
JACKSON COUNTY, COLORADO

FINANCIAL STATEMENTS

DECEMBER 31, 2023

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CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS CONSULTANTS

Independent Auditors' Report

County Commissioners
Jackson County, Colorado
Walden, Colorado

Report On 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 Jackson County, Colorado (the County), as of and for the year ended December 31, 2023, 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, 2023, 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 (GAAS) 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

Correction Of An Error In Previously Issued Financial Statements

As discussed in Note 14, the beginning net position and fund balance of the Public Service Fund of the County has been restated to correct a misstatement. Our opinion is not modified with respect to this matter. In our opinion, such adjustments were appropriate and have been properly applied.

Responsibilities Of Management For The Financial Statements

Management is responsible for the preparation and fair presentation of these 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 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities For The Audit Of The Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 GAAS 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

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages i through viii and 37 through 41, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual fund statements and schedules, the Highway Users Tax Fund Schedule and the schedule of expenditures of federal awards, as required by 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*, 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 information is 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 September 27, 2024 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 County's internal control over financial reporting and compliance.

RubinBrown LLP

September 27, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

Within this section of the Jackson County, Colorado (the County) annual financial report, the County's management is pleased to provide this narrative discussion and analysis of the financial activities of the County for the calendar year ended December 31, 2023. The County's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

Financial Highlights

- The County's assets exceeded its liabilities by \$16,751,304 (net position) for the calendar year.
- Total net position is comprised of the following:
 - (1) Net investment in Capital Assets of \$5,530,225 includes property and equipment, net of accumulated depreciation.
 - (2) Net position of \$3,917,084 is restricted by constraints imposed from outside the County such as, grantors, laws, or regulations.
 - (3) Unrestricted net position of \$7,303,995 represent the portion available to the County to use to meet its continuing obligations to citizens and creditors as well as to designate for specific purposes seen as important and relevant per the Board of County Commissioners .
- The County's governmental funds reported total ending fund balance of \$7,553,648 this year. This compares to the prior year ending fund balance of \$6,986,112 showing an increase of \$567,536 during the current year. Of the total fund balance, \$3,917,084 has been restricted.
- Despite recent large projects including the construction of the landfill, the County continues to maintain its positive financial position for future needs. The County continues to have strong fund balances that insures the County is in a position to accomplish future goals and projects as well as remain prepared for the unexpected expenses.

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

Overview of the Financial Statements

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

Government-wide Financial Statements

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

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

Overview of the Financial Statements (Continued)

The second government-wide statement is the *Statement of Activities*, which reports how the County's net position changed during the current calendar year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the County's distinct activities or functions on revenues provided by the County's taxpayers.

Both government-wide financial statements distinguish governmental activities of the County that are principally supported by sales taxes and from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general government, public safety, and streets. Business-type activities include the emergency telephone services.

The government-wide financial statements are presented on pages 5 & 6 of this report.

Fund Financial Statements

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

The County has three kinds of funds:

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

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

The basic governmental fund financial statements are presented on pages 7 - 10 of this report.

Individual fund information for non-major governmental funds is found in combining statements in a later section of this report.

The *proprietary fund* is reported in the fund financial statements and generally report services for which the County charges customers a fee. The one County proprietary fund is classified as an enterprise fund. This enterprise fund essentially encompasses the same functions reported as business-type activities in the government-wide statements.

The basic enterprise fund financial statements are presented on pages 11 - 13 of this report.

The *fiduciary funds* are custodial in nature. These funds are used to account for assets the County holds for others in a fiduciary nature. The basic fiduciary fund financial statements are presented on pages 14 - 15 of this report.

Notes To The Basic Financial Statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the basic financial statements begin on page 16.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the County's budget presentations. Budgetary comparison statements are included as "required supplementary information" for the general fund and the two major special revenue funds. Budgetary comparison schedules for all other governmental funds can be found in a later section of this report. These statements and schedules demonstrate compliance with the County's adopted and final revised budget. Required supplementary information is located on pages 37 - 40 of this report.

The County reports major funds in the basic financial statements. Combining and individual statements and schedules for non-major funds are located in a subsequent section of this report beginning on page 48.

Financial Analysis of the County as a Whole

Over time, as year-to-year financial information are accumulated on a consistent basis, changes in net position may be observed and used to discuss the changing financial position of the County as a whole.

Jackson County's capital assets represent 29% of total assets. The County uses these capital assets to provide services to its citizens. Capital assets in the business-type activities provide emergency telephone services, but they also generate revenues for this fund.

Of the County's current liabilities and deferred inflows, the largest amount is from deferred property taxes \$1,482,646 (67%) that will be collected in 2024.

The County continues to maintain a high current ratio. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio for Jackson's primary government activities is approximately 5.9.

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MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
As of And For The Year Ended December 31, 2023

Jackson County, Colorado

The following table provides a summary of the County's statement of net position for the year ended December 31, 2023 and 2022:

	December 31, 2023		December 31, 2022		Change	
	Governmental Activities	Business-type Activities	Governmental Activities	Business-type Activities	Governmental Activities	Business-type Activities
Assets						
Current Assets	\$ 13,370,742	\$ 2,976	\$ 12,654,779	\$ 80,494	\$ 715,963	\$ (77,518)
Other Noncurrent assets	98,986	—	195,439	—	(96,453)	—
Capital Assets	5,540,585	—	5,311,406	28,065	229,179	(28,065)
Total Assets	19,010,313	2,976	18,161,624	108,559	848,689	(105,583)
Liabilities						
Current Liabilities	717,186	2,976	1,413,418	—	(696,232)	2,976
Total Liabilities	717,186	2,976	1,413,418	—	(696,232)	2,976
Deferred Inflows						
Deferred property tax revenue	1,482,646	—	1,402,248	—	(80,398)	—
Leases	59,177	—	61,673	—	2,496	—
Total Deferred Inflows	1,541,823	—	1,463,921	—	(77,902)	—
Net Position						
Net investment in Capital Assets	5,530,225	—	5,311,406	28,065	218,819	(28,065)
Restricted	3,917,084	—	4,048,393	—	(131,309)	—
Unrestricted	7,303,995	—	5,924,486	80,494	1,379,509	(80,494)
Total Net Position	\$ 16,751,304	\$ —	\$ 15,284,285	\$ 108,559	\$ 1,467,019	\$ (108,559)

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MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
As of And For The Year Ended December 31, 2023

Jackson County, Colorado

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

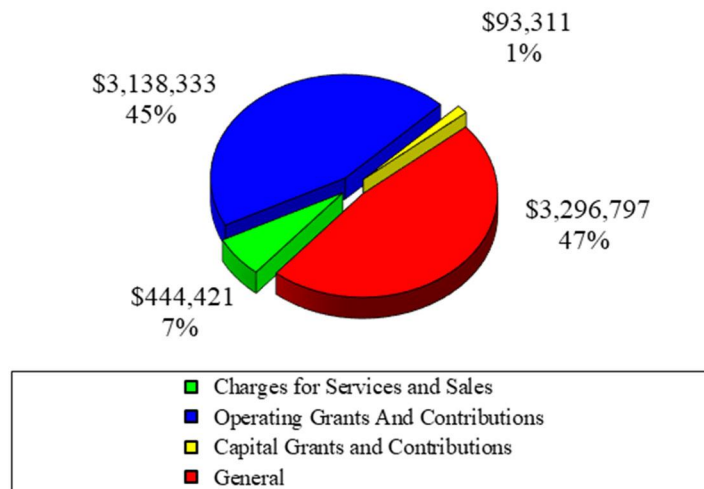
	Summary of Changes in Net Position					
	For The Year Ended December 31, 2023		For The Year Ended December 31, 2022		Change	
	Governmental Activities	Business-type Activities	Governmental Activities	Business-type Activities	Governmental Activities	Business-type Activities
Revenues						
<i>Program</i>						
Charges for Services and Sales	\$ 444,421	\$ 28,355	\$ 378,583	\$ 33,740	65,838	\$ (5,385)
Operating Grants and Contributions	3,138,333	15,469	2,482,967	—	655,366	15,469
Capital Grants and Contributions	93,311	—	59,599	—	33,712	—
<i>General</i>	<u>3,296,797</u>	<u>4,280</u>	<u>2,708,221</u>	<u>23,966</u>	<u>588,576</u>	<u>(19,686)</u>
Total Revenues	<u>6,972,862</u>	<u>48,104</u>	<u>5,629,370</u>	<u>57,706</u>	<u>1,343,492</u>	<u>(9,602)</u>
Expenses						
General Government	1,699,347	—	1,358,535	—	(340,812)	—
Public Safety	1,188,818	—	1,150,094	—	(38,724)	—
Public Works	2,018,028	—	2,313,959	—	295,931	—
Public Health and Welfare	551,476	—	553,857	—	2,381	—
Culture and Recreation	486,330	—	456,816	—	(29,514)	—
Interest on long-term debt	—	—	1,059	—	1,059	—
Enterprise	—	156,663	—	49,026	—	(107,637)
Total Expenses	<u>5,943,999</u>	<u>156,663</u>	<u>5,834,320</u>	<u>49,026</u>	<u>(109,679)</u>	<u>(107,637)</u>
Excess (Deficiency)	1,028,863	(108,559)	(204,950)	8,680	1,233,813	(117,239)
Beginning Net Position, As Restated	<u>15,722,441</u>	<u>108,559</u>	<u>15,052,737</u>	<u>99,879</u>	<u>669,704</u>	<u>8,680</u>
Ending Net Position	<u>\$ 16,751,304</u>	<u>\$ —</u>	<u>\$ 14,847,787</u>	<u>\$ 108,559</u>	<u>\$ 1,903,517</u>	<u>\$ (108,559)</u>

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GOVERNMENTAL ACTIVITIES REVENUES

Total revenues were \$6,972,862, a \$1,343,492 (24%) increase from the prior year. As you can see from the chart below, the County is heavily reliant on general revenues. From the general revenues, the large majority is property taxes, sales taxes, and other taxes, are used to support governmental operations. Also, note that program revenues that encompass charges for services, operating grants, and capital grants and contributions cover approximately 62% of governmental operating expenses.

Revenue By Source - Governmental Activities



BUSINESS-TYPE ACTIVITIES
Revenues vs. Costs

The total revenues for The County's sole enterprise fund were \$48,104 and total expenses were \$156,663 resulting in net decrease of \$108,559 in net position.

Financial Analysis of the County's Funds

Governmental funds

As discussed, governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of \$7,553,648. Of this year-end total, \$98,986 is considered nonspendable; \$261,497 is assigned and \$3,276,081 is unassigned (indicating availability for continuing County general program usage). Restricted governmental fund balance is \$3,917,084 and cannot be spent at the County's discretion.

The total ending fund balances of governmental funds show an 8% decrease from the prior year.

The General fund

The General Fund is the County's primary operating fund and the largest source of day-to-day service delivery. The General Fund's fund balance increased by \$556,404.

The General Fund's ending fund balance is considered adequate, representing the equivalent of 113% of annual expenditures.

The Road & Bridge fund

The Road & Bridge fund is used to account for the motor fuel tax revenues and other sources of revenue legally restricted to the maintenance of County roads. The Road & Bridge Fund's fund balance decreased by \$182,148.

The Road & Bridge Fund's ending fund balance represents the equivalent of 80% of annual expenditures.

The Proprietary fund

The proprietary fund reporting focuses on the determination of operating income, changes in assets, financial position and cash flows. The proprietary fund is classified as an enterprise fund.

The Emergency Telephone Fund

The Emergency Telephone Fund accounts for the activity of Emergency Telephone Service Authority, a blended component unit. The Emergency Telephone Service Authority does not issue separate financials statements. During 2023, the County entered into an intergovernmental agreement with the Larimer Emergency Telephone Authority (LETA) to provide emergency telephone services to Jackson County. All Emergency Telephone Fund assets were conveyed to LETA in conjunction with the agreement.

Budgetary Highlights

Budgetary Information

The General Fund – The General Fund's original expenditure budget was amended and increased by \$113,277 and the revenue budget did not change. Actual revenues were \$823,564 above the budgeted amount. Property, sales and other taxes were \$247,229 above the budgeted amounts. Intergovernmental revenues were \$187,626 above the budgeted amounts. Charges for services were \$50,952 below budgeted amounts. The budget planned for an overall decrease in fund balance of \$249,559 while the general fund balance actual increase was \$805,963.

Capital Assets and Debt Administration

Capital assets

The County's investment in capital assets, net of accumulated depreciation, for governmental activities as of December 31, 2022, was \$3,821,305. The County's investment in capital assets, net of accumulated depreciation, for business-type activities as of December 31, 2023, was \$0. See Note 3 for additional information about changes in capital assets during the calendar year and outstanding at the end of the year. The following table provides a summary of capital assets on a comparative basis.

