES**

***Grant Programs***

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

***Litigation***

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

***Insurance Pools***

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

***Construction Projects***

*Saguache Clinic* – Saguache Clinic reconstruction started in July 2022 and should be completed in March 2024. The total cost is estimated at \$335,000 with funding provided by a Grant Award of 74.61% or \$250,000 and the County cash match of 25.39% or \$85,000.

## **SAGUACHE COUNTY, COLORADO**

### **REQUIRED SUPPLEMENTARY INFORMATION**

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

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

	<b>BUDGETED AMOUNTS</b>		<b>ACTUAL</b>	<b>VARIANCE WITH</b>
	<b>ORIGINAL</b>	<b>FINAL</b>		<b>FINAL BUDGET</b>
				<b>POSITIVE</b>
				<b>(NEGATIVE)</b>
<b>REVENUES</b>				
Taxes	\$ 2,667,354	\$ 2,667,354	\$ 2,435,509	\$ (231,845)
Intergovernmental Revenue	3,121,245	5,557,634	3,304,990	(2,252,644)
Licenses and Permits	220,600	220,600	280,635	60,035
Charges for Services	1,097,742	1,097,742	1,119,218	21,476
Interest Revenue	14,100	14,100	159,368	145,268
Miscellaneous	217,575	361,041	574,121	213,080
<b>TOTAL REVENUES</b>	<b>7,338,616</b>	<b>9,918,471</b>	<b>7,873,841</b>	<b>(2,044,630)</b>
<b>EXPENDITURES</b>				
General Government	5,237,476	5,579,660	4,996,368	583,292
Public Safety	1,933,705	2,023,705	1,692,255	331,450
Health and Welfare	12,300	12,300	6,776	5,524
Public Works	38,000	38,000	45,825	(7,825)
Culture and Recreation	-	143,465	143,465	-
Capital Outlay	47,120	431,209	561,726	(130,517)
Debt Service	30,865	30,865	33,504	(2,639)
<b>TOTAL EXPENDITURES</b>	<b>7,299,466</b>	<b>8,259,204</b>	<b>7,479,919</b>	<b>779,285</b>
Excess (deficiency) of revenues over expenditures	39,150	1,659,267	393,922	(1,265,345)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	(89,000)	(62,000)	27,000
Lease Proceeds	-	-	42,639	42,639
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>(89,000)</b>	<b>(19,361)</b>	<b>69,639</b>
Net Change in Fund Balance	39,150	1,570,267	374,561	(1,195,706)
<b>Fund Balance at Beginning of Year</b>	<b>4,631,443</b>	<b>4,631,443</b>	<b>4,631,443</b>	<b>(1,315,000)</b>
<b>Fund Balance at End of Year</b>	<b>\$ 4,670,593</b>	<b>\$ 6,201,710</b>	<b>\$ 5,006,004</b>	<b>\$ (2,510,706)</b>

**Notes to Required Supplementary Information**

The basis of budgeting is the same as GAAP.  
The schedule is presented on the GAAP basis.

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

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
<b>REVENUES</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental Revenue	3,105,000	4,059,047	2,911,486	(1,147,561)
License and Permits	34,000	34,000	36,380	2,380
Charges for Services	409,500	409,500	360,518	(48,982)
Miscellaneous	3,000	3,000	6,934	3,934
<b>TOTAL REVENUES</b>	<b>3,551,500</b>	<b>4,505,547</b>	<b>3,315,318</b>	<b>(1,190,229)</b>
<b>EXPENDITURES</b>				
Public Works	3,087,366	4,162,547	3,209,359	953,188
Capital Outlay	225,000	225,000	443,914	(218,914)
Debt Service	119,000	119,000	108,258	10,742
<b>TOTAL EXPENDITURES</b>	<b>3,431,366</b>	<b>4,506,547</b>	<b>3,761,531</b>	<b>745,016</b>
Excess (deficiency) of revenues over expenditures	120,134	(1,000)	(446,213)	(445,213)
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of Capital Assets	1,000	1,000	-	(1,000)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>1,000</b>	<b>1,000</b>	<b>-</b>	<b>(1,000)</b>
Net Change in Fund Balance	121,134	-	(446,213)	(446,213)
<b>Fund Balance at Beginning of Year</b>	<b>4,298,552</b>	<b>4,298,552</b>	<b>4,298,552</b>	<b>-</b>
<b>Fund Balance at End of Year</b>	<b>\$ 4,419,686</b>	<b>\$ 4,298,552</b>	<b>\$ 3,852,339</b>	<b>\$ (446,213)</b>

**Notes to Required Supplementary Information**

The basis of budgeting is the same as GAAP.

The schedule is presented on the GAAP basis.

**SAGUACHE COUNTY, COLORADO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL**  
**SOCIAL SERVICES FUND**  
**For the Year Ended December 31, 2022**

	<b>BUDGETED AMOUNTS</b>		<b>ACTUAL</b>	<b>VARIANCE WITH</b>
	<b>ORIGINAL</b>	<b>FINAL</b>		<b>FINAL BUDGET</b>
				<b>POSITIVE</b>
				<b>(NEGATIVE)</b>
<b>REVENUES</b>				
Taxes	\$ 300,386	\$ 300,386	\$ 349,515	\$ 49,129
Intergovernmental Revenue	1,681,860	6,681,860	7,004,859	322,999
Interest Revenue	-	-	42	42
Miscellaneous	-	-	24,373	24,373
<b>TOTAL REVENUES</b>	<b>1,982,246</b>	<b>6,982,246</b>	<b>7,378,789</b>	<b>396,543</b>
<b>EXPENDITURES</b>				
Health and Welfare	1,702,612	6,702,612	7,244,053	(541,441)
<b>TOTAL EXPENDITURES</b>	<b>1,702,612</b>	<b>6,702,612</b>	<b>7,244,053</b>	<b>(541,441)</b>
Net Change in Fund Balance	279,634	279,634	134,736	(144,898)
<b>Fund Balance at Beginning of Year</b>	<b>429,560</b>	<b>429,560</b>	<b>429,258</b>	<b>-</b>
<b>Fund Balance at End of Year</b>	<b>\$ 709,194</b>	<b>\$ 709,194</b>	<b>\$ 563,994</b>	<b>\$ (144,898)</b>

**Notes to Required Supplementary Information**

The basis of budgeting is the same as GAAP.  
The schedule is presented on the GAAP basis.

**SAGUACHE COUNTY, COLORADO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL**  
**PUBLIC SAFETY FUND**  
**For the Year Ended December 31, 2022**

	<b>BUDGETED AMOUNTS</b>		<b>ACTUAL</b>	<b>VARIANCE WITH</b>
	<b>ORIGINAL</b>	<b>FINAL</b>		<b>FINAL BUDGET</b>
				<b>POSITIVE</b>
				<b>(NEGATIVE)</b>
<b>REVENUES</b>				
Taxes	\$ 700,000	\$ 700,000	\$ 1,242,172	\$ 542,172
Intergovernmental Revenue	-	-	-	-
Miscellaneous	-	-	-	-
<b>TOTAL REVENUES</b>	<b>700,000</b>	<b>700,000</b>	<b>1,242,172</b>	<b>542,172</b>
<b>EXPENDITURES</b>				
Public Safety	130,000	130,000	133,639	(3,639)
Capital Outlay	200,000	200,000	-	200,000
<b>TOTAL EXPENDITURES</b>	<b>330,000</b>	<b>330,000</b>	<b>133,639</b>	<b>196,361</b>
Excess (deficiency) of revenues over expenditures	370,000	370,000	1,108,533	738,533
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of Capital Assets	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Change in Fund Balance	370,000	370,000	1,108,533	738,533
<b>Fund Balance at Beginning of Year</b>	<b>2,038,822</b>	<b>2,038,822</b>	<b>2,038,822</b>	<b>-</b>
<b>Fund Balance at End of Year</b>	<b>\$ 2,408,822</b>	<b>\$ 2,408,822</b>	<b>\$ 3,147,355</b>	<b>\$ 738,533</b>

**Notes to Required Supplementary Information**

The basis of budgeting is the same as GAAP.

The schedule is presented on the GAAP basis.

# **SAGUACHE COUNTY, COLORADO**

## **SUPPLEMENTARY INFORMATION**

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

**SAGUACHE COUNTY, COLORADO**  
**NONMAJOR GOVERNMENTAL FUNDS**

**SPECIAL REVENUE FUNDS**

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

**PUBLIC HEALTH FUND**– This fund is used to account for multiple programs of providing health services to County residents. Financing is provided by grants and fees for services.

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

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

**SALES TAX – EMERGENCY SERVICES FUND, SALES TAX – YOUTH AND SENIORS FUND, AND SALES TAX – RENEWABLE ENERGY FUND** – These funds are used to account for the expenditure of County sales tax collected for emergency services, youth and senior activities, and renewable energy activities, respectively.

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

	NONMAJOR SPECIAL REVENUE FUNDS							TOTAL NONMAJOR GOVERNMENTAL
	PUBLIC HEALTH FUND	CONSERVATION TRUST FUND	TOURISM FUND	SALES TAX- EMERGENCY SERVICES FUND	SALES TAX- YOUTH AND SENIORS FUND	SALES TAX- RENEWABLE ENERGY FUND	TOTAL	
<b>ASSETS</b>								
Cash and Cash Equivalents	\$ 138,738	\$ 107,205	\$ 135,861	\$ 37,142	\$ 913,547	\$ 36,042	\$ 1,368,535	
Accounts Receivable	95,678	-	-	-	-	-	95,678	
Property Tax Receivable	47,922	-	-	-	-	-	47,922	
Due from Other Governments	-	-	-	-	-	-	-	
Due from Other Funds	-	5,005	-	-	-	-	5,005	
<b>TOTAL ASSETS</b>	<b>\$ 282,338</b>	<b>\$ 112,210</b>	<b>\$ 135,861</b>	<b>\$ 37,142</b>	<b>\$ 913,547</b>	<b>\$ 36,042</b>	<b>\$ 1,517,140</b>	
<b>LIABILITIES AND FUND BALANCE</b>								
<b>LIABILITIES</b>								
Accounts Payable	\$ 3,792	-	\$ 3,000	-	\$ 669	-	\$ 7,461	
Due to Other Funds	-	-	-	-	-	-	-	
Deferred Grant Revenue	54,334	-	-	-	-	-	54,334	
<b>TOTAL LIABILITIES</b>	<b>58,126</b>	<b>-</b>	<b>3,000</b>	<b>-</b>	<b>669</b>	<b>-</b>	<b>61,795</b>	
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Unearned Revenue - Property Tax	47,922	-	-	-	-	-	47,922	
<b>FUND BALANCE</b>								
Committed	176,290	112,210	132,861	37,142	912,878	36,042	1,407,423	
<b>TOTAL FUND BALANCE</b>	<b>176,290</b>	<b>112,210</b>	<b>132,861</b>	<b>37,142</b>	<b>912,878</b>	<b>36,042</b>	<b>1,407,423</b>	
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 282,338</b>	<b>\$ 112,210</b>	<b>\$ 135,861</b>	<b>\$ 37,142</b>	<b>\$ 913,547</b>	<b>\$ 36,042</b>	<b>\$ 1,517,140</b>	