	Capital Assets					
	December 31, 2023		December 31, 2022		Change	
	Governmental Activities	Business-type Activities	Governmental Activities	Business-type Activities	Governmental Activities	Business-type Activities
Non-depreciable Assets:						
Land	\$ 157,651	\$ —	\$ 157,651	\$ —	\$ —	\$ —
Construction In Progress	1,561,629	—	—	—	1,561,629	—
Total Non-depreciable	<u>1,719,280</u>	<u>—</u>	<u>157,651</u>	<u>—</u>	<u>1,561,629</u>	<u>—</u>
Depreciable Assets:						
Buildings	2,655,187	—	2,655,187	—	—	—
Improvements	1,260,484	—	1,260,484	—	—	—
Infrastructure	1,184,963	—	1,184,963	—	—	—
Equipment	8,778,143	—	6,955,331	143,044	1,822,812	(143,044)
RTU lease equipment	28,244	—	—	—	—	—
Total Depreciable	<u>13,907,021</u>	<u>—</u>	<u>12,055,965</u>	<u>143,044</u>	<u>1,822,812</u>	<u>(143,044)</u>
Less: Accumulated Depreciation and amortization	(10,085,716)	—	(9,013,007)	(104,680)	(1,072,709)	104,680
Total Depreciable (Net)	<u>3,821,305</u>	<u>—</u>	<u>3,042,958</u>	<u>38,364</u>	<u>750,103</u>	<u>(38,364)</u>
Total Capital Assets	<u>\$ 5,540,585</u>	<u>\$ —</u>	<u>\$ 3,200,609</u>	<u>\$ 38,364</u>	<u>\$ 2,311,732</u>	<u>\$ (38,364)</u>

At December 31, 2023, the depreciable capital assets for governmental activities were nearly 73% depreciated.

At December 31, 2023, the County had no long-term debt outstanding.

Economic Conditions Affecting the County

Since property and sales taxes are the primary revenue stream for the County, these County's tax revenues are subject to changes in the economy, particularly sales taxes. Since sales taxes are considered an "elastic" revenue stream, tax collections are higher in a flourishing economy and are lower in a depressed economy.

Contacting the County's Financial Management

This financial report is designed to provide a general overview of the County's finances, comply with finance-related laws and regulations, and demonstrate the County's commitment to public accountability. If you have questions about this report or would like to request additional information, contact the County Administrator of Jackson County at P.O. Box 337, Walden, Colorado.

JACKSON COUNTY, COLORADO

STATEMENT OF NET POSITION

December 31, 2023

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets:			
Current Assets			
Cash and investments	\$ 11,407,735	\$ —	\$ 11,407,735
Property taxes receivable	1,482,646	—	1,482,646
Accounts receivable	289,219	2,976	292,195
Leases receivable	61,204	—	61,204
Supplies inventory	36,774	—	36,774
Intergovernmental loan receivable, current	93,164	—	93,164
Total Current Assets	13,370,742	2,976	13,373,718
Noncurrent Assets			
Intergovernmental loan receivable, net of current	98,986	—	98,986
Capital assets:			
Nondepreciable capital assets	1,719,280	—	1,719,280
Depreciable capital assets (net of accumulated depreciation)	3,811,400	—	3,811,400
RTU lease assets (net of accumulated amortization)	9,905	—	9,905
Total Noncurrent Assets	5,639,571	—	5,639,571
Total Assets	19,010,313	2,976	19,013,289
Liabilities:			
Current Liabilities			
Unearned revenue	555,872	—	555,872
Accounts payable	101,651	—	101,651
Accrued vacation payable	49,303	2,976	52,279
Leases	10,360	—	10,360
Total Current Liabilities	717,186	2,976	720,162
Total Liabilities	717,186	2,976	720,162
Deferred Inflows Of Resources			
Property tax	1,482,646	—	1,482,646
Leases	59,177	—	59,177
Total Deferred Inflows Of Resources	1,541,823	—	1,541,823
Net Position			
Net investment in capital assets	5,530,225	—	5,530,225
Restricted for:			
Emergency reserve	152,635	—	152,635
Capital projects	2,697,724	—	2,697,724
Public library	380,139	—	380,139
Tourism	154,141	—	154,141
Noxious weed management	90,867	—	90,867
Parks and open space	79,088	—	79,088
Social services	295,163	—	295,163
Other purposes	67,327	—	67,327
Unrestricted	7,303,995	—	7,303,995
Total Net Position	\$ 16,751,304	\$ —	\$ 16,751,304

JACKSON COUNTY, COLORADO

STATEMENT OF ACTIVITIES For The Year Ended December 31, 2023

	Program Revenues			Net Revenue (Expense) And Changes In Net Position		
	Charges For Services And Expenses	Operating		Governmental Activities	Business-Type Activities	Total
		Sales	Grants And Contributions			
Primary Government:						
Governmental Activities						
General government	\$ 1,699,347	\$ 264,568	\$ 987,358	\$ 33,956	\$ (413,465)	\$ (413,465)
Public safety	1,188,818	—	—	59,355	(1,129,463)	(1,129,463)
Public works	2,018,028	108,800	1,528,945	—	(380,283)	(380,283)
Public health and welfare	551,476	62,987	543,588	—	55,099	55,099
Culture and recreation	486,330	8,066	78,442	—	(399,822)	(399,822)
Total Governmental Activities	5,943,999	444,421	3,138,333	93,311	(2,267,934)	(2,267,934)
Business-Type Activities						
Emergency telephone	156,663	28,355	15,469	—	(112,839)	(112,839)
Total Primary Government	\$ 6,100,662	\$ 472,776	\$ 3,153,802	\$ 93,311	(2,267,934)	(2,380,773)

General Revenues

Property taxes levied for:

General purposes	1,103,787	—	1,103,787
Solid waste disposal	41,247	—	41,247
Library	123,917	—	123,917
Insurance reserve	41,247	—	41,247
Social services	57,945	—	57,945
Capital expenditures	20,624	—	20,624
Sales tax	860,320	—	860,320
Other tax	511,122	—	511,122
Investment income	460,572	4,280	464,852
Miscellaneous	76,016	—	76,016
Total General Revenues	3,296,797	4,280	3,301,077

Change In Net Position

	1,028,863	(108,559)	920,304
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**Net Position - Beginning
Of Year, As Restated**

	15,722,441	108,559	15,831,000
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Net Position - End Of Year

	\$ 16,751,304	\$ —	\$ 16,751,304
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See the notes to basic financial statements.

JACKSON COUNTY, COLORADO

BALANCE SHEET - GOVERNMENTAL FUNDS December 31, 2023

	General	Road And Bridge	Recreation Fund	Public Health	Other Governmental Funds	Total Governmental Funds
Assets						
Cash and investments	\$ 3,668,385	\$ 1,290,221	\$ 1,163,217	\$ 596,581	\$ 1,453,808	\$ 8,172,212
Property taxes receivable	1,173,745	—	—	—	308,901	1,482,646
Intergovernmental loan receivable	192,150	—	—	—	—	192,150
Accounts receivable	92,122	104,517	78,654	7,710	6,216	289,219
Leases receivable	—	—	—	—	61,204	61,204
Total Assets	\$ 5,126,402	\$ 1,394,738	\$ 1,241,871	\$ 604,291	\$ 1,830,129	\$ 10,197,431
Liabilities						
Accounts payable	\$ 70,055	\$ 3,226	\$ —	\$ 277	\$ 24,094	\$ 97,652
Accrued expenses	21,511	16,009	2,224	6,450	3,109	49,303
Unearned revenue	421,188	—	—	134,734	—	555,872
Due to other funds	375,081	24,052	—	—	—	399,133
Total Liabilities	887,785	43,287	2,224	141,461	27,203	1,101,960
Deferred Inflows Of Resources						
Property taxes	1,173,745	—	—	—	308,901	1,482,646
Leases	—	—	—	—	59,177	59,177
Total Deferred Inflows Of Resources	1,173,745	—	—	—	368,078	1,541,823
Fund Balance						
Nonspendable	98,986	—	—	—	—	98,986
Note receivable	—	—	—	—	—	—
Restricted	152,635	—	—	—	—	152,635
Emergency reserve	—	1,351,451	1,239,647	—	106,626	2,697,724
Capital projects	—	—	—	—	380,139	380,139
Public library	—	—	—	—	154,141	154,141
Tourism	—	—	—	—	90,867	90,867
Noxious weed management	—	—	—	—	79,088	79,088
Parks and open space	—	—	—	—	295,163	295,163
Social services	—	—	—	—	67,327	67,327
Other purposes	—	—	—	—	—	—
Assigned	—	—	—	—	—	—
Public health	—	—	—	462,830	—	462,830
Capital projects	—	—	—	—	261,497	261,497
Unassigned	2,813,251	—	—	—	—	2,813,251
Total Fund Balances	3,064,872	1,351,451	1,239,647	462,830	1,434,848	7,553,648
Total Liabilities, Deferred Inflows Of Resources And Fund Balances	\$ 5,126,402	\$ 1,394,738	\$ 1,241,871	\$ 604,291	\$ 1,830,129	\$ 10,197,431

See the notes to basic financial statements.

JACKSON COUNTY, COLORADO

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION December 31, 2023

Total Governmental Fund Balances		\$	7,553,648
Amounts reported for governmental activities in the statement of net position are different because:			
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.			
Cost		\$	9,953,086
Accumulated depreciation and amortization		<u>(6,446,707)</u>	3,506,379
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds but are reported on the government-wide statement of net position.			
Lease liability			(10,360)
Internal service funds are used by management to charge the costs of certain activities to the individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position.			
			<u>5,701,637</u>
Net Position Of Governmental Activities		\$	<u>16,751,304</u>

JACKSON COUNTY, COLORADO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS

For The Year Ended December 31, 2023

	General	Road And Bridge	Recreation Fund	Public Health	Other Governmental Funds	Total Governmental Funds
Revenues						
Property tax	\$ 1,103,787	\$ —	\$ —	\$ —	\$ 284,980	\$ 1,388,767
Sales tax	424,723	—	435,597	—	—	860,320
Other taxes	390,133	—	—	—	120,989	511,122
Intergovernmental	755,667	1,528,945	—	338,355	540,795	3,163,762
Licenses and permits	31,801	—	—	—	—	31,801
Charges for services	232,767	—	8,066	—	171,787	412,620
Contributions	59,355	—	—	—	8,527	67,882
Investment income	401,157	—	58,265	—	1,150	460,572
Miscellaneous	71,237	707	—	—	3,071	75,015
Total Revenues	3,470,627	1,529,652	501,928	338,355	1,131,299	6,971,861
Expenditures						
General government	1,382,629	14,351	11,884	—	176,973	1,585,837
Public safety	1,109,703	—	—	—	—	1,109,703
Public works	—	1,678,236	—	—	205,296	1,883,532
Public health and welfare	—	—	—	274,635	240,052	514,687
Culture and recreation	—	—	330,405	—	123,488	453,893
Capital outlay	205,124	—	54,545	17,387	194,664	471,720
Debt service:						
Principal	9,105	—	—	—	—	9,105
Interest	767	—	—	—	—	767
Total Expenditures	2,707,328	1,692,587	396,834	292,022	940,473	6,029,244
Excess (Deficiency) Of Revenues Over (Under) Expenditures	763,299	(162,935)	105,094	46,333	190,826	942,617
Other Financing Sources (Uses)						
Operating transfers in	230,383	—	—	2,069	80,476	312,928
Operating transfers out	(437,278)	(19,213)	—	—	(231,518)	(688,009)
Total Other Financing Sources (Uses)	(206,895)	(19,213)	—	2,069	(151,042)	(375,081)
Net Changes In Fund Balance	556,404	(182,148)	105,094	48,402	39,784	567,536
Fund Balance - Beginning Of Year, As Restated	2,508,468	1,533,599	1,134,553	414,428	1,395,064	6,986,112
Fund Balance - End Of Year	\$ 3,064,872	\$ 1,351,451	\$ 1,239,647	\$ 462,830	\$ 1,434,848	\$ 7,553,648

See the notes to basic financial statements.

JACKSON COUNTY, COLORADO

**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
TO THE STATEMENT OF ACTIVITIES
For The Year Ended December 31, 2023**

Net Changes In Fund Balances - Total Governmental Funds \$ 567,536

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeded capital outlay in the current period:

Depreciation and amortization expense	\$ (314,135)	
Capital outlay	<u>471,720</u>	157,585

Repayments of long-term obligations are reported as expenditures in governmental funds; however, they reduce long-term liabilities in the statement of net position and do not affect the statement of activities. 9,101

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue of the internal service funds is reported with governmental activities in the statement of activities. 294,641

Change In Net Position Of Governmental Activities \$ 1,028,863

JACKSON COUNTY, COLORADO

STATEMENT OF NET POSITION - PROPRIETARY FUNDS December 31, 2023

	Business-Type Activities	Governmental Activities
	Enterprise Fund	Internal Service Fund
Assets:		
Current Assets		
Cash and investments	\$ —	\$ 3,235,523
Accounts receivable	2,976	—
Due from other funds	—	399,133
Supplies inventory	—	36,774
Total Current Assets	2,976	3,671,430
Noncurrent Assets		
Capital assets	—	5,673,215
Accumulated depreciation	—	(3,639,009)
Total Noncurrent Assets	—	2,034,206
Total Assets	2,976	5,705,636
Liabilities		
Accounts payable	2,976	3,999
Net Position		
Net investment in capital assets	—	2,034,206
Unrestricted	—	3,667,431
Total Net Position	\$ —	\$ 5,701,637

JACKSON COUNTY, COLORADO

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - PROPRIETARY FUNDS For The Year Ended December 31, 2023