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

	NONMAJOR SPECIAL REVENUE FUNDS							TOTAL NONMAJOR GOVERNMENTAL
	PUBLIC HEALTH FUND	CONSERVATION TRUST FUND	TOURISM FUND	EMERGENCY SERVICES FUND	SALES TAX- YOUTH AND SENIORS FUND	SALES TAX- RENEWABLE ENERGY FUND	SALES TAX-	
<b>REVENUES</b>								
Taxes	\$ 54,604	\$ -	\$ 94,112	\$ 268,788	\$ 290,538	\$ 268,788	\$ 976,830	
Intergovernmental Revenue	449,507	47,264	-	-	-	-	496,771	
Charges for Services	156,785	-	-	-	-	-	156,785	
Miscellaneous	236	-	-	-	-	6,863	7,099	
<b>TOTAL REVENUES</b>	<b>661,132</b>	<b>47,264</b>	<b>94,112</b>	<b>268,788</b>	<b>290,538</b>	<b>275,651</b>	<b>1,637,485</b>	
<b>EXPENDITURES</b>								
Current Expenditures								
General Government	-	-	-	-	-	-	-	
Public Safety	-	-	-	161,362	-	-	161,362	
Health and Welfare	642,606	-	-	-	-	-	642,606	
Public Works	-	-	-	-	-	145,943	145,943	
Culture and Recreation	-	39,998	53,466	-	276,194	-	369,658	
Capital Outlay	27,517	-	-	-	-	-	27,517	
<b>TOTAL EXPENDITURES</b>	<b>670,123</b>	<b>39,998</b>	<b>53,466</b>	<b>161,362</b>	<b>276,194</b>	<b>145,943</b>	<b>1,347,086</b>	
Excess (deficiency) of revenues over expenditures	(8,991)	7,266	40,646	107,426	14,344	129,708	290,399	
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfer In	62,000	-	-	-	854,505	-	916,505	
Transfer Out	-	-	-	(314,990)	(142,317)	(397,198)	(854,505)	
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>62,000</b>	<b>-</b>	<b>-</b>	<b>(314,990)</b>	<b>712,188</b>	<b>(397,198)</b>	<b>62,000</b>	
Net Change in Fund Balance	53,009	7,266	40,646	(207,564)	726,532	(267,490)	352,399	
<b>Fund Balance at Beginning of Year</b>	<b>123,281</b>	<b>104,944</b>	<b>92,215</b>	<b>244,706</b>	<b>186,346</b>	<b>303,532</b>	<b>1,055,024</b>	
<b>Fund Balance at End of Year</b>	<b>\$ 176,290</b>	<b>\$ 112,210</b>	<b>\$ 132,861</b>	<b>\$ 37,142</b>	<b>\$ 912,878</b>	<b>\$ 36,042</b>	<b>\$ 1,407,423</b>	

**SAGUACHE COUNTY, COLORADO**  
**ENTERPRISE FUND TYPES**  
**COMBINING SCHEDULE OF NET POSITION**  
**December 31, 2022**

	<b>HOUSING AUTHORITY</b>			<b>TOTAL ENTERPRISE FUND</b>
	<b>SAGUACHE HOUSING AUTHORITY</b>	<b>BLUE WATERS</b>	<b>PUERTO DEL NORTE HACIENDAS</b>	
<b>ASSETS</b>				
<b>Current Assets:</b>				
Cash and Cash Equivalents	\$ 24,240	\$ 125,995	\$ 102,788	\$ 253,023
Accounts Receivable	-	-	254	254
<b>Total Current Assets</b>	<b>24,240</b>	<b>125,995</b>	<b>103,042</b>	<b>253,277</b>
<b>Noncurrent Assets:</b>				
Capital Assets:				
Capital assets not being depreciated:	62,000	36,000	16,000	114,000
Capital assets, net of accumulated depreciation:	-	-	164,891	164,891
<b>Total Noncurrent Assets</b>	<b>62,000</b>	<b>36,000</b>	<b>180,891</b>	<b>278,891</b>
<b>TOTAL ASSETS</b>	<b>86,240</b>	<b>161,995</b>	<b>283,933</b>	<b>532,168</b>
<b>LIABILITIES</b>				
<b>Current Liabilities:</b>				
Accounts Payable	-	2,651	2,659	5,310
Security Deposit	-	3,139	8,099	11,238
Notes Payable (current portion)	-	1,022	11,307	12,329
<b>Total Current Liabilities</b>	<b>-</b>	<b>6,812</b>	<b>22,065</b>	<b>28,877</b>
<b>Noncurrent Liabilities:</b>				
Notes Payable	-	109,435	129,785	239,220
<b>Total Noncurrent Liabilities</b>	<b>-</b>	<b>109,435</b>	<b>129,785</b>	<b>239,220</b>
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>116,247</b>	<b>151,850</b>	<b>268,097</b>
<b>NET POSITION</b>				
Net Investment in Capital Assets	62,000	(74,457)	39,799	27,342
Unrestricted	24,240	120,205	92,284	236,729
<b>TOTAL NET POSITION</b>	<b>\$ 86,240</b>	<b>\$ 45,748</b>	<b>\$ 132,083</b>	<b>\$ 264,071</b>

**SAGUACHE COUNTY, COLORADO**  
**ENTERPRISE FUND TYPES**  
**COMBINING SCHEDULE OF REVENUES, EXPENSES, AND**  
**CHANGES IN NET POSITION**  
**For the Year Ended December 31, 2022**

	HOUSING AUTHORITY			TOTAL ENTERPRISE FUND
	SAGUACHE HOUSING AUTHORITY	BLUE WATERS	PUERTO DEL NORTE HACIENDAS	
<b>OPERATING REVENUES</b>				
Rent from Tenants	\$ -	\$ 37,425	\$ 114,289	\$ 151,714
HUD Operating Subsidy	-	94,512	14,767	109,279
Contributions and Donations	-	18,829	99,108	117,937
Miscellaneous	-	3,672	6,838	10,510
<b>Total operating revenues</b>	<b>-</b>	<b>154,438</b>	<b>235,002</b>	<b>389,440</b>
<b>OPERATING EXPENSES</b>				
Administrative	-	66,384	42,946	109,330
Utilities	-	28,594	38,045	66,639
Operating and Maintenance	11,245	41,566	111,751	164,562
Insurance	-	7,666	5,303	12,969
Depreciation Expense	-	-	10,721	10,721
<b>Total operating expenses</b>	<b>11,245</b>	<b>144,210</b>	<b>208,766</b>	<b>364,221</b>
Operating Income (Loss)	(11,245)	10,228	26,236	25,219
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Interest on Investments	-	148	145	293
Grant Revenue	20,000	-	-	20,000
Interest Expense	-	(5,379)	(3,606)	(8,985)
<b>Total Nonoperating Revenues (Expenses)</b>	<b>20,000</b>	<b>(5,231)</b>	<b>(3,461)</b>	<b>11,308</b>
Changes in Net Position	8,755	4,997	22,775	36,527
<b>Net Position, Beginning of Year</b>	<b>77,485</b>	<b>40,751</b>	<b>109,308</b>	<b>227,544</b>
<b>Net Position, End of Year</b>	<b>\$ 86,240</b>	<b>\$ 45,748</b>	<b>\$ 132,083</b>	<b>\$ 264,071</b>

**SAGUACHE COUNTY, COLORADO**  
**ENTERPRISE FUND TYPES**  
**COMBINING SCHEDULE OF CASH FLOWS**  
**For the Year Ended December 31, 2022**

**HOUSING AUTHORITY**

	<b>SAGUACHE HOUSING AUTHORITY</b>	<b>BLUE WATERS</b>	<b>PUERTO DEL NORTE HACIENDAS</b>	<b>TOTAL ENTERPRISE FUND</b>
<b>Cash flows from operating activities:</b>				
Cash received from tenants and others	\$ -	\$ 41,227	\$ 123,441	\$ 164,668
Cash received from HUD operating subsidy	-	94,512	14,767	109,279
Cash paid to employees for services	-	(66,384)	(42,946)	(109,330)
Cash paid to suppliers and service providers	(11,245)	(56,346)	(53,332)	(120,923)
Net cash provided (used) by operating activities:	(11,245)	13,009	41,930	43,694
<b>Cash flows from noncapital financing activities:</b>				
Grant revenue	20,000	-	-	20,000
Net cash provided (used) by noncapital financing activities	20,000	-	-	20,000
<b>Cash flows from capital and related financing activities:</b>				
Payment of note principal and interest	-	(6,335)	(46,829)	(53,164)
Purchase of capital assets	-	-	(5,300)	(5,300)
Net cash provided (used) by capital and related financing activities	-	(6,335)	(52,129)	(58,464)
<b>Cash flows from investing activities:</b>				
Interest received	-	148	145	293
Net cash provided (used) by investing activities	-	148	145	293
<b>Increase (decrease) in cash and investments</b>	8,755	6,822	(10,054)	5,523
<b>Cash and cash equivalents, Beginning of the Year</b>	15,485	119,173	112,842	247,500
<b>Cash and cash equivalents, End of the Year</b>	\$ 24,240	\$ 125,995	\$ 102,788	\$ 253,023
<b>Operating income (loss)</b>	\$ (11,245)	\$ 10,228	\$ 26,236	\$ 25,219
<b>Adjustments to reconcile net income to net cash provided (used) by operating activities</b>				
Depreciation	-	-	10,721	10,721
(Increase) Decrease in Accounts Receivable	-	-	(254)	(254)
Increase (Decrease) in Accounts Payable	-	2,651	2,659	5,310
Increase (Decrease) in Security Deposits	-	130	2,568	2,698
Total adjustments	-	2,781	15,694	18,475
<b>Net cash provided (used) by operating activities</b>	\$ (11,245)	\$ 13,009	\$ 41,930	\$ 43,694
<b>Noncash Noncapital Financing Activities</b>				
Contributions of repairs, maintenance, and materials	\$ -	\$ 18,829	\$ 99,107	\$ 117,936

**SAGUACHE COUNTY, COLORADO**  
**SCHEDULE OF EXPENDITURES AND TRANSFERS OUT**  
**ALL NON-MAJOR GOVERNMENTAL FUNDS AND ALL PROPRIETARY FUNDS**  
**BUDGET AND ACTUAL**