	Business-Type Activities	Governmental Activities
	Enterprise Fund	Internal Service Fund
Operating Revenues		
Equipment rental	\$ —	\$ 297,522
Intergovernmental	15,469	—
Charges for services	28,355	224,690
Total Operating Revenues	43,824	522,212
Operating Expenses		
Depreciation	—	303,488
Repairs and maintenance	—	259,437
Shop utilities	13,540	28,726
Shop supplies	—	11,968
Contract services	22,624	—
Miscellaneous	3,373	33
Total Operating Expenses	39,537	603,652
Net Operating Income (Loss)	4,287	(81,440)
Nonoperating Revenues (Expenses)		
Transfers in	—	375,081
Investment income	4,280	—
Gain on disposal of assets	—	1,000
Conveyance to other government	(117,126)	—
Total Nonoperating Revenues (Expenses)	(112,846)	376,081
Change In Net Position	(108,559)	294,641
Net Position - Beginning Of Year	108,559	5,406,996
Net Position - End Of Year	\$ —	\$ 5,701,637

JACKSON COUNTY, COLORADO

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS For The Year Ended December 31, 2023

	Business-Type Activities	Governmental Activities
	Enterprise Fund	Internal Service Fund
Cash Flows From Operating Activities		
Cash received from customers	\$ 45,981	\$ —
Cash received from internal charges	—	504,852
Cash paid for goods and services	(36,561)	(296,165)
Net Cash From Operating Activities	9,420	208,687
Cash Flows From Noncapital Financing Activities		
Conveyance to other government	(89,061)	—
Cash Flows From Capital And Related Financing Activities		
Acquisition and construction of capital assets	—	(375,082)
Proceeds from sale of capital assets	—	1,000
Net Cash Used In Capital And Related Financing Activities	—	(374,082)
Cash Flows From Investing Activities		
Investment income	4,280	—
Net Decrease In Cash And Cash Equivalents	(75,361)	(165,395)
Cash And Cash Equivalents - Beginning Of Year	75,361	3,400,918
Cash And Cash Equivalents - End Of Year	\$ —	\$ 3,235,523
Reconciliation Of Operating Income (Loss) To Net Cash Provided By Operating Activities		
Operating income (loss)	\$ 4,287	\$ (81,440)
Adjustments To Reconcile Operating Income To Net Cash From Operating Activities		
Depreciation	—	303,488
Changes in assets and liabilities:		
Accounts receivable	2,157	—
Interfund activity	—	(17,360)
Accounts payable	2,976	3,999
Total Adjustments	5,133	290,127
Net Cash Provided By Operating Activities	\$ 9,420	\$ 208,687
Noncash Capital And Related Financing Activities		
Conveyance to other government	\$ (28,065)	\$ —

JACKSON COUNTY, COLORADO

**STATEMENT OF FIDUCIARY ASSETS NET POSITION -
FIDUCIARY FUND
December 31, 2023**

	Custodial Funds
Assets	
Cash and investments	\$ 340,901
Property taxes receivable	3,045,325
Total Assets	<u>3,386,226</u>
Liabilities	
Due to other governments	63,465
Deferred Inflows Of Resources	
Unavailable property tax revenue	<u>3,045,325</u>
Net Position	
Restricted for other entities	<u>\$ 277,436</u>

JACKSON COUNTY, COLORADO

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - FIDUCIARY FUND December 31, 2023

	<u>Custodial Funds</u>
Additions	
Tax collections for other governments	\$ 4,228,546
County Clerk collections	544,860
Funds held for others	218,453
Total Additions	<u>4,991,859</u>
Deductions	
Payments of taxes to other governments	4,417,792
County Clerk payments to other governments	504,474
Funds held for others	6,582
Total Deductions	<u>4,928,848</u>
Net Increase In Fiduciary Net Position	63,011
Beginning Net Position	<u>214,425</u>
Ending Net Position	<u>\$ 277,436</u>

JACKSON COUNTY, COLORADO

NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2023

1. Summary Of Significant Accounting Policies

The financial statements of Jackson County, Colorado (the County), have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting. The most significant of the County's accounting policies are described below.

Reporting Entity

The County operates under a Board of County Commissioners (the Board). The County provides the following services: public safety (law enforcement and fire protection), public works (road and bridge maintenance and construction), public health and welfare, culture and recreation and general government services.

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure the financial statements are not misleading. The primary government of the County consists of all funds, departments, boards and agencies that are not legally separate from the County.

In accordance with GAAP, the County has considered the possibility of inclusion of additional entities in its basic financial statements.

The definition of the reporting entity is based primarily on financial accountability. The County is financially accountable for organizations that make up its legal entity. It is also financially accountable for legally separate organizations if County officials appoint a voting majority of the organization's governing body and it is either able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the County. The County may also be financially accountable for governmental organizations that are fiscally dependent upon it. Additionally, the County is required to consider other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading.

JACKSON COUNTY, COLORADO

Notes To Basic Financial Statements (*Continued*)

The Jackson County Emergency Telephone Service Authority (the Authority) is the advisory body of an emergency telephone system operated by the County's Board. The County, through the Board, oversees all financial and contractual operations of the Authority and also appoints the Authority's members. The Authority collects surcharge fees to fund training and technical support costs. The Authority does not issue separate financial statements. The County is fiscally accountable and exercises operational responsibility for the Authority and has been included as an enterprise fund as a blended component unit in the financial statements of the County. As discussed in Note 12, in 2023 the County entered into an intergovernmental agreement with Larimer Emergency Telephone Authority to assume fiscal and operational responsibilities for the County's emergency telephone system.

The County and the Town of Walden (the Town) have entered into an intergovernmental agreement to establish the North Park Fire Rescue Authority (the NPFRA) with the purpose of providing fire protection for the County and the Town. The agreement outlines the governance and operation of the NPFRA and allows the NPFRA use of certain facilities owned by the County. The NPFRA board of directors appoint officers annually. The County does not represent a majority on the NPFRA board of directors and does not have the ability to exercise control over the NPFRA budgeting or financing. The County does not hold an equity interest in the joint venture, and it has not been included in the County's financial statements. Separately issued financial statements for the NPFRA are not available. Further information regarding the NPFRA is available at 515 Harrison Street, Walden, CO 80480.

Basis Of Presentation

The government-wide financial statements classify the County's programs between governmental and business-type.

Government-Wide Financial Statements - The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information for the County as a whole. The primary government and its component units are presented within these financial statements. Fiduciary activities are not included at the government-wide reporting level. In general, the effect of interfund activity has been removed from these statements. Individual funds are not displayed, but the statements distinguish governmental activities, generally supported by taxes and County general revenues, from the business-type activity, generally financed in whole or in part with fees charged to external customers.

JACKSON COUNTY, COLORADO

Notes To Basic Financial Statements (*Continued*)

The statement of activities presents a comparison between direct expenses and program revenues for each function of the County's governmental activities and for each identifiable activity of the business-type activities of the County. Direct expenses are those that are specifically associated with a function and, therefore, are clearly identifiable to that particular function. The County does not allocate indirect expenses to functions in the statement of activities.

The statement of activities reports expenses of a given function offset by program revenues directly connected with the function. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services; (2) operating grants and contributions which finance annual operating activities and (3) capital grants and contributions which fund the acquisition, construction or rehabilitation of capital assets.

These revenues are subject to externally imposed restrictions to these program uses. For identifying to which function program revenue pertains, the determining factor for charges for services is which function generates the revenue. For grants and contributions, the determining factor is to which functions the revenues are restricted.

Taxes and other revenue sources not properly included with program revenues are reported as general revenues of the County. The comparison of direct expenses with program revenues identifies the extent to which each governmental function and each identifiable business activity is self-financing or draws from the general revenues of the County.

Fund Financial Statements - During the year, the County segregates transactions related to certain County functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. A fund is a fiscal and accounting entity with a self-balancing set of accounts. Fund financial statements are designed to present financial information of the County at this more detailed level. Fund financial statements are provided for governmental, proprietary and fiduciary funds.

Major individual governmental funds and the enterprise fund are reported in separate columns with composite columns for nonmajor funds. Fiduciary funds are reported by type.

JACKSON COUNTY, COLORADO

Notes To Basic Financial Statements (*Continued*)

Governmental Funds

Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Fund liabilities are assigned to the fund from which they will be liquidated. The County reports the difference between governmental fund assets and liabilities as fund balance.

The following are the County's major governmental funds:

- *General Fund* - The General Fund is the general operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund.
- *Road And Bridge Fund* - The Road and Bridge Fund is a special revenue fund used to account for motor fuel tax revenues and other sources of revenue legally restricted to the maintenance of County roads.
- *Recreation Fund* - The Recreation Fund is a special revenue fund used to account for recreational resources legally restricted to recreational facilities and operations.
- *Public Health Fund* - The Public Health Fund is a special revenue fund used to account for public welfare programs resources legally restricted to local public health and welfare operations.

Proprietary Funds

These funds' reporting focus is on the determination of operating income, changes in net position, financial position and cash flows. These funds are reported on the accrual basis of accounting. The enterprise and internal service funds are classified as proprietary funds.

Operating revenues are those revenues resulting from providing services in connection with the emergency telephone system and internal charges, such as telephone surcharges and road and equipment usage. Operating expenses are necessary costs incurred to provide those services.

JACKSON COUNTY, COLORADO

Notes To Basic Financial Statements (*Continued*)

The following are the County's proprietary funds:

- *Emergency Telephone Fund* - This fund is used to account for 911 surcharges received for operating the emergency telephone system.
- *Internal Service Fund* - This fund is used to accumulate funds for maintenance and replacement costs for vehicles and equipment for other departments or agencies of the County, or to other governments, on a cost-reimbursement basis.

Custodial Funds

The County's two custodial funds are fiduciary in nature and are used to account for assets the County holds for others in a fiduciary capacity. The resources within these funds are generally held for three months or less. The Custodial funds are accounted for using the economic resources measurement focus and accrual basis of accounting.

Measurement Focus And Basis Of Accounting

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The County considers all revenues reported in the governmental funds to be available if the revenues are collected within 60 days after year end. Property taxes, sales taxes, licenses and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt and claims and judgments, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Net Position

Government accounting standards require the classification of net position into three components: net investment in capital assets, restricted and unrestricted.

- ***Net Investment In Capital Assets*** - This component consists of capital assets (including restricted), net of accumulated depreciation and reduced by outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- ***Restricted*** - This component consists of constraints placed on net position use through externally imposed restrictions from creditors, grantors, contributors, laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.
- ***Unrestricted*** - This component consists of net position that does not meet either of the above classifications.

The County applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted resources are available.

Fund Balance

In the fund financial statements, the governmental funds report the following classification of fund balance:

- ***Nonspendable*** - includes items not expected to be converted to cash in the near term (e.g., inventories, prepaids and the long-term portion of loans receivable) or funds that legally or contractually must be maintained intact
- ***Restricted*** - includes amounts that are restricted for specific purposes pursuant to constraint, either externally imposed by creditors, grantors, contributors or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation
- ***Committed*** - includes amounts that can only be used for the specific purposes determined by a formal action, a Board resolution, of the County's highest level of decision-making authority. The same formal action must be taken to remove or change the limitations placed on the funds.

JACKSON COUNTY, COLORADO

Notes To Basic Financial Statements (*Continued*)

- **Assigned** - consists of funds intended to be used for specific purposes but do not meet the criteria to be classified as restricted or committed. The County has delegated the authority to the County Administrator, or designee, to assign funds and amounts to be used for specific purposes.
- **Unassigned** - is the residual classification of the General Fund and includes all spendable amounts not contained in other classifications. This category also provides the resources necessary to meet any unexpected expenditures and revenue shortfalls.

The County has not established a formal policy for its use of restricted and unrestricted (committed, assigned, unassigned) fund balance; however, when expenditures are incurred, the County uses restricted fund balances first if the expenditure meets the restricted purpose, followed by committed amounts, assigned amounts and, lastly, unassigned amounts.

Cash And Investments

For purposes of the cash flow statement, cash includes demand deposits. Cash equivalents are defined as highly liquid investments with an original maturity of 90 days or less. Investment income is allocated to the General Fund, except where it can be specifically identified by investment.

Fair Value Measurement

The County follows GASB Statement No. 72, *Fair Value Measurement and Application*, which generally requires state and local governments to measure assets and liabilities at fair value. GASB's goal is to enhance comparability of governmental financial statements by requiring fair value measurement for certain assets and liabilities using a consistent definition and accepted valuation techniques. The County's investments consist of external investment pools and certificates of deposit.

Inventory

Inventory is valued at the lower of cost or market. The cost of inventory is recorded as an expenditure using the first-in, first-out method at the time the individual inventory items are used.

Capital Assets

All capital assets are valued at historical cost or estimated historical cost if actual is not available and reported in the applicable government-wide financial statements and proprietary funds. Donated capital assets are valued at their acquisition value on the date of donation. Depreciation has been provided over the estimated useful lives of 5 to 50 years using the straight-line method. The County's capitalization threshold is \$5,000.

Leases

For arrangements where the County is a lessee, a lease liability and a right-to-use (RTU) intangible asset are recognized at the commencement of the lease term. RTU assets represent the County's right to use an underlying asset for the lease term and lease liabilities represent the County's obligation to make lease payments arising from the lease. RTU assets and lease liabilities are recognized at the lease commencement date based on the estimated present value of the lease payments over the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The RTU 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, and is amortized on a straight-line basis over its useful life. RTU assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

For arrangements in which the County is the lessor, a lease receivable and a deferred inflow of resources is recognized at the commencement of the lease term, on both the fund which is expected to receive the lease payments, and on the government-wide statement. The deferred inflows of resources are measured at the value of the lease receivable plus any payments received at or before the commencement of the lease term that relates to future periods.