For the Year Ended December 31, 2022

	BUDGETED AMOUNTS		EXPENDITURES		EXPENDITURES VARIANCE WITH	
	ORIGINAL	FINAL	REPORTED ON		ON THE	
			THE GAAP	ADJUSTMENTS	BUDGETARY	FINAL BUDGET
			TO BUDGETARY	BASIS	BASIS	POSITIVE
						(NEGATIVE)
<b>Governmental Funds</b>						
Non-major Governmental Funds						
Special Revenue Funds						
Public Health Fund	\$ 849,461	\$ 901,098	\$ 670,123	\$ -	\$ 670,123	\$ 230,975
Conservation Trust Fund	40,000	40,000	39,998	-	39,998	2
Tourism Fund	80,000	80,000	53,466	-	53,466	26,534
Sales Tax - Emergency Services Fund	100,000	476,990	476,352	-	476,352	638
Sales Tax - Youth and Seniors Fund	120,000	419,316	418,511	-	418,511	805
Sales Tax - Renewable Energy Fund	100,000	543,197	543,141	-	543,141	56
	<u>\$ 1,289,461</u>	<u>\$ 2,460,601</u>	<u>\$ 2,201,591</u>	<u>\$ -</u>	<u>\$ 2,201,591</u>	<u>\$ 259,010</u>
Total Non-major Governmental Funds						
<b>Proprietary Funds</b>						
Enterprise Funds						
Blue Waters Housing Authority	\$ 130,848	\$ 130,848	\$ 149,589	\$ (18,829)	\$ 130,760	\$ 88
Puerto Del Norte Haciendas Housing Authority	114,750	149,094	212,372	(66,606)	145,766	3,328
Saguache County Housing Authority	10,000	20,000	11,245	-	11,245	8,755
	<u>\$ 255,598</u>	<u>\$ 299,942</u>	<u>\$ 373,206</u>	<u>\$ (85,435)</u>	<u>\$ 287,771</u>	<u>\$ 12,171</u>
Total Proprietary Funds						

Adjustments to budgetary basis include costs of capitalized assets, depreciation expense, principal payments, and contributed repairs and maintenance.

**SAGUACHE COUNTY, COLORADO**

**OTHER SCHEDULES AND REPORTS**

**SAGUACHE COUNTY**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Year Ended December 31, 2022**

<i>Federal Grantor/Program or Cluster Title</i>	<i>Federal Assistance Listing Number</i>	<i>Pass-through Grantor and Number</i>	<i>Passed-through to Subrecipients (\$)</i>	<i>Federal Expenditures(\$)</i>
<b>CCDF Cluster</b>				
U.S. Department of Health and Human Services				
Child Care and Development Block Grant	93.575	Colorado Department of Human Services, N/A	\$ -	\$ (924)
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	Colorado Department of Human Services, N/A	-	10,918
<i>Total U.S. Department of Health and Human Services</i>			-	9,994
<b>Total CCDF Cluster</b>			-	9,994
<b>Food Distribution Cluster</b>				
U.S. Department of Agriculture				
Commodity Supplemental Food Program	10.565	Colorado Department of Human Services and Care and Share Food Bank, N/A	-	32,512
Emergency Food Assistance Program (Food Commodities)	10.569	Colorado Department of Human Services and Care and Share Food Bank, N/A	-	45,329
<i>Total U.S. Department of Agriculture</i>			-	77,841
<b>Total Food Distribution Cluster</b>			-	77,841
<b>Medicaid Cluster</b>				
U.S. Department of Health and Human Services				
Medical Assistance Program	93.778	Colorado Department of Health Care Policy and Financing, N/A	-	176,965
<i>Total U.S. Department of Health and Human Services</i>			-	176,965
<b>Total Medicaid Cluster</b>			-	176,965
<b>SNAP Cluster</b>				
U.S. Department of Agriculture				
Supplemental Nutrition Assistance Program	10.551	Colorado Department of Human Services, N/A	-	434
COVID-19 State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	Colorado Department of Human Services, N/A	-	2,730
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	Colorado Department of Human Services, N/A	-	96,297
<i>Total U.S. Department of Agriculture</i>			-	99,461
<b>Total SNAP Cluster</b>			-	99,461

**SAGUACHE COUNTY**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Year Ended December 31, 2022**

<i>Federal Grantor/Program or Cluster Title</i>	<i>Federal Assistance Listing Number</i>	<i>Pass-through Grantor and Number</i>	<i>Passed-through to Subrecipients (\$)</i>	<i>Federal Expenditures(\$)</i>
<b><i>Forest Service Schools and Roads Cluster</i></b>				
U.S. Department of Agriculture				
Schools and Roads - Grants to States, Title I	10.665	Colorado Department of Treasury, N/A	973,743	973,744
Schools and Roads - Grants to States, Title III	10.665	Colorado Department of Treasury, N/A	-	45,823
<i>Total U.S. Department of Agriculture</i>			973,743	1,019,567
<b><i>Total Forest Service Schools and Roads Cluster</i></b>			973,743	1,019,567
<b><i>Section 8 Project-Based Cluster</i></b>				
U.S. Department of Housing and Urban Development				
Section 8 Housing Assistance Payments Program	14.195	Colorado Housing and Finance Authority, N/A	-	94,512
<i>Total U.S. Department of Housing and Urban Development</i>			-	94,512
<b><i>Total Section 8 Project-Based Cluster</i></b>			-	94,512
<b><i>Housing Voucher Cluster</i></b>				
U.S. Department of Housing and Urban Development				
Section 8 Housing Choice Vouchers	14.871	Center Housing Authority, N/A	-	14,767
<i>Total U.S. Department of Housing and Urban Development</i>			-	14,767
<b><i>Total Housing Voucher Cluster</i></b>			-	14,767
<b><i>Highway Planning and Construction Cluster</i></b>				
U.S. Department of Transportation				
Highway Planning and Construction	20.205	Colorado Department of Transportation, N/A	-	43,360
<i>Total U.S. Department of Transportation</i>			-	43,360
<b><i>Total Highway Planning and Construction Cluster</i></b>			-	43,360
<b><i>Total All Clusters</i></b>			973,743	1,536,467
<b><i>Other Programs</i></b>				
U.S. Department of Homeland Security				
Emergency Management Performance Grants	97.042	Colorado Department of Local Affairs, N/A	-	33,862
<i>Total U.S. Department of Homeland Security</i>			-	33,862
U.S. Department of Justice				
Crime Victim Assistance	16.575	Colorado Division of Criminal Justice, N/A	-	46,455
Edward Byrne Memorial Justice Assistance Grant Program	16.738	Colorado Division of Criminal Justice, N/A	-	66,547
<i>Total U.S. Department of Justice</i>			-	113,002