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 an estimated incremental borrowing rate, that represents the rate at which it could borrow funds for a term equivalent to the lease agreements, as the discount rate for leases. The lease term includes the noncancellable period of the lease. 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.

JACKSON COUNTY, COLORADO

Notes To Basic Financial Statements (*Continued*)

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.

Accumulated Unpaid Vacation

Accumulated unpaid vacation amounts are accrued when due in the governmental funds and when earned by employees for the government-wide financial statements.

Interfund Transactions

During the course of normal operations, the County may have transactions between funds, including expenditures and transfers of resources to provide services, to construct assets and to pay debt service. The governmental funds' financial statements generally reflect such transactions as other financing sources (uses). Exchange transactions between the internal service funds and other funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Transfers between funds reported in the governmental activities column are eliminated.

Deferred Outflows And Inflows Of Resources

- ***Deferred Outflows Of Resources*** - In addition to assets, the statements of net position and governmental funds balance sheets will sometimes include a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period or periods and so will not be recognized as an outflow of resources until then.
- ***Deferred Inflows Of Resources*** - In addition to liabilities, the statement of net position and governmental funds balance sheets will sometimes include a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position/fund balance that applies to a future period or periods and so will not be recognized as an inflow of resources until then. Deferred inflows include property taxes accrued, but levied for a subsequent year. In addition, lease receivables not available as current financial resources are reported as deferred inflows in the governmental fund financial statements.

JACKSON COUNTY, COLORADO

Notes To Basic Financial Statements (*Continued*)

Budgets

The budgets, including those for the proprietary fund types, are prepared on the modified accrual basis of accounting. This is consistent with GAAP as applied to local governments, except for the proprietary fund budgets, which are prepared on a non-GAAP basis.

- (1) Prior to September 20, the County Administrator prepares and submits to the Board an annual budget for the ensuing year, based upon detailed estimates furnished by the various County departments.
- (2) Copies of the proposed budget are printed and made available for public inspection, and a public hearing is held by the County to obtain public comment.
- (3) Prior to December 31, the annual budget is finalized through passage of the annual appropriation resolution, which is the legal authority for enactment of the budget.

Any time after the adoption of the annual appropriation resolution and after at least one public notice, the County may adopt a supplemental budget appropriation resolution. Only County Commissioners can approve increases in any fund's total expenditures. Budget appropriations lapse at year end.

Colorado law states that total expenditures for each fund cannot exceed the amount appropriated. For the year ended December 31, 2023 expenditures exceeded appropriations in the Recreation fund in the amount of \$3,014.

Property Taxes

Annual property taxes levied in one year and collected in the subsequent year are accrued as property taxes receivable at the end of the year. This accrual is offset by a deferred inflow of resources account. The County's 2023 property taxes were levied in 2023 and are due and payable in 2024.

Assessed values are established by the County Assessor's Office. Property owners within the boundaries of the County have been assessed property taxes for 2023. Since these taxes are not normally available to the County until 2024, they are classified as unavailable revenues.

Taxes for 2023 became due on January 1, 2024. Property taxes are payable in full on April 30, or taxpayers may pay property taxes in two equal installments. If paid in two installments, one half of the taxes are due February 28, 2024. The remaining half is due June 16, 2024.

JACKSON COUNTY, COLORADO

Notes To Basic Financial Statements (*Continued*)

Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the financial statements, and the reported amounts of revenues and expenses during that reporting period. Actual results could differ from these estimates.

2. Cash And Investments

Cash Deposits

The Colorado Public Deposit Protection Act (PDPA) requires all units of local governmental entities to deposit cash in eligible public depositories. Eligibility is determined by state regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by PDPA. The institution is allowed to create a single collateral pool for all public funds held. The pool is 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 102% of the uninsured deposits.

At December 31, 2023, the County's cash and certificates of deposits had a bank balance of \$6,339,032 and a carrying balance of \$6,416,375. As of December 31, 2023, of the County's deposits, \$4,163,000 was covered by the FDIC, and the remaining \$2,176,032 was covered by PDPA.

Cash and investments on the balance sheet consisted of the following as of December 31, 2023:

Per statement of net position	\$ 11,407,735
Per fiduciary statement of assets and liabilities	<u>340,901</u>
Total Cash And Investments	<u>\$ 11,748,636</u>
Cash on hand	\$ 9,146
Cash on deposit	1,818,939
Certificates of deposit	4,597,436
Local government investment pools	<u>5,323,115</u>
Total Cash And Investments	<u>\$ 11,748,636</u>

JACKSON COUNTY, COLORADO

Notes To Basic Financial Statements (*Continued*)

Investments

Credit Risk - Colorado statutes specify in which instruments the units of local government may invest, which include:

- Written repurchase agreements, collateralized by certain authorized securities
- Certain international agency securities
- Obligations of the United States or obligations unconditionally guaranteed by the United States
- Certain money market funds
- Obligations of the State of Colorado and most general obligations of units of local governments
- Commercial paper
- Federally insured mortgages and student loans
- Bankers' acceptances of certain banks
- Local government investment pools
- Guaranteed investment contracts

Interest Rate Risk - The County limits investment maturities to five years or less from the date of purchase. This limit is a means of limiting exposure to changes in fair market values arising from increasing interest rates. The Board approves an investment resolution each year identifying the institutions in which the Treasurer may invest.

<u>Investments By Type</u>	<u>Rating</u>	<u>Maturities</u>		<u>Total</u>
		<u>Less Than 1 Year</u>	<u>1 - 3 Years</u>	
Certificates of deposit	Not Rated	\$ 2,242,016	\$ 2,355,420	\$ 4,597,436
Local government investment pools	Various	5,323,115	—	5,323,115
Total Investments		\$ 7,565,131	\$ 2,355,420	\$ 9,920,551

Custodial Credit Risk - The risk that an investment, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All of the County's investments are held in the name of the County.

JACKSON COUNTY, COLORADO

Notes To Basic Financial Statements (*Continued*)

Fair Value Hierarchy - The County categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The County has no investments required to be reported under the fair value hierarchy. Certificates of deposit are valued at amortized cost consistent with GAAP.

Investments in local government investment pools or in money market funds are not evidenced by securities that exist in physical or book entry form. The County had invested \$5,323,115 in Colorado Government Liquid Asset Trust (Colotrust) and Colorado Surplus Asset Fund Trust (CSAFE CORE), which are investment vehicles established by state statute for local government entities in Colorado to pool surplus funds for investment purposes. The Colotrust pools operate similarly to a money market fund, and each share is equal in value to \$1.00. CSAFE CORE operates similarly to a money market fund and is managed to a per share value of \$2.00. A designated custodial bank provides safekeeping and depository services to both pools in connection with the direct investment and withdrawal functions of the pools. All securities owned by the pools 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 pools. Investments of the pools consist of U.S. Treasury bills, notes and note strips and repurchase agreements collateralized by U.S. Treasury notes. The state securities commission administers and enforces all state statutes governing public trust pools.

Colotrust and CSAFE CORE are valued using the net asset value per share (or its equivalent) of the investments and do not have unfunded commitments. Colotrust does not have redemption restrictions or redemption notice periods. CSAFE CORE requires a 24-hour redemption notice and has a limit of three monthly withdrawals.

Total investments in Colotrust and CSAFE CORE were \$2,587,566 and \$2,735,549, respectively. As of December 31, 2023, the County's investments in Colotrust are rated AAAM by Standard & Poor's and investments in CSAFE CORE are rated AAAMmf by Fitch's Ratings. Financial statements for Colotrust may be obtained through its website at www.colotrust.com. Financial statements for CSAFE CORE may be obtained through its website at www.csafe.org.

JACKSON COUNTY, COLORADO

Notes To Basic Financial Statements *(Continued)*

3. Leases Receivable

The County has entered into 3 ground leases that provide use of certain County airport land to be used for constructing and maintaining hangar space. These leases at inception have 20-year initial terms, with 4 5-year additional option periods. The lease expiration dates range from December 2042 to December 2048, which includes all consecutive renewal periods expected to be exercised by the lessees.

Lease principal and interest received during the year ended December 31, 2023 was \$196 and \$3,070, respectively. Principal and interest expected to maturity of these lease receivables are as follows:

Year Ending December 31,	Principal	Interest	Total
2024	\$ 467	\$ 3,060	\$ 3,527
2025	491	3,037	3,528
2026	515	3,012	3,527
2027	591	2,987	3,578
2028	802	2,957	3,759
2029 - 2033	6,637	13,980	20,617
2034 - 2038	11,884	11,825	23,709
2039 - 2043	17,666	8,208	25,874
2044 - 2048	22,151	3,235	25,386
	<u>\$ 61,204</u>	<u>\$ 52,301</u>	<u>\$ 113,505</u>

JACKSON COUNTY, COLORADO

Notes To Basic Financial Statements (Continued)

4. Capital Assets

Governmental Activities

The following is a summary of changes in governmental capital assets (including internal service fund capital assets):

	Balance December 31, 2022	Additions/ Transfers	Dispositions/ Transfers	Balance December 31, 2023
Nondepreciable				
Land	\$ 157,651	\$ —	\$ —	\$ 157,651
Construction in progress	1,561,629	—	—	1,561,629
Total Nondepreciable	1,719,280	—	—	1,719,280
Depreciable				
Buildings	2,655,187	—	—	2,655,187
Improvements	1,260,484	—	—	1,260,484
Infrastructure	1,184,963	—	—	1,184,963
Equipment	7,998,838	846,802	(67,497)	8,778,143
Total Depreciable	13,099,472	846,802	(67,497)	13,878,777
RTU Lease Equipment	28,244	—	—	28,244
Less Accumulated Depreciation And Amortization				
Depreciation	(9,526,421)	(608,453)	67,497	(10,067,377)
Amortization	(9,169)	(9,170)	—	(18,339)
Total Accumulated Depreciation And Amortization	(9,535,590)	(617,623)	67,497	(10,085,716)
Total Capital Assets Being Depreciated And Amortized, Net	3,592,126	229,179	—	3,821,305
Total Capital Assets	\$ 5,311,406	\$ 229,179	\$ —	\$ 5,540,585

Depreciation and amortization expense was charged to the following functions of the primary government as follows:

General government	\$ 89,528
Public safety	62,827
Public works	410,294
Public health and welfare	29,215
Culture and recreation	25,759
Total Governmental Activities Depreciation And Amortization Expense	\$ 617,623

JACKSON COUNTY, COLORADO

Notes To Basic Financial Statements (Continued)

Business-Type Activities

A summary of proprietary fund type capital assets at December 31, 2023 follows:

	Balance December 31, 2022	Additions	Dispositions	Balance December 31, 2023
Depreciable				
Equipment	\$ 143,044	\$ —	\$ (143,044)	\$ —
Accumulated Depreciation	(114,979)	—	114,979	—
Total Capital Assets	\$ 28,065	\$ —	\$ (28,065)	\$ —

5. Lease Liabilities

The County has entered into a 2-year lease agreement for copiers. Lease payments are due monthly at an interest rate of 0.48% until July 2024 with no renewal options. Lease principal and interest of \$9,105 and \$766, respectively, was included in debt service for the General Fund for the year ended December 31, 2023.

The future minimum lease payments and the net present value of these minimum lease payments are as follows:

Year Ending December 31,	Principal	Interest	Amount
2024	\$ 7,763	\$ 308	\$ 8,071
2025	2,597	71	2,668
	\$ 10,360	\$ 379	\$ 10,739

JACKSON COUNTY, COLORADO

Notes To Basic Financial Statements (Continued)

6. Restricted Fund Equity And TABOR Amendment

In 1992, Colorado voters passed an amendment, otherwise known as the Taxpayer Bill of Rights (TABOR), to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities and other specific requirements of state and local governments. During 1999, the voters of the County passed a ballot issue which allows the County to exceed the revenue limits established by TABOR. However, the ballot issue retained other restrictions related to property tax, multiple-year debt and elections contained in TABOR. TABOR is complex and subject to judicial interpretation. The County believes it is in compliance with the requirements of TABOR.

The County established an emergency reserve policy in 2005 which set funds aside for an emergency as defined by 30-25-107 of the Colorado Revised Statutes. This reserve is to provide for expenditures caused by an act of God, or the public enemy or some contingency that could not have been reasonably foreseen at the time of adoption of the budget or the TABOR Emergency Reserve. TABOR, passed by voters in 1992, requires that reserves equal to 3% of the fiscal year spending be established for declared emergencies. The County restricts various fund balances to meet the 3% TABOR requirement. At December 31, 2023, the County had a restricted fund balance of \$152,635.

7. Interfund Transactions

Interfund transfers during the year ended December 31, 2023 are as follows:

Transfers are made to segregate financial reporting and to allocate revenues to the applicable funds. A principal purpose of the County's internal fund transfers is to transfer payment in lieu of taxes (PILT) to the General Fund and of unearned grant funds from Public Health to the General Fund.

Transfer In:	Transfer Out:			Total
	General	Road And Bridge	Nonmajor Governmental Funds	
General	\$ —	\$ —	\$ 231,518	\$ 231,518
Public Health	2,069	—	—	2,069
Nonmajor funds	61,263	19,213	—	80,476
Proprietary funds	375,081	—	—	375,081
Total	\$ 438,413	\$ 19,213	\$ 231,518	\$ 689,144

JACKSON COUNTY, COLORADO

Notes To Basic Financial Statements (Continued)

Due To/Due From

Interfund balances are generally expected to be repaid within one year of the financial statement date. Interfund receivables and payables at December 31, 2023 are as follows:

Due To:	Due From:			Total
	General	Road And Bridge		
Internal Service	\$ 375,081	\$ 24,052	\$ 399,133	
Total	\$ 375,081	\$ 24,052	\$ 399,133	

8. Retirement Plans

CCOERA

The County is a member of the Colorado County Officials and Employees Retirement Association (CCOERA), which operates a defined contribution retirement plan. The plan is governed by a seven-member board that makes all necessary rules and is responsible for administration of the plan.

All County employees are required to participate after one year of continuous service. Contributions made by the County are 3% of the eligible employees' annual compensation. Employees must contribute a matching amount, but can increase their contributions up to 10% on a tax-paid basis. Participants are vested at the rate of 20% a year. No fixed benefits are paid or payable upon retirement. The County has no unfunded liability under the plan.

During 2023, the total payroll for the County was approximately \$2,110,000, of which approximately \$1,610,000 was for employees participating in the retirement plan. The employees and the County contributed \$48,098 and \$48,313, respectively, to the retirement plan in 2023.

The plan is funded through the funds that have payroll expenditures and normally levy property taxes to cover the County's share. The County maintains no control over the plan, other than being a member of CCOERA. A copy of CCOERA's financial statements is available directly from its website, located at www.ccoera.org.

9. Risks And Uncertainties

County Technical Services Insurance Pools

The County is exposed to various risks of loss related to injuries of employees while on the job. In 1988, the County joined together with other counties in Colorado as a member of the County Workers' Compensation Pool (CWCP), a public entity risk pool currently operating as a common risk management and insurance program for member counties. The County pays an annual contribution to CWCP for its workers' compensation insurance coverage.

The intergovernmental agreement for the formation of CWCP provides that the pools will be financially self-sustaining through member contributions and additional assessments, if necessary, and CWCP will purchase excess insurance through commercial companies for members' claims in excess of a specified self-insured retention, which is determined each policy year. There have been no reductions in insurance coverage, nor have claims exceeded coverage over the last three years.

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 as a member of County Technical Service's 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. There have been no reductions in insurance coverage, nor have claims exceeded coverage over the last three years.

The intergovernmental agreement for the formation of CAPP provides that the pool will be financially self-sustaining through member contributions and additional assessments, if necessary, and CAPP will purchase excess insurance through commercial companies for members' claims in excess of specified self-insurance retention, which is determined each policy year.

10. Contingent Liabilities

Under the terms of federal and state grants, periodic audits are required, and certain costs may be questioned as not being appropriate expenditures under the terms of the grants. Such audits could lead to reimbursement to the grantor agencies. The County management believes disallowances, if any, resulting from such audits would be immaterial. The County is not aware of any material disallowed or questioned costs.

11. Intergovernmental Loan Receivable

The County entered into a promissory note with the Town in the amount \$830,000 on December 15, 2014 to loan \$830,000 to the Town on January 18, 2015. The proceeds of the loan are required to be utilized by the Town to pay off the Town's 2002 bonds, the repayment of monies borrowed from other funds of the Town and repayment of the 1996 bond reserve. As of December 31, 2023, the balance of the loan was \$192,150.

The note bears interest of 3.5% and with payments due in January of each year from 2016 through 2026. Payments to maturity are as follows:

Year Ended	
December 31,	Principal
2024	\$ 93,164
2025	98,986
Total	\$ 192,150

12. Intergovernmental Agreement

The County entered into an intergovernmental agreement with the Larimer Emergency Telephone Authority (LETA) effective November 1, 2023, for provision of emergency telephone services and collection of emergency telephone charges to citizens of the County. The agreement called for the transfer of all Emergency Telephone Fund assets and assignment of future emergency telephone revenue to LETA. In accordance with the agreement, the County conveyed assets of \$117,126 which consisted of cash and cash equivalents of \$86,085 and assets with a net book value of \$28,065. As of December 31, 2023, \$2,976 is due to LETA.

JACKSON COUNTY, COLORADO

Notes To Basic Financial Statements *(Continued)*

13. Subsequent Events

The County is in the process of constructing a landfill which is expected to be open and operational by January 2025. In September 2024, the landfill's closure and post-closure costs were estimated to be \$657,460 and \$985,495, respectively. The County will recognize a future liability for landfill closure and post-closure costs in its December 31, 2024, financial statements.

14. Restatement Of Beginning Net Position And Fund Balance

The County did not recognize revenue related to grant funds received in advance in a previous year. The omission resulted in an understatement of fund balance in the prior period.

The restatement had the following impact on previously reported balances:

	Public Health Fund		
	2022 As Previously Stated	Revenue Recognition	2022 Restated
Fund Balance	\$ (23,728)	\$ 438,156	\$ 414,428

	Governmental Activities		
	2022 As Previously Stated	Revenue Recognition	2022 Restated
Net Position	15,284,285	\$ 438,156	\$ 15,722,441

Required Supplementary Information

JACKSON COUNTY, COLORADO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND

For The Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues				
Property tax	\$ 1,104,548	\$ 1,104,548	\$ 1,103,787	\$ (761)
Sales tax	374,000	374,000	424,723	50,723
Other taxes	192,866	192,866	390,133	197,267
Intergovernmental:				
General	146,794	146,794	175,734	28,940
Contingent	408,900	408,900	565,841	156,941
Title III	12,347	12,347	14,092	1,745
Licenses and permits	20,360	20,360	31,801	11,441
Charges for services	283,719	283,719	232,767	(50,952)
Investment income	82,751	82,751	401,157	318,406
Contributions	—	—	59,355	59,355
Miscellaneous:				
General	20,778	20,778	58,151	37,373
Contingent	—	—	13,086	13,086
Total Revenues	2,647,063	2,647,063	3,470,627	823,564
Expenditures				
General government:				
General	1,413,432	1,467,382	1,284,519	182,863
Contingent	—	151,500	98,110	53,390
Public safety:				
General	1,170,989	1,170,989	1,109,703	61,286
Contingent	157,173	65,000	—	65,000
Capital outlay:				
General	25,000	25,000	59,355	(34,355)
Contingent	221,751	221,751	145,769	75,982
Debt service				
Principal	—	—	9,105	(9,105)
Interest	—	—	767	(767)
Total Expenditures	2,988,345	3,101,622	2,707,328	394,294
Excess (Deficiency) Of Revenues Over (Under) Expenditures	(341,282)	(454,559)	763,299	1,217,858
Other Financing Sources (Uses)				
Transfers in	24,776	205,000	231,518	26,518
Transfers out:				
General	—	—	(5,934)	(5,934)
Contingent	—	—	(431,344)	(431,344)
Total Other Financing Sources (Uses)	24,776	205,000	(205,760)	(410,760)
Net Change In Fund Balance	\$ (316,506)	\$ (249,559)	557,539	\$ 807,098
Fund Balance - Beginning Of Year			2,508,468	
Fund Balance - End Of Year			\$ 3,066,007	

JACKSON COUNTY, COLORADO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - ROAD AND BRIDGE FUND

For The Year Ended December 31, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues				
Intergovernmental	\$ 1,596,935	\$ 1,596,935	\$ 1,528,945	\$ (67,990)
Miscellaneous	500	500	707	207
Total Revenues	<u>1,597,435</u>	<u>1,597,435</u>	<u>1,529,652</u>	<u>(67,783)</u>
Expenditures				
General government	14,040	14,040	14,351	(311)
Public works	1,825,399	1,825,399	1,678,236	147,163
Total Expenditures	<u>1,839,439</u>	<u>1,839,439</u>	<u>1,692,587</u>	<u>146,852</u>
Deficiency Of Revenues Under Expenditures	(242,004)	(242,004)	(162,935)	79,069
Other Financing Uses				
Transfers out	(17,280)	(17,280)	(19,213)	(1,933)
Net Change In Fund Balance	<u>\$ (259,284)</u>	<u>\$ (259,284)</u>	<u>(182,148)</u>	<u>\$ 77,136</u>
Fund Balance - Beginning Of Year			<u>1,533,599</u>	
Fund Balance - End Of Year			<u>\$ 1,351,451</u>	

JACKSON COUNTY, COLORADO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - RECREATION FUND

For The Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues				
Sales tax	\$ 301,133	\$ 301,133	\$ 435,597	\$ 134,464
Charges for services	3,036	3,036	8,066	5,030
Investment income	2,755	2,755	58,265	55,510
Total Revenues	306,924	306,924	501,928	195,004
Expenditures				
General government	9,800	9,800	11,884	(2,084)
Culture and recreation	317,020	327,020	330,405	(3,385)
Capital outlay	57,000	57,000	54,545	2,455
Total Expenditures	383,820	393,820	396,834	(3,014)
Net Change In Fund Balance	\$ (76,896)	\$ (86,896)	105,094	\$ 191,990
Fund Balance - Beginning Of Year			<u>1,134,553</u>	
Fund Balance - End Of Year			<u>\$ 1,239,647</u>	

JACKSON COUNTY, COLORADO

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
PUBLIC HEALTH FUND**

For The Year Ended December 31, 2023

	Original And Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$ 313,833	\$ 338,355	\$ 24,522
Expenditures			
Public health	436,886	274,635	162,251
Capital outlay	40,000	17,387	22,613
Total Expenditures	476,886	292,022	184,864
Excess (Deficiency) Of Revenues Over (Under) Expenditures	(163,053)	46,333	209,386
Other Financing Sources			
Transfers in	2,069	2,069	—
Net Change In Fund Balance	<u>\$ (160,984)</u>	48,402	<u>\$ 209,386</u>
Fund Balance - Beginning Of Year, As Restated		<u>414,428</u>	
Fund Balance - End Of Year		<u>\$ 462,830</u>	

JACKSON COUNTY, COLORADO

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

1. **Budgetary Information**

Budgets for major governmental funds are adopted on the modified accrual basis where capital outlays are treated as expenditures and depreciation is not budgeted. Proceeds from debt financing and the sale of general fixed assets are accounted for as other financing sources. In addition, long-term receivables and advances and capital lease financing are budgeted when liquidated rather than when the receivables/liabilities are incurred. Budgets for enterprise funds are adopted on a basis consistent with the spending measurement focus of the governmental funds. The Board must approve transfers between funds or increases to a fund's budget.

2. **Expenditures/Expenses In Excess Of Appropriation**

Colorado's budget law requires that expenditures and transfers for a department or fund cannot exceed the appropriations for that department or fund. Appropriations for a department or fund may be increased, provided unanticipated resources offset them. For the year ended December 31, 2023, the Recreation fund expended \$3,014 in excess of appropriations. The County may be out of compliance with Colorado Revised Statutes.

Other Supplementary Information

**General Fund
Combining And Individual Fund Schedules**

JACKSON COUNTY, COLORADO

COMBINING BALANCE SHEET -

GENERAL FUND

December 31, 2023

	General	Contingent	Emergency Reserve	Title III	Total General Fund
Assets					
Cash and investments	\$ 2,638,932	\$ 839,168	\$ 151,500	\$ 38,785	\$ 3,668,385
Property taxes receivable	1,173,745	—	—	—	1,173,745
Intragovernmental loan receivable	192,150	—	—	—	192,150
Accounts receivable	92,122	—	—	—	92,122
Total Assets	\$ 4,096,949	\$ 839,168	\$ 151,500	\$ 38,785	\$ 5,126,402
Liabilities					
Accounts payable	\$ 63,382	\$ 6,673	\$ —	\$ —	\$ 70,055
Accrued expenses	21,511	—	—	—	21,511
Unearned revenue	—	421,138	—	—	421,138
Due to other fund	—	375,081	—	—	375,081
Total Liabilities	84,893	802,892	—	—	887,785
Deferred Inflows Of Resources					
Unavailable property tax revenue	1,173,745	—	—	—	1,173,745
Fund Balance					
Nonspendable	98,986	—	—	—	98,986
Restricted	1,135	—	151,500	—	152,635
Unassigned	2,738,190	36,276	—	38,785	2,813,251
Total Fund Balance	2,838,311	36,276	151,500	38,785	3,064,872
Total Liabilities, Deferred Inflows Of Resources And Fund Balances	\$ 4,096,949	\$ 839,168	\$ 151,500	\$ 38,785	\$ 5,126,402

JACKSON COUNTY, COLORADO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - GENERAL FUND

For The Year Ended December 31, 2023

	General	Contingent	Emergency Reserve	Title III	Total General Fund
Revenues					
Property tax	\$ 1,103,787	\$ —	\$ —	\$ —	\$ 1,103,787
Sales tax	424,723	—	—	—	424,723
Other taxes	390,133	—	—	—	390,133
Intergovernmental	175,734	565,841	—	14,092	755,667
Licenses and permits	31,801	—	—	—	31,801
Charges for services	232,767	—	—	—	232,767
Investment income	401,157	—	—	—	401,157
Contributions	59,355	—	—	—	59,355
Miscellaneous	58,151	13,086	—	—	71,237
Total Revenues	2,877,608	578,927	—	14,092	3,470,627
Expenditures					
General government	1,284,519	98,110	—	—	1,382,629
Public safety	1,109,703	—	—	—	1,109,703
Capital outlay	59,355	145,769	—	—	205,124
Debt service:					
Principal	9,105	—	—	—	9,105
Interest	767	—	—	—	767
Total Expenditures	2,463,449	243,879	—	—	2,707,328
Excess of Revenues Over Expenditures	414,159	335,048	—	14,092	763,299
Other Financing Sources (Uses)					
Operating transfers in	231,518	—	(1,135)	—	230,383
Operating transfers out	(5,934)	(431,344)	—	—	(437,278)
Total Other Financing Sources (Uses)	225,584	(431,344)	(1,135)	—	(206,895)
Net Changes In Fund Balance	639,743	(96,296)	(1,135)	14,092	556,404
Fund Balance - Beginning Of Year	2,198,568	132,572	152,635	24,693	2,508,468
Fund Balance - End Of Year	\$ 2,838,311	\$ 36,276	\$ 151,500	\$ 38,785	\$ 3,064,872