**SAGUACHE COUNTY**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Year Ended December 31, 2022**

<i>Federal Grantor/Program or Cluster Title</i>	<i>Federal Assistance Listing Number</i>	<i>Pass-through Grantor and Number</i>	<i>Passed-through to Subrecipients (\$)</i>	<i>Federal Expenditures(\$)</i>
U.S. Department of Treasury				
Coronavirus Relief Fund	21.019	Colorado Department of Human Services, N/A	-	(82)
Coronavirus State and Local Fiscal Recovery Funds	21.027	Colorado Department of Local Affairs, N/A	-	558,601
Coronavirus State and Local Fiscal Recovery Funds	21.027	Colorado Department of Human Services, N/A	-	4,006
Coronavirus State and Local Fiscal Recovery Funds	21.027	Colorado Department of Public Health and Environment, OPHP	-	34,812
<i>Total U.S. Department of Treasury</i>			-	597,337
U.S. Department of Health and Human Services				
Public Health Emergency Preparedness	93.069	Colorado Department of Public Health and Environment, C22PHP	-	18,688
Guardianship Assistance	93.090	Colorado Department of Human Services, N/A	-	1,039
COVID-19 Immunization Cooperative Agreements	93.268	Colorado Department of Public Health and Environment, IMM#4	-	5,012
Immunization Cooperative Agreements	93.268	Colorado Department of Public Health and Environment, IMM#3	-	31,501
COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	Colorado Department of Public Health and Environment, ELC	-	73,922
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	Colorado Department of Public Health and Environment, ELC	-	71,565
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354	Public Health and Environment, OPHP LPHA	-	94,316
Temporary Assistance for Needy Families	93.558	Colorado Department of Human Services, N/A	-	217,129

**SAGUACHE COUNTY**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Year Ended December 31, 2022**

<i>Federal Grantor/Program or Cluster Title</i>	<i>Federal Assistance Listing Number</i>	<i>Pass-through Grantor and Number</i>	<i>Passed-through to Subrecipients (\$)</i>	<i>Federal Expenditures(\$)</i>
Child Support Enforcement	93.563	Colorado Department of Human Services, N/A	-	128,172
Stephanie Tubbs Jones Child Welfare Services Program	93.645	Colorado Department of Human Services, N/A	-	18,936
Foster Care-Title IV-E	93.658	Colorado Department of Human Services, N/A	-	97,865
Adoption Assistance	93.659	Colorado Department of Human Services, N/A	-	25,657
Social Services Block Grant	93.667	Colorado Department of Human Services, N/A	-	43,793
COVID-19 Elder Abuse Prevention Interventions Program	93.747	Colorado Department of Human Services, N/A	-	4,502
Maternal and Child Health Services Block Grant to the States	93.994	Colorado Department of Public Health and Environment, OPPI LPHA	-	10,653
<i>Total U.S. Department of Health and Human Services</i>			-	842,750
U.S. Department of Agriculture				
Rural Rental Housing Loans	10.415		-	115,836
<i>Total U.S. Department of Agriculture</i>			-	115,836
<b><i>Total Other Programs</i></b>			-	1,702,787
<b><i>Total Expenditures of Federal Awards</i></b>			<b>\$ 973,743</b>	<b>\$ 3,239,254</b>

**SAGUACHE COUNTY, COLORADO**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Year Ended December 31, 2022**

**NOTE 1 BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Saguache County, Colorado under programs of the federal government for the year ended December 31, 2022. The information in this Schedule is presented in accordance with the 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). Because the Schedule presents only a selected portion of the operations of Saguache County, Colorado, it is not intended to and does not present the financial position, changes in net position, or cash flows of Saguache County, Colorado.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting, except for funds passed-through the Colorado Department of Human Services, Department of Public Health and Environment, Department of Health Care Policy and Financing, and Care and Share Food Bank. These funds are reported on a cash basis. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through identifying numbers are presented where available. The County did not elect to use the 10-percent de minimis indirect cost rate as allowed under Uniform Guidance for the year ended December 31, 2022. In addition, the County did not pass-through federal funds to subrecipients.

**NOTE 3 FOOD DISTRIBUTION**

Nonmonetary assistance is reported in the Schedule at the fair market value of commodities received and disbursed.

**NOTE 4 RURAL RENTAL HOUSING LOAN**

The Rural Rental Housing Loan is administered by Rural Development payable by the County. The outstanding loan balance at December 31, 2022 is included in the financial statements. The detail of the loan outstanding at the beginning and end of the year are included in Note 7 of the Notes to the Basic Financial Statements.

**INDEPENDENT AUDITORS' 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**



Wall,  
Smith,  
Bateman Inc.

To the Board of County Commissioners  
Saguache County, Colorado  
Saguache, 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, each major fund, and the aggregate remaining fund information of Saguache County, Colorado (the County), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated August 16, 2023.

### **Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) as a basis for designing the 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 the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County'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 preceding paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as Finding 2022-001 that we consider to be a material weakness.

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the County'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

**Certified Public Accountants**

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objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as Finding 2022-001.

### **County's Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the County's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The County's response to the finding identified in our audit is described in the accompanying corrective action plan. The County's response was not subjected to the auditing procedures applied in the engagement to audit the financial statements and, accordingly, we express no opinion on the response.

### **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.

*Wall, Smith, Bateman Inc*

Wall, Smith, Bateman Inc.  
Alamosa, Colorado

August 16, 2023

**INDEPENDENT AUDITORS’ REPORT ON COMPLIANCE  
FOR EACH MAJOR PROGRAM AND ON INTERNAL  
CONTROL OVER COMPLIANCE REQUIRED BY  
THE UNIFORM GUIDANCE**



Wall,  
Smith,  
Bateman Inc.

To the Board of County Commissioners  
Saguache County, Colorado  
Saguache, Colorado

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited Saguache County, Colorado’s (the County) 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 the County’s major federal programs for the year ended December 31, 2022. The County’s major federal programs are identified in the summary of Auditors’ results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County 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 Auditors’ Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County 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 the County’s compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

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

**Certified Public Accountants**

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### ***Auditors' 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 the County'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 the County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, 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 the County'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 the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the County'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 Auditors' 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.

*Wall, Smith, Bateman Inc*

Wall, Smith, Bateman Inc.  
Alamosa, Colorado

August 16, 2023

**SAGUACHE COUNTY, COLORADO**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended December 31, 2022**

**Section I – Summary of Auditors’ Results**

Financial Statements

Type of auditors’ report issued:

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_X\_\_\_yes    \_\_\_no
- Significant deficiency(ies) identified that are **not** considered to be material weakness(es)? reported \_\_\_yes    \_\_\_X\_\_\_none
- Noncompliance material to financial statements noted? \_\_\_X\_\_\_yes    \_\_\_no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? \_\_\_yes    \_\_\_X\_\_\_no
- Significant deficiency(ies) identified that are **not** considered to be material weakness(es)? reported \_\_\_yes    \_\_\_X\_\_\_none

Type of auditors’ report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)? \_\_\_yes    \_\_\_X\_\_\_no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
10.665	Forest Service Schools and Roads Cluster
21.027	Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as a low-risk auditee? \_\_\_yes    \_\_\_X\_\_\_no

**SAGUACHE COUNTY, COLORADO**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended December 31, 2022**

**Section II – Financial Statement Findings**

**Finding 2022-001: Internal Control over Financial Reporting**

**(Repeat of Finding 09-1, 10-1, 11-1, 12-1, 2013-01, 2014-01, 2015-01, 2016-01, 2017-01, 2018-01, 2019-01, 2020-001, and 2021-001)**

*Type of finding: Internal Control (material weakness) and Noncompliance (material noncompliance)*

*Criteria:* A system of internal control includes the design, documentation, and monitoring of control activities over the application of accounting principles, anti-fraud programs, non-routine transaction, and financial statement preparation.

*Condition:* The County does not have a complete system of internal control to prevent and detect financial misstatements or to ensure compliance with budget laws.

*Cause:* A reconciliation and review process was not completed timely to properly state year-end account balances and properly record non-routine transactions. In addition, the County does not have a process to ensure compliance with budget laws.

*Effect:* As a result of this condition the following areas were effected:

1. The Social Services fund expenditures exceeded appropriations for the year ended December 31, 2022 by \$541,441. This may be a violation of Colorado Revised Statute 29-1-110. (Material Noncompliance)
2. Audit adjustments were proposed to properly state the County financial statements as of December 31, 2022, in accordance with generally accepted accounting principles.

*Recommendation:* The County should continue to improve its internal controls with adopted policies and procedures regarding year-end reconciling of account balances to ensure accurate financial statements. In addition, the County should incorporate a review process over budget to actual statements and adopt supplemental appropriations when necessary.

*Management's Response:* See corrective action plan.

**Section III – Federal Award Findings and Questioned Costs**

None

**SAGUACHE COUNTY, COLORADO**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**Year Ended December 31, 2022**

**Section II – Financial Statement Findings**

**Finding 2021-001: Internal Control over Financial Reporting**  
**(Repeat of Finding 09-1, 10-1, 11-1, 12-1, 2013-001, 2014-001, 2015-001,**  
**2016-01, 2017-01, 2018-01, 2019-01, and 2020-001)**

*Type of finding: Internal Control (material weakness) and Noncompliance (material noncompliance)*

*Condition:* The County does not have a complete system of internal control to prevent and detect financial misstatements or to ensure compliance with laws and regulations.

*Status:* Partially Implemented. (See Finding 2022-001.)

**Finding 2021-001: Internal Control over Social Services Fund Reconciliation**

*Type of finding: Internal Control (material weakness)*

*Condition:* The County does not have a complete system of internal control to ensure all Social Services fund activity is recorded and reconciled accurately to supporting documentation and the State of Colorado Financial Management System.

*Status:* Implemented.