JACKSON COUNTY, COLORADO

**DETAIL SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
GENERAL FUND**

For The Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues				
Property tax	\$ 1,104,548	\$ 1,104,548	\$ 1,103,787	\$ (761)
Sales tax	374,000	374,000	424,723	50,723
Other taxes	192,866	192,866	390,133	197,267
Intergovernmental	146,794	146,794	175,734	28,940
Licenses and permits	20,360	20,360	31,801	11,441
Charges for services	283,719	283,719	232,767	(50,952)
Investment income	82,751	82,751	401,157	318,406
Contributions	—	—	59,355	59,355
Miscellaneous	20,778	20,778	58,151	37,373
Total Revenues	2,225,816	2,225,816	2,877,608	651,792
Expenditures				
General government	1,413,432	1,467,382	1,284,519	182,863
Public safety	1,170,989	1,170,989	1,109,703	61,286
Capital outlay	25,000	25,000	59,355	(34,355)
Debt service:				
Principal	—	—	9,105	(9,105)
Interest	—	—	767	(767)
Total Expenditures	2,609,421	2,663,371	2,463,449	199,922
Excess (Deficiency) Of Revenues Over (Under) Expenditures	(383,605)	(437,555)	414,159	851,714
Other Financing Sources (Uses)				
Operating transfers in	213,500	213,500	231,518	18,018
Operating transfers out	(7,069)	(7,069)	(5,934)	(1,135)
Total Other Financing Sources (Uses)	206,431	206,431	225,584	16,883
Net Change In Fund Balance	\$ (177,174)	\$ (231,124)	639,743	\$ 868,597
Fund Balance - Beginning Of Year			2,198,568	
Fund Balance - End Of Year			\$ 2,838,311	

JACKSON COUNTY, COLORADO

**DETAIL SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
GENERAL FUND/CONTINGENT FUND
For The Year Ended December 31, 2023**

	Original And Final Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues				
Intergovernmental	\$ 408,900	\$ 408,900	\$ 565,841	\$ 156,941
Miscellaneous	—	—	13,086	13,086
Total Revenues	408,900	408,900	578,927	170,027
Expenditures				
General government	65,000	65,000	98,110	(33,110)
Capital outlay	221,751	221,751	145,769	75,982
Total Expenditures	286,751	286,751	243,879	42,872
Excess Of Revenues Over Expenditures	122,149	122,149	335,048	127,155
Other Financing Sources (Uses)				
Operating transfers out	—	—	(431,344)	431,344
Net Change In Fund Balance	\$ 122,149	\$ 122,149	(96,296)	\$ 558,499
Fund Balance - Beginning Of Year			132,572	
Fund Balance - End Of Year			<u>\$ 36,276</u>	

JACKSON COUNTY, COLORADO

**DETAIL SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
GENERAL FUND/EMERGENCY RESERVE FUND
For The Year Ended December 31, 2023**

	<u>Original And Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Expenditures			
General government	\$ 151,500	\$ —	\$ 151,500
Other Financing Uses			
Transfers out	—	(1,135)	(1,135)
Net Change In Fund Balance	<u>\$ (151,500)</u>	<u>(1,135)</u>	<u>\$ 150,365</u>
Fund Balance - Beginning Of Year		<u>152,635</u>	
Fund Balance - End Of Year		<u>\$ 151,500</u>	

JACKSON COUNTY, COLORADO

**DETAIL SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
GENERAL FUND/TITLE III FUND
For The Year Ended December 31, 2023**

	Original And Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$ 12,347	\$ 14,092	\$ 1,745
Net Change In Fund Balance	<u>\$ 12,347</u>	<u>14,092</u>	<u>\$ 1,745</u>
Fund Balance - Beginning Of Year		<u>24,693</u>	
Fund Balance - End Of Year		<u>\$ 38,785</u>	

Nonmajor Governmental Funds

JACKSON COUNTY, COLORADO

**COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2023**

	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
Assets			
Cash and investments	\$ 1,198,584	\$ 255,224	\$ 1,453,808
Accounts receivable	1,930	4,286	6,216
Property taxes receivable	286,538	22,363	308,901
Leases receivable	—	61,204	61,204
Total Assets	\$ 1,487,052	\$ 343,077	\$ 1,830,129
Liabilities			
Accounts payable	\$ 24,054	\$ 40	\$ 24,094
Accrued expenses	3,109	—	3,109
Total Liabilities	27,163	40	27,203
Deferred Inflows Of Resources			
Property tax	286,538	22,363	308,901
Leases	—	59,177	59,177
Total Deferred Inflows Of Resources	286,538	81,540	368,078
Fund Balance			
Restricted	1,173,351	—	1,173,351
Assigned	—	261,497	261,497
Total Fund Balances	1,173,351	261,497	1,434,848
Total Liabilities, Deferred Inflows Of Resources And Fund Balances	\$ 1,487,052	\$ 343,077	\$ 1,830,129

JACKSON COUNTY, COLORADO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS For The Year Ended December 31, 2023

	Special Revenue Funds	Capital Project Funds	Total Nonmajor Governmental Funds
Revenues			
Property tax	\$ 264,356	\$ 20,624	\$ 284,980
Other taxes	117,204	3,785	120,989
Intergovernmental	515,366	25,429	540,795
Charges for services	116,225	55,562	171,787
Contributions	—	8,527	8,527
Investment income	399	751	1,150
Miscellaneous	—	3,071	3,071
Total Revenues	1,013,550	117,749	1,131,299
Expenditures			
General government	156,260	20,713	176,973
Public works	205,296	—	205,296
Public health and welfare	240,052	—	240,052
Culture and recreation	123,488	—	123,488
Capital outlay	135,404	59,260	194,664
Total Expenditures	860,500	79,973	940,473
Excess Of Revenues Over Expenditures	153,050	37,776	190,826
Other Financing Sources (Uses)			
Transfers in	24,213	56,263	80,476
Transfers out	(231,518)	—	(231,518)
Total Other Financing Sources (Uses)	(207,305)	56,263	(151,042)
Net Changes In Fund Balance	(54,255)	94,039	39,784
Fund Balance - Beginning Of Year	1,227,606	167,458	1,395,064
Fund Balance - End Of Year	\$ 1,173,351	\$ 261,497	\$ 1,434,848

Nonmajor Special Revenue Funds

JACKSON COUNTY, COLORADO

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS

December 31, 2023

Page 1 Of 2

	Social Services	PILT	Conservation Trust	Solid Waste Disposal	Library	Cemetery
Assets						
Cash and investments	\$ 308,253	\$ —	\$ 79,088	\$ 31,475	\$ 379,205	\$ 18,640
Accounts receivable	—	—	—	362	1,087	—
Property taxes receivable	62,713	—	—	44,727	134,371	—
Total Assets	\$ 370,966	\$ —	\$ 79,088	\$ 76,564	\$ 514,663	\$ 18,640
Liabilities						
Accounts payable	\$ 13,090	\$ —	\$ —	\$ 5,111	\$ 153	\$ —
Accrued expenses	—	—	—	3,109	—	—
Total Liabilities	13,090	—	—	8,220	153	—
Deferred Inflows Of Revenues						
Unavailable property tax revenue	62,713	—	—	44,727	134,371	—
Fund Balance						
Restricted	295,163	—	79,088	23,617	380,139	18,640
Total Liabilities, Deferred Inflows Of Resources And Fund Balances	\$ 370,966	\$ —	\$ 79,088	\$ 76,564	\$ 514,663	\$ 18,640

JACKSON COUNTY, COLORADO

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS

December 31, 2023

Page 2 Of 2

	Insurance Reserve	Noxious Weed	Oil And Gas	Lodging Tax Tourism	Total Nonmajor Special Revenue Funds
Assets					
Cash and investments	\$ 48,687	\$ 90,386	\$ 83,009	\$ 159,841	\$ 1,198,584
Accounts receivable	—	481	—	—	1,930
Property taxes receivable	44,727	—	—	—	286,538
Total Assets	\$ 93,414	\$ 90,867	\$ 83,009	\$ 159,841	\$ 1,487,052
Liabilities					
Accounts payable	\$ —	\$ —	\$ —	\$ 5,700	\$ 24,054
Accrued expenses	—	—	—	—	3,109
Total Liabilities	—	—	—	5,700	27,163
Deferred Inflows Of Revenues					
Unavailable property tax revenue	44,727	—	—	—	286,538
Fund Balance					
Restricted	48,687	90,867	83,009	154,141	1,173,351
Total Liabilities, Deferred Inflows Of Resources And Fund Balances	\$ 93,414	\$ 90,867	\$ 83,009	\$ 159,841	\$ 1,487,052

JACKSON COUNTY, COLORADO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - NONMAJOR SPECIAL REVENUE FUNDS For The Year Ended December 31, 2023 Page 1 Of 2

	Social Services	PILT	Conservation Trust	Solid Waste Disposal	Library	Cemetery
Revenues						
Property tax	\$ 57,945	\$ —	\$ —	\$ 41,247	\$ 123,917	\$ —
Other taxes	10,490	—	—	7,568	22,735	—
Intergovernmental	205,233	231,518	10,743	—	173	—
Charges for services	—	—	—	108,800	—	7,425
Investment income	—	—	—	80	239	—
Total Revenues	273,668	231,518	10,743	157,695	147,064	7,425
Expenditures						
General government	—	—	—	—	—	324
Public works	—	—	—	205,296	—	—
Public health and welfare	235,791	—	—	—	—	4,261
Culture and recreation	—	—	—	—	123,488	—
Capital outlay	—	—	—	—	—	—
Total Expenditures	235,791	—	—	205,296	123,488	4,585
Excess (Deficiency) Of Revenues Over (Under) Expenditures	37,877	231,518	10,743	(47,601)	23,576	2,840
Other Financing Sources (Uses)						
Operating transfers in	—	—	—	—	—	5,000
Operating transfers out	—	(231,518)	—	—	—	—
Total Other Financing Sources (Uses)	—	(231,518)	—	—	—	5,000
Net Changes In Fund Balance	37,877	—	10,743	(47,601)	23,576	7,840
Fund Balance - Beginning Of Year	257,286	—	68,345	71,218	356,563	10,800
Fund Balance - End Of Year	\$ 295,163	\$ —	\$ 79,088	\$ 23,617	\$ 380,139	\$ 18,640

JACKSON COUNTY, COLORADO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - NONMAJOR SPECIAL REVENUE FUNDS For The Year Ended December 31, 2023 Page 2 Of 2

	Insurance Reserve	Noxious Weed	Oil And Gas	Lodging Tax Tourism	Total Nonmajor Special Revenue Funds
Revenues					
Property tax	\$ 41,247	\$ —	\$ —	\$ —	\$ 264,356
Other taxes	7,206	—	—	69,205	117,204
Intergovernmental	—	67,699	—	—	515,366
Charges for services	—	—	—	—	116,225
Investment income	80	—	—	—	399
Total Revenues	48,533	67,699	—	69,205	1,013,550
Expenditures					
General government	45,000	56,531	—	54,405	156,260
Public works	—	—	—	—	205,296
Public health and welfare	—	—	—	—	240,052
Culture and recreation	—	—	—	—	123,488
Capital outlay	—	—	135,404	—	135,404
Total Expenditures	45,000	56,531	135,404	54,405	860,500
Excess (Deficiency) Of Revenues Over (Under) Expenditures	3,533	11,168	(135,404)	14,800	153,050
Other Financing Sources (Uses)					
Operating transfers in	—	19,213	—	—	24,213
Operating transfers out	—	—	—	—	(231,518)
Total Other Financing Sources (Uses)	—	19,213	—	—	(207,305)
Net Changes In Fund Balance	3,533	30,381	(135,404)	14,800	(54,255)
Fund Balance - Beginning Of Year	45,154	60,486	218,413	139,341	1,227,606
Fund Balance - End Of Year	\$ 48,687	\$ 90,867	\$ 83,009	\$ 154,141	\$ 1,173,351

JACKSON COUNTY, COLORADO

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
SOCIAL SERVICES FUND**

For The Year Ended December 31, 2023

	Original And Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Property tax	\$ 58,138	\$ 57,945	\$ (193)
Other taxes	8,056	10,490	2,434
Intergovernmental	632,465	205,233	(427,232)
Total Revenues	698,659	273,668	(424,991)
Expenditures			
Public health and welfare	707,887	235,791	472,096
Net Change In Fund Balance	\$ (9,228)	37,877	\$ 47,105
Fund Balance - Beginning Of Year		257,286	
Fund Balance - End Of Year		\$ 295,163	

JACKSON COUNTY, COLORADO

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
PILT FUND**

For The Year Ended December 31, 2023

	Original And Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$ 213,500	\$ 231,518	\$ 18,018
Excess Of Revenues Over Expenditures	213,500	231,518	18,018
Other Financing Uses			
Transfers out	(213,500)	(231,518)	(18,018)
Net Change In Fund Balance	<u>\$ —</u>	<u>—</u>	<u>\$ —</u>
Fund Balance - Beginning Of Year		<u>—</u>	
Fund Balance - End Of Year		<u>\$ —</u>	

JACKSON COUNTY, COLORADO

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
CONSERVATION TRUST FUND**

For The Year Ended December 31, 2023

	Original And Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$ 9,400	\$ 10,743	\$ 1,343
Expenditures			
Capital outlay	10,000	—	10,000
Net Change In Fund Balance	<u>\$ (600)</u>	10,743	<u>\$ 11,343</u>
Fund Balance - Beginning Of Year		<u>68,345</u>	
Fund Balance - End Of Year		<u>\$ 79,088</u>	

JACKSON COUNTY, COLORADO

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
SOLID WASTE DISPOSAL FUND**

For The Year Ended December 31, 2023

	Original And Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Property tax	\$ 41,307	\$ 41,247	\$ (60)
Other taxes	5,995	7,568	1,573
Charges for services	166,228	108,800	(57,428)
Investment income	110	80	(30)
Total Revenues	213,640	157,695	(55,945)
Expenditures			
Public works	208,452	205,296	3,156
Net Change In Fund Balance	\$ 5,188	(47,601)	\$ (52,789)
Fund Balance - Beginning Of Year		<u>71,218</u>	
Fund Balance - End Of Year		<u>\$ 23,617</u>	

JACKSON COUNTY, COLORADO

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
LIBRARY FUND**

For The Year Ended December 31, 2023

	Original And Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Property tax	\$ 124,848	\$ 123,917	\$ (931)
Other taxes	18,426	22,735	4,309
Intergovernmental	5,000	173	(4,827)
Investment income	253	239	(14)
Miscellaneous	835	—	(835)
Total Revenues	149,362	147,064	(2,298)
Expenditures			
Culture and recreation	158,145	123,488	34,657
Net Change In Fund Balance	\$ (8,783)	23,576	\$ 32,359
Fund Balance - Beginning Of Year		356,563	
Fund Balance - End Of Year		\$ 380,139	

JACKSON COUNTY, COLORADO

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
CEMETERY FUND**

For The Year Ended December 31, 2023

	Original And Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Charges for services	\$ 3,250	\$ 7,425	\$ 4,175
Expenditures			
General government	300	324	(24)
Public health and welfare	8,150	4,261	3,889
Total Expenditures	8,450	4,585	3,865
Excess (Deficiency) Of Revenues Over (Under) Expenditures	(5,200)	2,840	8,040
Other Financing Sources			
Transfer in	5,000	5,000	—
Net Change In Fund Balance	\$ (200)	7,840	\$ 8,040
Fund Balance - Beginning Of Year		<u>10,800</u>	
Fund Balance - End Of Year		<u>\$ 18,640</u>	

JACKSON COUNTY, COLORADO

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
INSURANCE RESERVE FUND
For The Year Ended December 31, 2023**

	Original And Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Property tax	\$ 39,526	\$ 41,247	\$ 1,721
Other taxes	6,235	7,206	971
Investment income	74	80	6
Total Revenues	45,835	48,533	2,698
Expenditures			
General government	45,000	45,000	—
Net Change In Fund Balance	\$ 835	3,533	\$ 2,698
Fund Balance - Beginning Of Year		45,154	
Fund Balance - End Of Year		\$ 48,687	

JACKSON COUNTY, COLORADO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - NOXIOUS WEED FUND

For The Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues				
Intergovernmental	\$ 52,000	\$ 52,000	\$ 67,699	\$ 15,699
Other	3,000	3,000	—	(3,000)
Total Revenues	55,000	55,000	67,699	12,699
Expenditures				
General government	59,124	59,124	56,531	2,593
Capital outlay	8,000	8,000	—	8,000
Total Expenditures	67,124	67,124	56,531	10,593
Excess (Deficiency) Of Revenues Over (Under) Expenditures	(12,124)	(12,124)	11,168	23,292
Other Financing Sources				
Transfers in	17,280	17,280	19,213	1,933
Net Change In Fund Balance	\$ 5,156	\$ 5,156	30,381	\$ 25,225
Fund Balance - Beginning Of Year			60,486	
Fund Balance - End Of Year			\$ 90,867	

JACKSON COUNTY, COLORADO

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
OIL AND GAS FUND**

For The Year Ended December 31, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Expenditures				
Capital outlay	\$ 41,249	\$ 165,149	\$ 135,404	\$ 29,745
Net Change In Fund Balance	<u>\$ (41,249)</u>	<u>\$ (165,149)</u>	<u>(135,404)</u>	<u>\$ 29,745</u>
Fund Balance - Beginning Of Year			<u>218,413</u>	
Fund Balance - End Of Year			<u>\$ 83,009</u>	

JACKSON COUNTY, COLORADO

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
LODGING TAX TOURISM FUND
For The Year Ended December 31, 2023**

	Original And Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Other taxes	\$ 45,500	\$ 69,205	\$ 23,705
Expenditures			
General government	85,332	54,405	30,927
Net Change In Fund Balance	\$ (39,832)	14,800	\$ 54,632
Fund Balance - Beginning Of Year		139,341	
Fund Balance - End Of Year		\$ 154,141	

Nonmajor Capital Projects Funds

JACKSON COUNTY, COLORADO

**COMBINING BALANCE SHEET -
NONMAJOR CAPITAL PROJECTS FUNDS
December 31, 2023**

	Airport Capital Projects	Capital Expenditures	Solid Waste Capital Projects	Total
Assets				
Cash and investments	\$ 113,305	\$ 89,751	\$ 52,168	\$ 255,224
Accounts receivable	—	181	4,105	4,286
Property taxes receivable	—	22,363	—	22,363
Lease receivable	61,204	—	—	61,204
Total Assets	\$ 174,509	\$ 112,295	\$ 56,273	\$ 343,077
Liabilities				
Accounts payable	\$ 40	\$ —	\$ —	\$ 40
Deferred Inflows Of Resources				
Property taxes	—	22,363	—	22,363
Leases	59,177	—	—	59,177
Total Deferred Inflows Of Resources	59,177	22,363	—	81,540
Fund Balance				
Assigned	115,292	89,932	56,273	261,497
Total Liabilities, Deferred Inflows Of Resources And Fund Balances	\$ 174,509	\$ 112,295	\$ 56,273	\$ 343,077

JACKSON COUNTY, COLORADO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - NONMAJOR CAPITAL PROJECTS FUNDS For The Year Ended December 31, 2023

	Airport Capital Projects	Capital Expenditures	Solid Waste Capital Projects	Total
Revenues				
Property taxes	\$ —	\$ 20,624	\$ —	\$ 20,624
Other taxes	—	3,785	—	3,785
Intergovernmental	25,429	—	—	25,429
Charges for service	—	—	55,562	55,562
Contributions	8,527	—	—	8,527
Miscellaneous	3,071	—	—	3,071
Investment income	—	40	711	751
Total Revenues	37,027	24,449	56,273	117,749
Expenditures				
General government	15,144	5,569	—	20,713
Capital outlay	—	59,260	—	59,260
Total Expenditures	15,144	64,829	—	79,973
Excess (Deficiency) Of Revenues Over (Under) Expenditures	21,883	(40,380)	56,273	37,776
Other Financing Sources (Uses)				
Transfers in	56,263	—	—	56,263
Net Change In Fund Balance	78,146	(40,380)	56,273	94,039
Fund Balance - Beginning Of Year	37,146	130,312	—	167,458
Fund Balance - End Of Year	\$ 115,292	\$ 89,932	\$ 56,273	\$ 261,497

JACKSON COUNTY, COLORADO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - AIRPORT CAPITAL PROJECTS FUND For The Year Ended December 31, 2023

	Original And Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$ 5,500	\$ 25,429	\$ 19,929
Contributions	6,500	8,527	2,027
Miscellaneous	3,110	3,071	(39)
Total Revenues	15,110	37,027	21,917
Expenditures			
General government	15,550	15,144	406
Capital outlay	3,500	—	3,500
Total Expenditures	19,050	15,144	3,906
Excess (Deficiency) Of Revenues Over (Under) Expenditures	(3,940)	21,883	25,823
Other Financing Sources			
Transfers in	—	56,263	56,263
Net Change In Fund Balance	\$ (3,940)	78,146	\$ 82,086
Fund Balance - Beginning Of Year		37,146	
Fund Balance - End Of Year		\$ 115,292	

JACKSON COUNTY, COLORADO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - CAPITAL EXPENDITURES FUND For The Year Ended December 31, 2023

	Original And Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Property taxes	\$ 20,724	\$ 20,624	\$ (100)
Other taxes	3,252	3,785	533
Miscellaneous	46	—	(46)
Investment income	42	40	(2)
Total Revenues	24,064	24,449	387
Expenditures			
General government	—	5,569	(5,569)
Capital outlay	100,000	59,260	40,740
Total Expenditures	100,000	64,829	35,171
Net Change In Fund Balance	\$ (75,936)	(40,380)	\$ 35,558
Fund Balance - Beginning Of Year		<u>130,312</u>	
Fund Balance - End Of Year		<u>\$ 89,932</u>	

JACKSON COUNTY, COLORADO

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
SOLID WASTE CAPITAL PROJECTS FUND
For The Year Ended December 31, 2023**

	Original And Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Charges for service	\$ —	\$ 55,562	\$ 55,562
Investment income	—	711	711
Total Revenues	—	56,273	56,273
Net Change In Fund Balance	\$ —	56,273	\$ 56,273
Fund Balance - Beginning Of Year		—	
Fund Balance - End Of Year		\$ 56,273	

Proprietary Funds

JACKSON COUNTY, COLORADO

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) - EMERGENCY TELEPHONE FUND For The Year Ended December 31, 2023

	Original And Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Charges for service	\$ 26,623	\$ 28,355	\$ 1,732
Intergovernmental	21,870	15,469	(6,401)
Investment income	272	4,280	4,008
Total Revenues	48,765	48,104	(661)
Expenditures			
Contract services	21,699	22,624	(925)
Utilities	19,591	13,540	6,051
Training and technical support	3,100	—	3,100
Miscellaneous	1,640	3,373	(1,733)
Total Expenditures	46,030	39,537	6,493
Nonoperating Expenses			
Conveyence to other government	—	(117,126)	117,126
Net Income (Loss) - Non-GAAP Basis	\$ 2,735	(108,559)	\$ 5,832
Depreciation Expense		—	
Net Loss - GAAP Basis		(108,559)	
Net Position - Beginning Of Year		108,559	
Net Position - End Of Year		\$ —	

JACKSON COUNTY, COLORADO

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) - INTERNAL SERVICE FUND For The Year Ended December 31, 2023

	Original And Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Equipment rental	\$ 486,696	\$ 224,690	\$ (262,006)
Charges for services	236,250	297,522	61,272
Total Revenues	722,946	522,212	(200,734)
Expenditures			
Repairs and maintenance	150,000	259,437	(109,437)
Shop utilities	23,100	28,726	(5,626)
Shop supplies	15,000	11,968	3,032
Treasurer's fees	100	33	67
Capital outlay	500,000	375,082	124,918
Total Expenditures	688,200	675,246	12,954
Nonoperating Revenues			
Gain on sale of capital assets	500	1,000	500
Transfers in	—	375,081	375,081
Total Nonoperating Revenues	500	376,081	375,581
Net Income (Loss) - Non-GAAP Basis	\$ 35,246	223,047	\$ (187,280)
Reconciliation To GAAP Net Income			
Capital asset purchases		375,082	
Depreciation expense		(303,488)	
Net Income - GAAP Basis		294,641	
Net Position - Beginning Of Year		5,406,996	
Net Position - End Of Year		\$ 5,701,637	

Special Report

JACKSON COUNTY, COLORADO

LOCAL HIGHWAY FINANCE REPORT		STATE: COLORADO			
		YEAR ENDING (mm/yy): 12/23			
This Information From The Records Of: JACKSON COUNTY		Prepared By: SAMANTHA MARTIN			
I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE					
ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway-User Taxes	D. Receipts from Federal Highway Administration	
1. Total receipts available					
2. Minus amount used for collection expenses					
3. Minus amount used for nonhighway purposes					
4. Minus amount used for mass transit					
5. Remainder used for highway purposes					
II. RECEIPTS FOR ROAD AND STREET PURPOSES		III. EXPENDITURES FOR ROAD AND STREET PURPOSES			
ITEM	AMOUNT	ITEM	AMOUNT		
A. Receipts from local sources:		A. Local highway expenditures:			
1. Local highway-user taxes		1. Capital outlay (from page 2)	\$ 236,137.89		
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	\$ 871,924.39		
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:			
c. Total (a.+b.)		a. Traffic control operations			
2. General fund appropriations		b. Snow and ice removal	\$ 555,270.12		
3. Other local imposts (from page 2)	\$ -	c. Other			
4. Miscellaneous local receipts (from page 2)	\$ -	d. Total (a. through c.)	\$ 555,270.12		
5. Transfers from toll facilities		4. General administration & miscellaneous	\$ 38,623.87		
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety			
a. Bonds - Original Issues		6. Total (1 through 5)	\$ 1,701,956.27		
b. Bonds - Refunding Issues		B. Debt service on local obligations:			
c. Notes		1. Bonds:			
d. Total (a. + b. + c.)	\$ -	a. Interest			
7. Total (1 through 6)	\$ -	b. Redemption			
B. Private Contributions		c. Total (a. + b.)	\$ -		
C. Receipts from State government (from page 2)	\$ 1,433,895.34	2. Notes:			
D. Receipts from Federal Government (from page 2)	\$ 95,049.93	a. Interest			
E. Total receipts (A.7 + B + C + D)	\$ 1,528,945.27	b. Redemption			
		c. Total (a. + b.)	\$ -		
		3. Total (1.c + 2.c)	\$ -		
		C. Payments to State for highways			
		D. Payments to toll facilities			
		E. Total expenditures (A.6 + B.3 + C + D)	\$ 1,701,956.27		
IV. LOCAL HIGHWAY DEBT STATUS <i>(Show all entries at par)</i>					
	Opening Debt	Amount Issued	Redemptions	Closing Debt	
A. Bonds (Total)				\$ -	
1. Bonds (Refunding Portion)				\$ -	
B. Notes (Total)				\$ -	
V. LOCAL ROAD AND STREET FUND BALANCE (RECEIPTS AND DISBURSEMENTS ONLY)					
	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	\$ 1,479,198.00	\$ 1,528,945.27	\$ 1,701,956.27	\$ 1,306,187.00	\$ -
Notes and Comments:					

JACKSON COUNTY, COLORADO

LOCAL HIGHWAY FINANCE REPORT	STATE: COLORADO YEAR ENDING (mm/yy): 12/23
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II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

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

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes (from Item I.C.5.)	\$ 1,429,921.88	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	\$ 85,558.68
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	\$ 3,973.46	d. Federal Transit Administration	
d. DOLA Grant		e. U.S. Corps of Engineers	
e. Other		f. Other Federal	\$ 9,491.25
f. Total (a. through e.)	\$ 3,973.46	g. Total (a. through f.)	\$ 95,049.93
4. Total (1. + 2. + 3.f)	\$ 1,433,895.34	3. Total (1. + 2.g)	\$ 95,049.93
<i>(Carry forward to page 1)</i>		<i>(Carry forward to page 1)</i>	

III. EXPENDITURES FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			\$ -
b. Engineering Costs			\$ -
c. Construction:			
(1). New Facilities			\$ -
(2). Capacity Improvements			\$ -
(3). System Preservation		\$ 236,137.89	\$ 236,137.89
(4). System Enhancement And Operation			\$ -
(5). Total Construction (1)+(2)+(3)+(4)	\$ -	\$ 236,137.89	\$ 236,137.89
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.4)	\$ -	\$ 236,137.89	\$ 236,137.89
<i>(Carry forward to page 1)</i>			

Notes and Comments:

Single Audit

**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***

Board of County Commissioners
Jackson County, Colorado
Walden, Colorado

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the major fund and the aggregate remaining fund information of the Jackson County, Colorado (the County), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated September 27, 2024.

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 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 first 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 item 2023-001 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 objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose Of This Report

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

RubinBrown LLP

September 27, 2024

**Independent Auditors' Report on Compliance
For The Major Federal Program And Report
On Internal Control Over Compliance
Required By The Uniform Guidance**

County Commissioners
Jackson County, Colorado
Walden, Colorado

Report On Compliance For The Major Federal Program

Opinion On The Major Federal Program

We have audited Jackson County, Colorado's (the County) compliance with the types of compliance requirements identified as subject to audit in the Office of Management and Budget's *Compliance Supplement* that could have a direct and material effect on the County's major federal programs for the year ended December 31, 2023. 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 compliance requirements referred to above that could have a direct and material effect on the major federal program for the year ended December 31, 2023.

Basis For Opinion On The Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); 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* (the Uniform Guidance). Our responsibility 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 the 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.

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 GAAS, *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 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 the major federal program.

In performing an audit in accordance with GAAS, *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 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

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses.

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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2023-002 and 2023-003 to be material weaknesses.

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.

Government Auditing Standards requires the auditor to perform limited procedures on the County's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The County's response was not subject to the auditing procedures applied in the audit of compliance, and accordingly, we express no opinion on the responses.

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.

RubinBrown LLP

September 27, 2024

JACKSON COUNTY, COLORADO

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS For The Year Ended December 31, 2023

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Assistance Listing Number	Pass-Through Entity ID Number	Federal Expenditures	Amounts Passed- Through to Subrecipients
Department of Agriculture				
Passed through the Colorado Department of Human Services				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561		\$ 15,638	
SNAP Cluster			15,638	
Direct				
Schools and Roads - Grants to Counties	10.666		158,137	\$ 86,762
Forest Service Schools and Roads Cluster			158,137	86,762
Total Department of Agriculture			<u>173,775</u>	<u>86,762</u>
Department of Health and Human Services				
Passed through the Colorado Department of Public Health and Environment				
Public Health Emg Preparedness	93.069	CT2020*249	82,123	
Immunization Cooperative Agreements	93.268	202200002995	32,503	
Epidimiology and Laboratory Capacity for Infectious Diseases	93.323	FHJA 2021*10511	77,384	
Maternal and Child Health Services Block Grant to the States	93.994		2,625	
Subtotal Colorado Department of Public Health and Environment			<u>194,635</u>	
Passed through the Colorado Department of Human Services				
Guardianship Assistance	93.090		101	
Temporary Assistance for Needy Families	93.558		48,931	
Child Support Enforcement	93.563		22,601	
Child Care and Development Block Grant	93.575		253	
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596		1,837	
Child Care and Development Fund (CCDF) Cluster			2,090	
Foster Care Title IV-E	93.658		13,068	
Adoption Assistance	93.659		2,318	
Social Services Block Grant	93.667		5,863	
Subtotal Colorado Department of Human Services			<u>94,972</u>	
Passed through the Department of Health Care Policy and Financing				
Medical Assistance Program (Medicaid Cluster)	93.778		24,455	
Total Department of Health and Human Services			<u>314,062</u>	<u>-</u>
Department of the Treasury				
Direct				
Local Assistance and Tribal Consistency Fund	21.032		532,467	
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027		26,374	
Passed through the Colorado Department of Human Services				
COVID-19 Coronavirus State and local Fiscal Recovery Funds	21.027		483	
Subtotal AL Number 21.027			26,857	
Total Department of the Treasury			<u>559,324</u>	<u>-</u>
Total Federal Assistance			<u>\$ 1,047,161</u>	<u>\$ 86,762</u>

JACKSON COUNTY, COLORADO

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS For The Year Ended December 31, 2023

1. Basis Of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) presents the activity of all federal award programs of Jackson County, Colorado (the County), for the year ended December 31, 2023. 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* (the Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net assets or cash flows of the County.

2. Summary Of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. 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.

3. Indirect Cost

The County has not elected to use the 10% de minimis indirect cost rate as allowed in the Uniform Guidance, Section 414.

JACKSON COUNTY, COLORADO

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For The Year Ended December 31, 2023**

Section I - Summary Of Auditors' Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with the accounting principles generally accepted in the United States of America:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?	<input checked="" type="checkbox"/> yes	<input type="checkbox"/> no
Significant deficiency(ies) identified?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> none reported
Noncompliance material to financial statements noted?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no

Federal Awards

Internal control over major programs:

Material weakness(es) identified?	<input checked="" type="checkbox"/> yes	<input type="checkbox"/> no
Significant deficiency(ies) identified?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> none reported

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 200.516(a)?

<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no
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Identification of major programs:

<u>AL No.</u>	<u>Name Of Federal Program Or Cluster</u>
21.032	Local Assistance and Tribal Consistency Fund

Dollar threshold used to distinguish between Type A and Type B programs:	\$750,000
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Auditee qualified as low-risk auditee?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no
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JACKSON COUNTY, COLORADO

SCHEDULE OF FINDINGS AND QUESTIONED COSTS *(Continued)* For The Year Ended December 31, 2023

Section II - Financial Statement Findings

Finding 2023-001

Material Weakness, Internal Control Over Financial Reporting

Criteria Or Specific Requirement: Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Condition: During the current year, we noted that account balances required extensive reconciliation to ensure financial statements are reliable. The County's general ledger accounts required significant audit adjustments to reconcile ending balances to underlying support and schedules. In addition, there is no formal review process for significant account reconciliations.

Cause: Audit procedures revealed that there is no systematic method of ensuring that complete account reconciliations are taking place.

Effect: The audit information provided by the County required revision or correction upon auditing for the information.

Identification As A Repeat Finding: N/A

Recommendation: Account reconciliation plays a key role in proving the accuracy of the financial information provided to users to make informed business decisions. A formal monthly reconciliation and closing process should be put into place to ensure accurate and timely financial reporting.

Views Of Responsible Officials And Planned Corrective Action: The County agrees with the finding and has put together a correction action plan for the finding. See corrective action plan included in this report.

JACKSON COUNTY, COLORADO

SCHEDULE OF FINDINGS AND QUESTIONED COSTS *(Continued)* For The Year Ended December 31, 2023

Section III - Federal Award Findings And Questioned Costs

Finding 2023-002 Material Weakness, Inaccurate Schedule Of Expenditures Of Federal Awards (The SEFA)

Criteria: Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the Uniform Guidance) provides guidance related to preparation and reporting of a SEFA. 2 CFR Section 200.100 identifies the required elements of the SEFA, and 2 CFR Section 200.510 specifically requires that the SEFA include information on each federal award expended during the year. The County is required to prepare a complete and accurate SEFA and to have a system of internal controls, the design and operation of which allows management or employees in the normal course of performing their assigned functions to prevent, or detect and correct, errors on a timely basis.

Condition: The SEFA was incomplete and inaccurate. The County also did not report a program with total expenditures of \$158,137.

Cause: The County did not have adequate training and oversight in place for accounting staff to ensure its SEFA was prepared in accordance with federal requirements.

Effect: As a result of the errors, the initial SEFA was materially incorrect. Inaccurate identification of federal awards may also result in inaccurate identification of compliance requirements, risk assessments, major program determination, materiality determinations and reporting errors.

Questioned Costs: None

Context: N/A

JACKSON COUNTY, COLORADO

SCHEDULE OF FINDINGS AND QUESTIONED COSTS *(Continued)* For The Year Ended December 31, 2023

Identification As A Repeat Finding: N/A

Recommendation: The County should strengthen its internal controls by implementing additional training and oversight of personnel to ensure the SEFA accurately reflects all federal expenditures for the fiscal year.

Views Of Responsible Officials And Planned Corrective Action: The County agrees with the finding and has created a corrective action plan for the finding. See the corrective action plan included in this report.

JACKSON COUNTY, COLORADO

SCHEDULE OF FINDINGS AND QUESTIONED COSTS *(Continued)* For The Year Ended December 31, 2023

Finding 2023-003

Material Weakness, Internal Control Over Compliance, Allowable Costs & Activities, Reporting

ALN 21.032: Local Assistance And Tribal Consistency Fund

Federal Agency: U.S. Department Of Treasury

Pass-Through Entity: N/A

Criteria Or Specific Requirement: The Local Assistance and Tribal Consistency Fund (LATCF) was established to provide funding for counties and Tribal governments for revenue enhancement. Recipients are required to determine allowable costs and activities as well as submit periodic reports to the awarding agency on elements including financial data, projects funded, expenditures, and certain contracts and subawards.

Condition: In our audit, we noted the County did not have a documented review process over the determination of allowable costs and activities or over the submission of the Obligation and Expenditure report.

Cause: The County did not have an internal controls process in place over federal grant requirements related to allowable costs and activities and reporting of LATCF expenditures.

Effect: Without sufficient documentation and monitoring controls, the County may not timely detect an error in allowable costs and activities or reporting requirements.

Identification As A Repeat Finding: N/A

Recommendation: We recommend the County improve its internal controls by documenting a review process over allowable costs and activities determinations and over Obligation and Expenditure reports submissions by a person that did not prepare the information related to the key aspects of the report.

Views Of Responsible Officials And Planned Corrective Action: The County agrees with the finding and has put together a correction action plan for the finding. See corrective action plan included in this report.



COUNTY OF JACKSON
WALDEN, COLORADO 80480

CORRECTIVE ACTION PLAN For The Year Ended December 31, 2023

Finding 2023-001; Material Weakness, Internal Control Over Financial Reporting

Personnel Responsible for Corrective Action: Samantha Martin, County Administrator

Anticipated Completion Date: 12/31/2024

Corrective Action Plan: The County agrees with the auditor's recommendation to improve its account reconciliation and closing process. The County is in the process of implementing an accounting software package with a corresponding month and year-end closing process to ensure balances are reconciled and reviewed.

Finding 2023-002; Material Weakness, Inaccurate Schedule of Expenditures Of Federal Awards (The SEFA)

Personnel Responsible for Corrective Action: Samantha Martin, County Administrator

Anticipated Completion Date: 12/31/2024

Corrective Action Plan: The County agrees with the auditor's recommendation to improve its internal controls by implementing additional training and oversight of personnel to ensure the SEFA accurately reflects all federal expenditures for the fiscal year properly. The County is in the process of implementing an accounting software package with a corresponding month and year-end closing process to ensure balances are reconciled and reviewed.

Finding 2023-003: Material Weakness, Internal Control Over Compliance and Compliance, Allowable Costs and Activities, Reporting

Personnel Responsible for Corrective Action: Samantha Martin, County Administrator

Anticipated Completion Date: 12/31/2024

Corrective Action Plan: The County agrees with the auditor's recommendation to improve its internal controls related to federal grant allowable costs and activities determinations and reporting requirements and will implement a process that ensures federal expenditure accounting and reports are prepared and then reviewed and approved by a separate employee prior to submission.