# SAGUACHE COUNTY

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## CORRECTIVE ACTION PLAN

Oversight Agency - U.S. Department of Health and Human Services

Saguache County, Colorado respectfully submits the following corrective action plan for the year ended December 31, 2022.

Independent Accountants: Wall, Smith, Bateman Inc.  
Certified Public Accountants  
3001 Adcock Circle, P.O. Box 809  
Alamosa, CO 81101

Audit period: Year ended December 31, 2022

The findings from the December 31, 2022, schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule. Section I of the schedule, Summary of Auditors' Results, does not include findings and is not addressed.

### **Section II – Financial Statement Findings**

Finding 2022-001: Internal Control over Financial Report

(Repeat of Finding 09-1, 10-1, 11-1, 12-1, 2013-01, 2014-01, 2015-01, 2016-01, 2017-01, 2018-01, 2019-01, 2020-001, and 2021-001)

*Type of finding: Internal Control (material weakness) and Noncompliance (material noncompliance)*

*Recommendation:* The County should continue to improve its internal controls with adopted policies and procedures regarding year-end reconciling of account balances to ensure accurate and timely financial statements. In addition, the County should incorporate a review process over budget to actual statements and adopt supplemental appropriations when necessary.

*Action Taken:*

Saguache County acknowledges and accepts Finding 2022-001. During 2023, the County has implemented monthly reconciliation procedures for the Social Service accounting function. These processes provide accurate and timely financial statements that can be relied upon for consideration in the budget process. The County will also complete a robust budget review based from these financial statements for 2023 budget amendments and the 2024 budget year. It is noted that the County believes the compliance issue stems from the excess direct

pass-through benefit remunerations received by county residence and is not a result of direct County expenditures.

Saguache County has also received and reviewed the 2022 audited adjusting entries. We accept these entries and have posted such entries to the December 31, 2022, general ledger and financial statements on record with the County. These adjusting entries will also be considered by management when preparing the 2023 financial statements and implementing additional reporting controls.

If the U.S. Department of Health and Human Services have questions regarding this plan, please call the responsible party listed below.

Sincerely yours,



Wendi Maez  
County Administrator  
Saguache County, Colorado



Virginia West  
Finance Specialist  
Saguache County, Colorado



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

<b>LOCAL HIGHWAY FINANCE REPORT</b>		City or County: Saguache County
		YEAR ENDING : December 2022
This Information From The Records Of Saguache County	Prepared By: Michelle Hashbarger Phone: 719-655-2554	

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

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

**II. RECEIPTS FOR ROAD AND STREET PURPOSES**

**III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES**

ITEM	AMOUNT	ITEM	AMOUNT
<b>A. Receipts from local sources:</b>		<b>A. Local highway disbursements:</b>	
1. Local highway-user taxes		1. Capital outlay (from page 2)	0
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	3,230,513
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	19,138
2. General fund appropriations		b. Snow and ice removal	5,000
3. Other local imposts (from page 2)	11,653	c. Other	19,820
4. Miscellaneous local receipts (from page 2)	367,451	d. Total (a. through c.)	43,958
5. Transfers from toll facilities		4. General administration & miscellaneous	378,596
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	
a. Bonds - Original Issues		6. Total (1 through 5)	3,653,067
b. Bonds - Refunding Issues		<b>B. Debt service on local obligations:</b>	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	
7. Total (1 through 6)	379,104	b. Redemption	
<b>B. Private Contributions</b>		c. Total (a. + b.)	0
<b>C. Receipts from State government</b> (from page 2)	2,936,006	2. Notes:	
<b>D. Receipts from Federal Government</b> (from page 2)	0	a. Interest	
<b>E. Total receipts (A.7 + B + C + D)</b>	3,315,110	b. Redemption	108,258
		c. Total (a. + b.)	108,258
		3. Total (1.c + 2.c)	108,258
		<b>C. Payments to State for highways</b>	
		<b>D. Payments to toll facilities</b>	
		<b>E. Total disbursements (A.6 + B.3 + C + D)</b>	3,761,325

**IV. LOCAL HIGHWAY DEBT STATUS**  
(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
<b>A. Bonds (Total)</b>				0
1. Bonds (Refunding Portion)				
<b>B. Notes (Total)</b>	108,258	0	108,258	0

**V. LOCAL ROAD AND STREET FUND BALANCE**

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	4,298,552	3,315,110	3,761,325	3,852,337	0

**Notes and Comments:**

The HUTF funds for the Saguache County Road & Bridge are reduced by 206.67 which is the amount that we received for the Town of Bonanza. This dollar amount is reflected in the city report for the Town of Bonanza.  
Beginning balance of note was corrected based on updated financial information.

**LOCAL HIGHWAY FINANCE REPORT**

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

**II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL**

ITEM	AMOUNT	ITEM	AMOUNT
<b>A.3. Other local imposts:</b>		<b>A.4. Miscellaneous local receipts:</b>	
a. Property Taxes and Assessments	0	a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees	11,653	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	15,467
4. Licenses		f. Charges for Services	297,256
5. Specific Ownership &/or Other		g. Other Misc. Receipts	54,728
6. Total (1. through 5.)	11,653	h. Other	
c. Total (a. + b.)	11,653	i. Total (a. through h.)	367,451
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
<b>C. Receipts from State Government</b>		<b>D. Receipts from Federal Government</b>	
1. Highway-user taxes	2,911,279	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	0
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	24,727	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	24,727	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	2,936,006	3. Total (1. + 2.g)	
			(Carry forward to page 1)

**III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL**

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

Notes and Comments: