



Phillips County, Colorado
Financial Statements
December 31, 2023

**Phillips County, Colorado
Table of Contents
December 31, 2023**

	Page
Table of Contents	<i>i</i>
Independent Auditor’s Report	1
Management’s Discussion and Analysis	<i>iii</i>
Government-Wide Financial Statements:	
Statement of Net Position	4
Statement of Activities	5
Fund Financial Statements:	
Balance Sheet - Governmental Funds	6
Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Position	7
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	8
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	9
Statement of Net Position - Fiduciary Funds	10
Notes to the Financial Statements	11
Required Supplementary Information:	
Schedules of Revenues, Expenditures – Budget & Actual - General Fund	23
Schedules of Revenues, Expenditures – Budget & Actual - Road & Bridge	24
Schedules of Revenues, Expenditures – Budget & Actual - Human Services	25
Schedules of Revenues, Expenditures – Budget & Actual - Capital Expenditures	26
Schedules of Revenues, Expenditures – Budget & Actual – American Recovery Plan	27

Phillips County, Colorado
Table of Contents
December 31, 2023
(Continued...)

	Page
Supplementary Information:	
Balance Sheet – Other Governmental Funds	28
Schedule of Revenues, Expenditures and Changes in Fund Balances – Other Governmental Funds	29
Schedules of Revenues, Expenditures – Budget & Actual – Ambulance Replacement	30
Schedules of Revenues, Expenditures – Budget & Actual – Conservation Trust	31
Schedules of Revenues, Expenditures – Budget & Actual – E-911	32
Schedules of Revenues, Expenditures – Budget & Actual – Economic Development	33
Local Highway Finance Report	34



Independent Auditor's Report

Board of County Commissioners
Phillips County
Holyoke CO 80737

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Phillips County (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 accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental 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 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). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the 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.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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, 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 required supplementary information, such as management's discussion and analysis and budgetary comparison information on pages iii-iv and 23-27 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which

consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying supplementary information on pages 28-34, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The accompanying supplementary 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. Such 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 accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

rfarmer, llc

July 12, 2024

Phillips County, Colorado

Management’s Discussion and Analysis

December 31, 2023

As management of Phillips County, Colorado (the “County”), we offer readers of the county’s financial statements a brief overview and analysis of some key financial factors of the County for the fiscal year ended December 31, 2023.

County Profile

Phillips County is a small, agriculturally based county in the northeast corner of Colorado. It was established in 1889 and encompasses 680 square miles. The U.S. Census Bureau estimated countywide population at 4,530 people. The county has three incorporated municipalities – Paoli – 51; Haxtun – 981; and Holyoke, the County Seat – 2,346. The County also has a small unincorporated community of Amherst. The total unincorporated population is 1,152.

Key Financial Factors

Healthy annual end-of-year fund balances and stable or increased assessed values are key components of the County’s financial health.

Fund Balance Review:

	2019	2020	2021	2022	2023
General	\$1,222,429	\$1,580,058	\$2,256,906	\$2,778,279	\$3,291,614
Road & Bridge	\$1,734,785	\$1,556,255	\$1,719,327	\$1,195,518	\$1,139,035
Human Services	\$110,125	\$183,120	\$271,007	\$367,488	\$425,909
Capital Expenditures	\$290,476	\$427,608	\$601,408	\$762,536	\$687,928
ARPA Project	\$0	\$0	\$0	\$0	\$0
Other	\$296,781	\$355,497	\$231,230	\$227,423	\$386,224
	\$3,654,596	\$4,102,538	\$5,079,878	\$5,331,244	\$5,930,710

The fund balance comparison shows an increase overall. After years of low fund balance, the Human Services fund has shown steady increases since 2019. This can be tied directly to a reduction in work force. Should the demands of the department require additional staff, the fund balance would need to be watched closely. The Road & Bridge fund will also need to be monitored due to an emphasis on replacing aging equipment. The American Recovery Plan Act fund will only exist until the funds are expended, at the latest, by 2026.

Assessed Value of the County

2019	2020	2021	2022	2023
\$97,831,530	\$98,041,740	\$100,458,180	\$97,360,110	\$101,147,210

In the five-year period from 2019 to 2023, the County’s assessed value increased \$3,315,680, a 3.39% increase. Residential property increased 11.8%, commercial property decreased 1.45%, industrial property decreased 35.05% and agricultural property increased 3.27%.

Next Year’s Budget and Rates: The General Fund balance at the end of fiscal year 2023 was \$3,291,614. A reserve is necessary to start the year and provide basic services to the residents and visitors of Phillips County. An adequate reserve at year-end on which to operate a minimum of four months or 30% of the approved expenditure budget is considered a fiscally responsible policy and furthermore, recommended by the county auditor, for the majority of the property tax revenue is received in April of each year. The General Fund balance was 71.61% of the 2024 budgeted expenditures at the beginning of the year.

Capital Assets and Debt Administration:

Due to the COVID-19 pandemic, the Federal government passed the American Recovery Plan Act (ARPA) which allotted the county \$828,990, \$414,495 received in 2021 and \$414,495 in 2022. ARPA expenditures are made from Fund 66. The County’s major purchases for capital assets in 2023 were:

HP DesignJet T830 Plotter	Fund 61 – Assessor	\$7,794
Getac B360 laptop (4)	Fund 10 – Sheriff	\$16,070
Generac Generator 24KW	Fund 61 – Maintenance	\$14,487
Walker Mower MH27i	Fund 61 – Maintenance	\$11,976
Fairgrounds Fence Project	Fund 61 – Fairgrounds	\$21,554
A/C Unit Landfill Office	Fund 10 – Landfill	\$3,355
Top Hat Trailer	Fund 61 – Landfill	\$2,400
Top Hat Trailer	Fund 61 – Landfill	\$2,400
Top Hat Trailer	Fund 61 – Landfill	\$2,400
Top Hat Trailer	Fund 61 – Landfill	\$2,400
CAT 140LVR Motor Grader	Fund 20 – R&B	\$313,386
	TOTAL	\$398,222

Request for information: This brief financial overview is designed to highlight key components of the County’s finances for all those with an interest. Questions concerning any of the information provided in this overview or requests for additional financial information should be addressed to the Phillips County Administration Office, 221 S. Interocean Ave., Holyoke, CO 80734.

Phillips County, Colorado
Statement of Net Position
December 31, 2023

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 6,354,419
Receivables	3,165,053
Due from other governmental agencies	29,226
Inventories	170,227
Capital assets	
Land	268,567
Infrastructure	2,849,896
Buildings	9,403,696
Equipment	6,216,266
Vehicles	2,112,622
Less: accumulated depreciation	(12,063,151)
Total Capital Assets	8,787,896
Total Assets	18,506,821
 LIABILITIES	
Accounts payable and accrued expenses	397,228
Due to other governmental agencies	15,317
Unearned Revenues	515,224
Long-term liabilities	
Due in more than one year	
Compensated absences	285,266
Total Liabilities	1,213,035
 DEFERRED IN-FLOW OF RESOURCES	
Deferred revenues-property taxes	2,860,443
 NET POSITION	
Net investment in capital assets	8,787,896
Restricted for:	
TABOR and enabling legislation	218,899
Unrestricted	5,426,548
Total Net Position	\$ 14,433,343

The accompanying notes to the financial statements
are an integral part of these statements.

Phillips County, Colorado
Statement of Activities
For the Year Ended December 31, 2023

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenue</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Primary Government</u>
					<u>Governmental Activities</u>
Primary government					
Governmental Activities					
General Government	\$ 2,390,691	\$ 427,594	\$ 53,757	\$ -	\$ (1,909,340)
Public Safety	1,077,977	308,362	142,937	-	(626,678)
Highways and Streets	2,211,581	9,307	1,448,398	-	(753,876)
Health & Welfare	617,313	-	461,793	8,000	(147,520)
Culture and Recreation	754,868	68,780	16,142	96,792	(573,154)
Sanitation	422,947	213,936	-	-	(209,011)
Economic Development	7,000	-	-	-	(7,000)
Judicial	115,922	-	-	-	(115,922)
Total governmental activities	<u>7,598,299</u>	<u>1,027,979</u>	<u>2,123,027</u>	<u>104,792</u>	<u>(4,342,501)</u>
General revenues:					
Taxes:					
Property taxes, levied for general purposes					\$ 2,744,981
Sales & use taxes					1,058,877
Specific Ownership taxes					315,654
Unrestricted investment earnings					126,512
Miscellaneous					249,243
<i>Special item</i> - gain (loss) on disposition of assets					108,206
Total general revenues, special items, and transfers					<u>4,603,473</u>
Change in net position					260,972
Net position - beginning					<u>14,172,371</u>
Net position - ending					<u>\$ 14,433,343</u>

The accompanying notes to the financial statements
are an integral part of these statements.

Phillips County, Colorado
Balance Sheet
Governmental Funds
December 31, 2023

	<u>General</u>	<u>Road & Bridge</u>	<u>Human Services</u>	<u>Capital Expenditures</u>	<u>American Recovery Plan</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS							
Cash and cash equivalents	\$ 3,382,007	\$ 918,362	\$ 408,389	\$ 951,398	\$ 329,952	\$ 364,305	\$ 6,354,413
Taxes receivable, net	2,321,328	377,279	161,836	-	-	-	2,860,443
Due from State	-	-	29,226	-	-	-	29,226
Other receivables	159,985	102,819	6,443	12,440	-	22,922	304,609
Inventories	23,533	146,695	-	-	-	-	170,228
Total assets	<u>5,886,853</u>	<u>1,545,155</u>	<u>605,894</u>	<u>963,838</u>	<u>329,952</u>	<u>387,227</u>	<u>9,718,919</u>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	88,640	28,842	-	275,910	-	1,003	394,395
Payable to other governments	-	-	15,317	-	-	-	15,317
Unearned revenue	-	-	-	-	329,951	-	329,951
Other accrued expenses	185,272	-	-	-	-	-	185,272
Other payables	-	-	2,832	-	-	-	2,832
Total liabilities	<u>273,912</u>	<u>28,842</u>	<u>18,149</u>	<u>275,910</u>	<u>329,951</u>	<u>1,003</u>	<u>927,767</u>
Deferred Cash In-flow of Resources:							
Deferred revenue-property taxes	<u>2,321,328</u>	<u>377,279</u>	<u>161,836</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,860,443</u>
Fund balances:							
Restricted for:							
TABOR and enabling legislation	202,850	-	16,049	-	-	-	218,899
Non-spendable-Inventory	19,943	146,695	-	-	-	-	166,638
Unassigned	3,068,820	-	-	-	-	-	3,068,820
Committed, reported in:							
Special revenue funds	-	992,339	409,860	687,928	1	386,224	2,476,352
Total fund balances	<u>3,291,613</u>	<u>1,139,034</u>	<u>425,909</u>	<u>687,928</u>	<u>1</u>	<u>386,224</u>	<u>5,930,709</u>
Total liabilities and fund balances	<u>\$ 5,886,853</u>	<u>\$ 1,545,155</u>	<u>\$ 605,894</u>	<u>\$ 963,838</u>	<u>\$ 329,952</u>	<u>\$ 387,227</u>	<u>\$ 9,718,919</u>

The accompanying notes to the financial statements
are an integral part of these statements.

Phillips County, Colorado
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
December 31, 2023

Total fund balance, governmental funds	\$ 5,930,709
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not current financial resources and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position.	8,787,900
Some liabilities, (such as Notes Payable, Capital Lease Contract Payable, Long-term Compensated Absences, and Bonds Payable), are not due and payable in the current period and are not included in the fund financial statement, but are included in the governmental activities of the Statement of Net Position.	<u>(285,266)</u>
Net Position of Governmental Activities in the Statement of Net Position	<u><u>\$ 14,433,343</u></u>

The accompanying notes to the financial statements
are an integral part of these statements.

Phillips County, Colorado
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2023

	<u>General</u>	<u>Road & Bridge</u>	<u>Human Services</u>	<u>Capital Expenditures</u>	<u>American Recovery Plan</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES							
Property Taxes	\$ 2,181,980	\$ 361,518	\$ 152,820	\$ 48,663	\$ -	\$ -	\$ 2,744,981
SO Tax	259,346	43,158	6,921	6,229	-	-	315,654
Sales, Use and miscellaneous taxes	838,100	232,247	-	-	-	-	1,070,347
Fees and fines	2,474	-	-	-	-	-	2,474
Licenses and permits	1,760	3,815	-	-	-	-	5,575
Intergovernmental	311,061	1,436,928	441,926	(5,225)	96,793	16,142	2,297,625
Charges for services	424,916	5,475	-	235,620	-	295,528	961,539
Investment earnings	126,164	-	-	-	-	347	126,511
Miscellaneous	43,984	6,720	-	92,262	-	11,768	154,734
Rent received	96,829	-	-	-	-	-	96,829
Total revenues	<u>4,286,614</u>	<u>2,089,861</u>	<u>601,667</u>	<u>377,549</u>	<u>96,793</u>	<u>323,785</u>	<u>7,776,269</u>
EXPENDITURES							
Current:							
General government	1,872,054	12,606	-	386,747	93,792	115	2,365,314
Public safety	935,958	-	-	-	-	79,366	1,015,324
Streets & Highways	-	1,918,565	-	-	-	-	1,918,565
Health and Welfare	73,281	-	543,246	-	-	-	616,527
Culture and recreation	468,699	-	-	-	3,000	4,442	476,141
Judicial	115,922	-	-	-	-	-	115,922
Sanitation	384,513	-	-	-	-	-	384,513
Economic development	-	-	-	-	-	10,768	10,768
Capital outlay	19,426	313,386	-	65,410	-	-	398,222
Total Expenditures	<u>3,869,853</u>	<u>2,244,557</u>	<u>543,246</u>	<u>452,157</u>	<u>96,792</u>	<u>94,691</u>	<u>7,301,296</u>
Excess (deficiency) of revenues over expenditures	<u>416,761</u>	<u>(154,696)</u>	<u>58,421</u>	<u>(74,608)</u>	<u>1</u>	<u>229,094</u>	<u>474,973</u>
OTHER FINANCING SOURCES (USES)							
Transfers in	82,294	-	-	-	-	16,000	98,294
Transfers out	(12,000)	-	-	-	-	(86,294)	(98,294)
Total other financing sources and uses	<u>70,294</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(70,294)</u>	<u>-</u>
SPECIAL ITEM							
Proceeds from sale of assets	26,280	98,213	-	-	-	-	124,493
Net change in fund balances	513,335	(56,483)	58,421	(74,608)	1	158,800	599,466
Fund balances - beginning	2,778,278	1,195,517	367,488	762,536	-	227,424	5,331,243
Fund balances - ending	<u>\$ 3,291,613</u>	<u>\$ 1,139,034</u>	<u>\$ 425,909</u>	<u>\$ 687,928</u>	<u>\$ 1</u>	<u>\$ 386,224</u>	<u>\$ 5,930,709</u>

The accompanying notes to the financial statements
are an integral part of these statements.

Phillips County, Colorado
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2023

Net change in fund balances - total governmental funds: \$ 599,466

Amounts reported for Governmental Activities in the Statement of Activities are different because:

Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the Statement of Activities reports only a portion of the outlay as expense. The outlay is allocated over the assets' estimated useful lives as depreciation expense for the period.

This is the amount by which capital outlay of \$398,224 was less than depreciation of \$720,431 in the current period. (322,207)

Governmental funds report the entire net sales price (proceeds) from sale of an asset as revenue because it provides current financial resources. In contrast, the Statement of Activities reports only the gain on the sale of the assets. Thus, the change in net position differs from the change in fund balance by the cost of the asset sold. (16,287)

Change in net position of governmental activities \$ 260,972

The notes to the financial statements
are an integral part of these statements.

Phillips County, Colorado
Custodial Funds
Statement of Changes in Fiduciary Net Position
December 31, 2023

Cash, beginning of the year	\$ 6,675,053
Collections for 2023	<u>19,153,150</u>
Total available	25,828,203
Disbursements for 2023	(18,244,768)
Cash, end of the year	<u><u>\$ 7,583,435</u></u>

The accompanying notes to financial statements
are an integral part of these statements.

Phillips County, Colorado
Notes to Financial Statements
December 31, 2023

Note 1 Reporting Entity

Phillips County (the County) is a political subdivision of the State of Colorado, governed by an elected three-member Board of County Commissioners. There are also five other elected officials of the County (Assessor, Clerk and Recorder, Sheriff, Treasurer and Coroner).

All financial transactions of the offices of elected officials of the County are included in the General Fund of the County's financial statements. The Board of County Commissioners has budgetary authority over the elected officials and is accountable for all fiscal matters. County property taxes fund a significant portion of the costs of operating the elected officials' offices. Services provided by the elected officials are for the benefit of Phillips County residents and are conducted within the boundaries of the County.

The basic financial statements present the financial statements of the County (the primary government) and its component units in accordance with Statements of the Governmental Accounting Standards Board, "The Financial Reporting Entity," as amended.

The County has examined other entities and there are no other entities that should be included.

The County is within the 13th Judicial District and participates with other counties in receiving services from the District Attorney. The District Attorney - 13th Judicial District is not a component unit of Phillips County.

Note 2 Summary of Significant Accounting Policies

The accounting and reporting policies of the County conform to accounting principles generally accepted in the United States of America (USGAAP) as applicable to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following summary of significant accounting policies is presented to assist the reader in evaluating the County's financial statements.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

Government-Wide and Fund Financial Statements

The County government-wide financial statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of Governmental and Business-Type Activities for the County accompanied by the total column. Fiduciary activities of the County are not included in these statements. *Government activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and

charges for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

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

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

The government-wide financial statements are presented on an *economic resource's measurement focus* and the *accrual basis of accounting*. Accordingly, all the County's assets and liabilities, including capital assets, as well as infrastructure assets when capitalized, and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

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

The primary revenue sources, which have been treated as susceptible to accrual by the County, are property tax, sales tax, intergovernmental revenues, and other taxes. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the County.

The County reports the following major governmental funds:

General Fund

The General fund is the general operating fund of the County. It is used to account for all resources except those required to be accounted for in another fund. The main sources of revenues are property taxes and sales taxes.

Road & Bridge Fund

This fund records costs related to County road and bridge construction and maintenance. By state law, Colorado counties are required to maintain a Road and Bridge Fund and a portion of road and bridge taxes is allocated to cities and towns for their road and street activities. The main sources of income are highway user trust fund payments and property taxes.

Department of Human Services (Public Welfare)

This fund administers social services programs under state and federal regulations. Colorado counties are required by law to maintain a Human Services fund. The main sources of revenues include state and federal grants and property taxes.

Capital Expenditure Fund

This fund accounts for the majority of capital expenditures not budgeted by the General and Road & Bridge funds. The main sources of revenues are property taxes.

American Recovery Plan

This fund is part of the American Rescue Plan Act, signed into law by the Federal Government, to support the county’s response to and recovery from the COVID-19 public health emergency.

Certain eliminations have been made as prescribed by GASB Statement No. 34 regarding interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal service fund transactions have been eliminated. However, those transactions between governmental and business-type activities have not been eliminated.

Reconciliation of the Fund financial statements to the Government-Wide financial statements is provided in the financial statements to explain the differences created by the integrated approach of GASB Statement No. 34.

The County follows the policy of capitalizing all assets, other than infrastructure, which cost more than \$2,000 with an estimated useful life of more than one year. Infrastructure assets that cost more than the following amounts will be capitalized:

Gravel roads	\$ 500,000
Bridges	\$ 75,000
Other Infrastructure	\$ 250,000

The useful lives of the assets are:

Buildings & Improvements	50-75 years
Furniture & Fixtures	7-10 years
Machinery, Equipment, & Vehicles	5-10 years
Infrastructure	75 years

Program revenues derive directly from the program itself or from parties outside the reporting government's taxpayers or citizenry, as a whole; they reduce the net cost of the function to be financed from the government's general revenues. The statement of activities reports separately three categories of program revenues: (a) charges for services, (b) program-specific *operating* grants and contributions and (c) program-specific *capital* grants and contributions.

Charges for services include revenues based on exchange or exchange-like transactions. These revenues arise from charges to customers or applicants who purchase, use or directly benefit from the goods, services, or privileges provided. Revenues in this category include fees charged for specific services, such as water use or garbage collection; licenses and permits, such as dog licenses, liquor licenses, and building permits; operating special assessments, such as for street cleaning or special street lighting; and any other amounts charged to service recipients.

Program-specific grants and contributions (operating and capital) include revenues arising from mandatory and voluntary nonexchange transactions with other governments, organizations, or individuals that are restricted for use in a particular program. Some grants and contributions consist of capital assets or resources that are restricted for capital purposes - to purchase, construct or renovate capital assets associated with a specific program. These are reported separately from grants and contributions that may be used either for operating expenses or for capital expenditures of the program at the discretion of the reporting government. These categories of program revenue are specifically attributable to a program and reduce the net expense of that program to the reporting government. Multipurpose grants (those that provide financing for more than one program) are reported as program revenue if the amounts restricted to each program are specifically identified in either the grant award or the grant application. Multipurpose grants that do not provide for specific identification of the programs and amounts are reported as general revenues.

Estimates

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

Interfund Transactions

Transactions between funds that would be treated as revenues, expenditures, or expenses if they involved organizations external to the County are accounted for as revenues, expenditures, or expenses in the funds involved. Transactions, which constitute reimbursements of a fund for expenditures or expenses initially made from that fund, which are properly applicable to another fund, are recorded as expenditures or expended in the reimbursing fund and as reductions of the expenditure or expense in the fund that is reimbursed. At year-end, outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Budgets and Budgetary Accounting

Annual budgets are adopted as required by Colorado Statutes. Formal budgetary integration is employed as a management control device during the year.

The budget calendar is as follows:

- August 25 Assessors must submit abstract of assessments, reflecting all assessed values of property in the County by class and subclass to the Division of Property Taxation.

Assessors must certify to all taxing entities and the Division of Local Government of the new total assessed valuation and the amounts for the various factors needed to compute the statutory property tax revenue limits.
- October 15 Statutory deadline for submission of proposed budget to the local governing body. "Notice of Budget" to be published when budget is received.
- December 15 Statutory deadline for certification of mill levies to the Board of County Commissioners. Local government levying a property tax must adopt their budget before certifying the levy to the County. Local Governing Body shall enact an ordinance or resolution making appropriations for the ensuing fiscal period.
- December 22 Statutory deadline for Board of County Commissioners to certify levies and revenues to Assessor and the Division of Property Taxation.

Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgetary comparisons in this report are presented on the GAAP basis.

Appropriations are adopted by resolution for each fund in total. Over expenditures are not deemed to exist unless the fund as a total has expenditures in excess of appropriations. All appropriations lapse at year-end.

Supplemental budgets were adopted for 2023.

Property Taxes

Annual property taxes are levied and assessed on January 1 and are certified by the County by November 1 of the current year. On January 1 of the following year, the County Treasurer bills the property owners, thus establishing an enforceable lien on the property. The County Treasurer also collects the property taxes and remits collections on a monthly basis to the County. County property tax revenues are recognized as they become current receivables from the County Treasurer. One-half of the property taxes are due by February 28 and one-half due by June 15 or all may be paid by April 30 to avoid penalties and interest.

Personal Time Off formally Vacation Days and Sick Leave

In July 2022, the County ended the sick and vacation leave benefit and replaced it with paid time off (PTO). Employees with accumulated since leave as of June 30, 2022, were allowed to keep it as a Sick Leave Transition Reserve to be used for bona-fide medical reasons as defined in the County Personnel policy. Employees whose date of hire entitled them to specific leave payout at separation of service retained the benefit. All accumulated vacation leave was converted to PTO on July 1, 2022.

PTO leave is earned based on date of hire. Full-time employees as of the conversion date received from 15.25 hours to 20.5 hours PTO monthly, depending on length of service and work schedule. Those employed after July 1, 2022, receive from 8.25 hours to 20.5 hours of PYO per month, again dependent on length of service and work schedule. Permanent part-time employees who work at least 20 hours per week receive a pro-rated monthly amount of PTO. New employees may use accrued PTO for purposes other than sick leave after three months of service. At separation of service, employees will be paid out for unused PTO at their current hourly rate of pay.

The sick bank was dissolved upon conversion to PTO with all donated sick leave returned to the individual employees. A leave sharing program will be utilized going forward.

Contraband

Per Colorado Contraband Forfeiture Act (CRS 16-13-501 to 511), proceeds received from the seizure of contraband must be used for the specific purpose of law enforcement activities. These proceeds are exempt from the appropriation process. Phillips County received no material proceeds from contraband during the year.

Inventories

Inventory of construction and maintenance supplies and weed control chemicals are reflected in the Road and Bridge Fund and General Fund, respectively, as an asset. Inventory is recorded at cost using the first-in, first-out (FIFO) method.

Note 3

Deposits and Investments

Deposits

Colorado State Statutes, specifically the Public Deposit Protection Act of 1989, require all public monies to be deposited in financial institutions that have been designated as eligible public depositories. Eligible public depositories must pledge eligible collateral, as promulgated by the State banking board, having a market value in excess of 102% of the aggregate uninsured public deposits. Eligible collateral must be held in the custody of any federal reserve bank or any branch thereof or of any depository trust company which is a member of the Federal Reserve System, and which is supervised by the State banking board. The Statutes further restrict such deposits to eligible public depositories having their principal offices within the State of Colorado.

Custodial Credit Risk

Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are:

- a. Uncollateralized,
- b. Collateralized with securities held by the pledging financial institution, or
- c. Collateralized with securities held by the pledging financial institution's trust department or agent but not in the depositor-government's name.

As of year-end, the County was not exposed to custodial risk in that all funds held by the county are deposited in various financial institutions that are covered by FDIC insurance or meet the requirements of the Public Deposit Protection Act as amended per Colorado Revised Statutes. The county is not exposed to any other risk as defined by GASB 40.

Note 4 Changes in Fixed Assets

Capital asset activity for the current year is shown below:

	Beginning Balance	Additions	Deletions	Ending Balances
Governmental Activities:				
Land	\$ 268,567	\$ -	\$ -	\$ 268,567
Total Capital Assets, Not Being Depreciated	268,567	-	-	268,567
Capital Assets Being Depreciated:				
Infrastructure	2,828,352	21,544	-	2,849,896
Buildings	9,403,696	-	-	9,403,696
Equipment	5,998,768	367,078	(149,580)	6,216,266
Vehicles	2,103,021	9,601	-	2,112,622
Total Capital Assets Being Depreciated	20,333,837	398,223	(149,580)	20,582,480
Less Accumulated Depreciation	(11,476,012)	(720,431)	133,292	(12,063,151)
Total Capital Assets Being Depreciated, Net	8,857,825	(322,208)	(16,288)	8,519,329
Governmental Activities Capital Assets, Net	\$ 9,126,392	\$ (322,208)	\$ (16,288)	\$ 8,787,896

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

Governmental activities:	
General government	\$ 42,752
Public safety	62,653
Public Works	293,016
Sanitation	38,434
Health & Welfare	786
Culture & Recreation	282,790
Total depreciation expense-governmental activities	\$ 720,431

Note 5 Joint Ventures

The County participates in the County Technical Services, Inc. (CTSI) Insurance Pool. This joint venture does not meet the criteria for inclusion within the reporting entity because the County Health Pool has the following characteristics:

- is financially independent and responsible for its own financial deficits and entitled to its own surpluses,
- is a separate governing board from that of the County, which is comprised of 1 voting member from each participating County/entity,
- the governing board and management could significantly influence operations by approving budgetary requests and adjustments, signing contracts, hiring personnel, exercising control over facilities, and determining the outcome or disposition of matters affecting the recipients of services provided, and
- has absolute authority over all funds and fiscal responsibility including budgetary responsibility and reporting to state agencies and controls fiscal management.

Financial information is available from CTSI.

Note 6 Pension Plan

Defined Contribution Plan

The County is participating in a Defined Contribution Pension Plan through Colorado Retirement Association (CRA). The Plan is funded by employee’s contributions at 4 percent of gross salary with the County matching another 4 percent. All employees who work at least 24 hours per week and have been employed one year are required to be in the plan. The employee is immediately vested in their contribution. The vesting period for the employer’s contribution is 20% per year for 5 years. At the end of the fifth year of participating in the plan, the employee is fully vested in the County’s contribution. The Board of County Commissioners authorizes any changes to the plan.

During 2023, the employees and employer paid \$95,642 each into CRA. Total salaries were \$2,679,179 with qualifying salaries being \$2,391,052.

There were approximately 68 total employees at year-end who are considered general employees.

The employees can also contribute to an IRC 457 pension plan. All contributions are made by the employee.

Note 7

Transfers

The transfers made during 2023 were from the General Fund to the Economic Development Fund, Department of Human Services Fund, and Ambulance Replacement Fund in the amounts of \$28,000, \$5,000, and \$8,000, respectively. The E911 Fund transferred \$68,495 to the General Fund.

Transactions between funds that would be treated as revenues, expenditures, or expenses if they involved organizations external to the County are accounted for as revenues, expenditures, or expenses in the funds involved. Transactions, which constitute reimbursement of a fund for expenditures or expenses initially made from that fund, which are properly applicable to another fund, are recorded as expenditures or expenses in the reimbursing fund and as reductions of the expenditure or expense in the fund that is reimbursed.

Non-recurring or non-routine transfers of equity between funds are referred to as residual equity transfers and are reported as additions to or deductions from the fund balance of Governmental Funds. Transfers of equity to Proprietary Funds are treated as contributed capital and such transfers from proprietary funds are reported as reductions of retained earnings or contributed capital as is appropriate in the circumstances. All other legally authorized transfers are treated as operating transfers and are included in the results of operations of both Governmental and Proprietary Funds.

Note 8

Risk Management

County Workers' Compensation Pool

The County is exposed to various risks of loss related to injuries of employees while on the job. The County joined with other Counties in the State of Colorado to form the County Workers' Compensations Pool (CWCP), a public entity risk pool currently operating as a common risk management and insurance program for member counties. The County pays an annual contribution to CWCP for its workers' compensation insurance coverage. The intergovernmental agreement of formation of CWCP provides that the pool will be financially self-sustaining through member contributions and additional assessments, if necessary, and the Pool will purchase excess insurance through commercial companies for members' claims in excess of a specified self-insured retention, which is determined each policy year.

Colorado Counties Casualty and Property Pool

The County is exposed to various risks of loss related to property and casualty losses. The County joined with other Counties in the State of Colorado to form the Colorado Counties Casualty and Property Pool (CAPP), a public entity risk pool currently operating as a common risk management and insurance program for member counties. The County pays an annual contribution to CAPP for its property and casualty insurance coverage. The intergovernmental agreement of formation of CAPP provides that the pool will be financially self-sustaining through member contributions and additional assessments, if necessary, the Pool will purchase excess insurance through commercial companies for members' claims in excess of a specified self-insured retention, which is determined each policy year.

The County, in their opinion, has obtained adequate coverage as required by Colorado Revised Statutes to settle claims in the ordinary course of business. However, due to the unknown nature of potential liability, some claims may arise that fall outside the coverage limits for which the County would be financially responsible. Claims have not exceeded coverages during the past three years.

Note 9 Tax, Spending and Debt Limitations

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations including revenue rising, spending abilities, and other specific requirements of state and local governments. The amendment is complex and subject to judicial interpretation. The County believes it is in compliance with the requirements of the amendment. However, the County has made certain interpretations of the amendment's language in order to determine its compliance.

On November 7, 1995, the voters of Phillips County approved a ballot initiative allowing the County to retain funds over the limitations imposed by the amendment in 1995 and all subsequent years. It is the opinion of the County that the revenue and spending limitation imposed by the amendment no longer applies to the County.

Note 10 Restricted Fund Balances

With the passage of Amendment One to the Colorado State Constitution, the County has restricted at least 3 percent of its non-federal spending for emergencies. For 2023, \$202,850 has been reflected as the emergency reserve.

In addition, the Human Services Fund has restricted \$16,049 due to enabling legislation.

Note 11 Landfill

State and federal laws and regulations require the County to place a final cover on its landfill when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and post-closure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and postclosure care costs as an operating

expense in each period based on landfill capacity used as of each balance sheet date. At December 31, 2023, the County closed approximately 28.0% of the estimated capacity of the landfill. The County expects the closure and post-closure liability to be \$358,040 to cover the last cell open at the time of closure. The amount is based on what it would cost to perform all closure and post-closure care in 2018, adjusted by the inflation percentages. Actual costs may be higher or lower due to inflation, changes in technology, or changes in regulations.

The County expects to close the landfill in the year 2061. The County has completed the financial assurance report; however, no contributions have been made to a trust to finance closure and post-closure care. As of year-end, the county has not restricted any assets for the payment of the closure and post-closure care costs nor booked any liability.

Note 12 Long-Term Debt

Changes in long-term debt are as follows:

	Beginning Balance	Additions	Payments	Ending Balances	Current Portion
Compensated Absences	\$ 285,266	\$ -	\$ -	\$ 285,266	\$ -

Note 13 Fund Balance

In the fund financial statements, the following classifications describe the relative strength of spending constraints.

- *Non-spendable balance* – The portion of fund balance that cannot be spent because it is either not in spendable form (such as inventory and prepaid amounts) or is legally or contractually required to be maintained intact.
- *Restricted fund balance* – The portion of fund balance constrained to being used for a specific purpose by external parties (such as grantors or bondholders), constitutional provisions, or enabling legislation.
- *Committed fund balance* – The portion of fund balance constrained for specific purposes according to the limitations imposed by the County’s highest level of decision-making authority, the County Commissioners, or other individuals authorized to assign funds to be used for a specific purpose. This classification is necessary to indicate that those funds are, at a minimum, intended to be used for the purpose of that fund.
- *Assigned fund balance* – The portion of fund balance set aside for planned or intended purposes but are neither restricted nor committed. The intended use may be expressed by the County Commissioners or other individuals authorized to assign funds to be used for a specific purpose. Assigned fund balances in special revenue funds will also include any remaining fund balance that is not restricted or committed. This classification is necessary to indicate that those funds are, at a minimum, intended to be used for the purpose of that fund.

- *Unassigned fund balance* – The residual portion of fund balance that does not meet any of the above criteria. The County will only report a positive unassigned fund balance in the General Fund.

The County considers that committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Note 14 Subsequent Events

Phillips County has already been greatly affected financially by the COVID-19 Pandemic.

Phillips County’s highest rate of revenue comes from Property Taxes, Highway User Tax Funds (HUTF), and Sales Tax. Below are the decreased percentages already and Assessor’s predictions.

- The County’s Assessor predicts that over the next few years:
 - Property Tax’s commercial rate will remain stagnant.
 - That there will be a decrease in agriculture and oil/gas revenues.
 - The impact on residential properties is not yet known but could be material.

Phillips County main economic driver is agriculture consisting of 688 square miles of farm and ranch land. It is predicted that the agriculture industry will incur, at a minimum, a 10% decrease in gross revenues. (Food & Agricultural Policy Research Institute, April 2020)

In 2023 there were 274 active oil/gas wells generating \$16,841 taxes for the County. Production, and as a consequence tax revenue, fluctuate greatly from year to year due to the position of elected officials regarding these energy sources.

- HUTF decreased 16% from January-April 2020. HUTF revenue accounts for 75% of Phillips County Road & Bridge revenue.
- Sales tax has decreased 24% year to date. It is anticipated that the loss of sales tax dollars will increase.

The Board of County Commissioners predict that Phillips County will be financially affected for five years plus, thus crippling essential services provided by all departments of the County. Areas affected include but are not limited to a decrease in maintaining equipment that already needs to be replaced, possibly decreasing the number of personnel, related benefits, and lower, if any, cost of living increases.

Phillips County, Colorado
Budget and Actual (with Variances)
General
For the year ended December 31, 2023

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Property Taxes	\$ 2,197,810	\$ 2,197,810	\$ 2,181,980	\$ (15,830)
SO Tax	205,000	205,000	259,346	54,346
Sales and miscellaneous taxes	621,100	621,100	838,100	217,000
Fees and fines	2,300	2,300	2,474	174
Licenses and permits	1,575	1,575	1,760	185
Intergovernmental	291,229	291,229	311,061	19,832
Charges for services	343,200	343,200	424,916	81,716
Investment earnings	15,000	15,000	126,164	111,164
Rent	76,640	76,640	96,829	20,189
Miscellaneous	28,400	28,400	43,984	15,584
Total revenues	<u>3,782,254</u>	<u>3,782,254</u>	<u>4,286,614</u>	<u>504,360</u>
EXPENDITURES				
Current:				
General Government	1,916,043	1,916,043	1,872,054	43,989
Public Safety	1,040,123	1,040,123	935,958	104,165
Health and sanitation	521,566	521,566	457,794	63,772
Culture and recreation	478,973	478,973	468,699	10,274
Judicial	115,922	115,922	115,922	-
Capital Outlay	16,500	16,500	19,426	(2,926)
Total Expenditures	<u>4,089,127</u>	<u>4,089,127</u>	<u>3,869,853</u>	<u>219,274</u>
Excess (deficiency) of revenues over expenditures	<u>(306,873)</u>	<u>(306,873)</u>	<u>416,761</u>	<u>723,634</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	80,397	80,397	82,294	(1,897)
Transfers out	(41,000)	(41,000)	(12,000)	29,000
Total other financing sources and uses	<u>39,397</u>	<u>39,397</u>	<u>70,294</u>	<u>27,103</u>
SPECIAL ITEM				
Proceeds from sale of assets	-	-	26,280	26,280
Net change in fund balances	(267,476)	(267,476)	513,335	780,811
Fund balances - beginning	-	-	2,778,278	2,778,278
Fund balances - ending	<u>\$ (267,476)</u>	<u>\$ (267,476)</u>	<u>\$ 3,291,613</u>	<u>\$ 3,559,089</u>

Phillips County, Colorado
Budget and Actual (with Variances)
Road & Bridge
For the year ended December 31, 2023

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Property Taxes	\$ 363,153	\$ 363,153	\$ 361,518	\$ (1,635)
SO Taxes	41,000	41,000	43,158	2,158
Sales and miscellaneous taxes	160,200	160,200	232,247	72,047
Licenses and permits	-	-	3,815	3,815
Intergovernmental	1,299,869	1,299,869	1,436,928	137,059
Charges for services	-	-	5,475	5,475
Miscellaneous	-	-	6,720	6,720
Total revenues	<u>1,864,222</u>	<u>1,864,222</u>	<u>2,089,861</u>	<u>225,639</u>
EXPENDITURES				
Current:				
General government	52,357	52,357	12,606	39,751
Highways and roads	1,740,642	1,804,781	1,918,565	(113,784)
Capital Outlay	10,000	10,000	313,386	(303,386)
Total Expenditures	<u>1,802,999</u>	<u>1,867,138</u>	<u>2,244,557</u>	<u>(377,419)</u>
Excess (deficiency) of revenues over expenditures	<u>61,223</u>	<u>(2,916)</u>	<u>(154,696)</u>	<u>(151,780)</u>
SPECIAL ITEM				
Proceeds from sale capital assets	100,000	100,000	98,213	1,787
Net change in fund balances	<u>161,223</u>	<u>97,084</u>	<u>(56,483)</u>	<u>(153,567)</u>
Fund balances - beginning	-	-	1,195,517	1,195,517
Fund balances - ending	<u>\$ 161,223</u>	<u>\$ 97,084</u>	<u>\$ 1,139,034</u>	<u>\$ 1,041,950</u>

Phillips County, Colorado
Budget and Actual (with Variances)
Human Services
For the year ended December 31, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property Taxes	\$ 158,033	\$ 158,033	\$ 152,820	\$ (5,213)
Senior Exemption	2,700	2,700	-	
SO Taxes	15,000	15,000	6,921	(8,079)
Intergovernmental	386,338	386,338	441,926	55,588
Miscellaneous	4,300	4,300	-	(4,300)
Total revenues	<u>566,371</u>	<u>566,371</u>	<u>601,667</u>	<u>37,996</u>
EXPENDITURES				
Current:				
Health and human services	<u>495,367</u>	<u>567,745</u>	<u>543,246</u>	<u>24,499</u>
Total Expenditures	<u>495,367</u>	<u>567,745</u>	<u>543,246</u>	<u>24,499</u>
Excess (deficiency) of revenues over expenditures	<u>71,004</u>	<u>(1,374)</u>	<u>58,421</u>	<u>62,495</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>40,000</u>	<u>40,000</u>	<u>-</u>	<u>40,000</u>
Total other financing sources and uses	<u>40,000</u>	<u>40,000</u>	<u>-</u>	<u>40,000</u>
Net change in fund balances	111,004	38,626	58,421	19,795
Fund balances - beginning	-	-	367,488	367,488
Fund balances - ending	<u>\$ 111,004</u>	<u>\$ 38,626</u>	<u>\$ 425,909</u>	<u>\$ 387,283</u>

Phillips County, Colorado
Budget and Actual (with Variances)
Capital Expenditures
For the year ended December 31, 2023

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Property Taxes	\$ 48,680	\$ 48,680	\$ 48,663	\$ (17)
SO Taxes	8,700	8,700	6,229	(2,471)
Intergovernmental	334,693	334,693	(5,225)	(339,918)
Charges for services	222,350	222,350	235,620	13,270
Miscellaneous	24,200	24,200	92,262	68,062
Total revenues	<u>638,623</u>	<u>638,623</u>	<u>377,549</u>	<u>(261,074)</u>
EXPENDITURES				
Current:				
General government	149,000	149,000	386,747	(237,747)
Capital Outlay	<u>690,109</u>	<u>690,109</u>	<u>65,410</u>	<u>624,699</u>
Total Expenditures	<u>839,109</u>	<u>839,109</u>	<u>452,157</u>	<u>386,952</u>
Excess (deficiency) of revenues over expenditures	<u>(200,486)</u>	<u>(200,486)</u>	<u>(74,608)</u>	<u>125,878</u>
Net change in fund balances	(200,486)	(200,486)	(74,608)	125,878
Fund balances - beginning	-	-	762,536	762,536
Fund balances - ending	<u>\$ (200,486)</u>	<u>\$ (200,486)</u>	<u>\$ 687,928</u>	<u>\$ 888,414</u>

Phillips County, Colorado
Budget and Actual (with Variances)
American Recovery Plan
For the year ended December 31, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 96,793	\$ 96,793
Total revenues	<u>-</u>	<u>-</u>	<u>96,793</u>	<u>96,793</u>
EXPENDITURES				
Current:				
General government	95,935	95,935	93,792	2,143
Culture and recreation	-	-	3,000	(3,000)
Capital Outlay	<u>315,626</u>	<u>315,626</u>	<u>-</u>	<u>315,626</u>
Total Expenditures	<u>411,561</u>	<u>411,561</u>	<u>96,792</u>	<u>314,769</u>
Excess (deficiency) of revenues over expenditures	<u>(411,561)</u>	<u>(411,561)</u>	<u>1</u>	<u>411,562</u>
Net change in fund balances	(411,561)	(411,561)	1	(411,562)
Fund balances - beginning	-	-	-	-
Fund balances - ending	<u>\$ (411,561)</u>	<u>\$ (411,561)</u>	<u>\$ 1</u>	<u>\$ (411,562)</u>

**Phillips County, Colorado
Balance Sheet
Other Governmental Funds
December 31, 2023**

	<u>Ambulance Replacement</u>	<u>Conservation Trust</u>	<u>E911</u>	<u>Economic Development</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and cash equivalents	\$ 35,893	\$ 48,721	\$ 279,691	\$ -	\$ 364,305
Other receivables	7	86	22,829	-	22,922
Total assets	<u>35,900</u>	<u>48,807</u>	<u>302,520</u>	<u>-</u>	<u>387,227</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	-	223	780	-	1,003
Total liabilities	<u>-</u>	<u>223</u>	<u>780</u>	<u>-</u>	<u>1,003</u>
Fund balances:					
Committed	35,900	48,584	301,740	-	386,224
Total fund balances	<u>35,900</u>	<u>48,584</u>	<u>301,740</u>	<u>-</u>	<u>386,224</u>
Total liabilities and fund balances	<u>\$ 35,900</u>	<u>\$ 48,807</u>	<u>\$ 302,520</u>	<u>\$ -</u>	<u>\$ 387,227</u>

Phillips County, Colorado
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2023

	<u>Ambulance Replacement</u>	<u>Conservation Trust</u>	<u>E911</u>	<u>Economic Development</u>	<u>Total-Other Governmental Funds</u>
REVENUES					
Intergovernmental	\$ -	\$ 16,142	\$ -	\$ -	\$ 16,142
Charges for services	-	-	295,528	-	295,528
Investment earnings	58	289	-	-	347
Miscellaneous	8,000	-	-	3,768	11,768
Total revenues	<u>8,058</u>	<u>16,431</u>	<u>295,528</u>	<u>3,768</u>	<u>323,785</u>
EXPENDITURES					
Current:					
General government	81	-	-	34	115
Public Safety	-	-	79,366	-	79,366
Culture and recreation	-	4,442	-	-	4,442
Economic Development	-	-	-	10,768	10,768
Total Expenditures	<u>81</u>	<u>4,442</u>	<u>79,366</u>	<u>10,802</u>	<u>94,691</u>
Excess (deficiency) of revenues over expenditures	<u>7,977</u>	<u>11,989</u>	<u>216,162</u>	<u>(7,034)</u>	<u>229,094</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	16,000	-	-	-	16,000
Transfers out	(4,000)	-	(80,397)	(1,897)	(86,294)
Total other financing sources and uses	<u>12,000</u>	<u>-</u>	<u>(80,397)</u>	<u>(1,897)</u>	<u>(70,294)</u>
Net change in fund balances	19,977	11,989	135,765	(8,931)	158,800
Fund balances - beginning	15,923	36,595	165,975	8,931	227,424
Fund balances - ending	<u>\$ 35,900</u>	<u>\$ 48,584</u>	<u>\$ 301,740</u>	<u>\$ -</u>	<u>\$ 386,224</u>

Phillips County, Colorado
Budget and Actual (with Variances)
Ambulance Replacement
For the year ended December 31, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services	\$ (119)	\$ (119)	\$ -	\$ 119
Investment earnings	8,000	200	58	(142)
Miscellaneous	200	8,000	8,000	-
Total revenues	<u>8,081</u>	<u>8,081</u>	<u>8,058</u>	<u>(23)</u>
EXPENDITURES				
Current:				
General government	<u>32,083</u>	<u>76,972</u>	<u>81</u>	<u>76,891</u>
Total Expenditures	<u>32,083</u>	<u>76,972</u>	<u>81</u>	<u>76,891</u>
Excess (deficiency) of revenues over expenditures	<u>(24,002)</u>	<u>(68,891)</u>	<u>7,977</u>	<u>76,868</u>
OTHER FINANCING SOURCES				
Transfers in	-	-	16,000	(16,000)
Transfers out	<u>8,000</u>	<u>8,000</u>	<u>(4,000)</u>	<u>12,000</u>
Total other financing sources and uses	<u>8,000</u>	<u>8,000</u>	<u>12,000</u>	<u>(4,000)</u>
Net change in fund balances	(16,002)	(60,891)	19,977	80,868
Fund balances - beginning	-	-	15,923	15,923
Fund balances - ending	<u>\$ (16,002)</u>	<u>\$ (60,891)</u>	<u>\$ 35,900</u>	<u>\$ 96,791</u>

Phillips County, Colorado
Budget and Actual (with Variances)
Conservation Trust
For the year ended December 31, 2023

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 14,000	\$ 14,000	\$ 16,142	\$ 2,142
Investment earnings	50	50	289	239
Total revenues	<u>14,050</u>	<u>14,050</u>	<u>16,431</u>	<u>2,381</u>
EXPENDITURES				
Current:				
Culture and recreation	49,144	49,144	4,442	44,702
Total Expenditures	<u>49,144</u>	<u>49,144</u>	<u>4,442</u>	<u>44,702</u>
Excess (deficiency) of revenues over expenditures	<u>(35,094)</u>	<u>(35,094)</u>	<u>11,989</u>	<u>47,083</u>
Net change in fund balances	(35,094)	(35,094)	11,989	47,083
Fund balances - beginning	-	-	36,595	36,595
Fund balances - ending	<u>\$ (35,094)</u>	<u>\$ (35,094)</u>	<u>\$ 48,584</u>	<u>\$ 83,678</u>

Phillips County, Colorado
Budget and Actual (with Variances)
E911
For the year ended December 31, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services	\$ 198,375	\$ 198,375	\$ 295,528	\$ 97,153
Total revenues	<u>198,375</u>	<u>198,375</u>	<u>295,528</u>	<u>97,153</u>
EXPENDITURES				
Current:				
Public Safety	80,222	80,222	79,366	856
Capital Outlay	10,000	10,000	-	10,000
Total Expenditures	<u>90,222</u>	<u>90,222</u>	<u>79,366</u>	<u>10,856</u>
Excess (deficiency) of revenues over expenditures	<u>108,153</u>	<u>108,153</u>	<u>216,162</u>	<u>108,009</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(80,397)</u>	<u>(80,397)</u>	<u>(80,397)</u>	<u>-</u>
Total other financing sources and uses	<u>(80,397)</u>	<u>(80,397)</u>	<u>(80,397)</u>	<u>-</u>
Net change in fund balances	27,756	27,756	135,765	108,009
Fund balances - beginning	-	-	165,975	165,975
Fund balances - ending	<u>\$ 27,756</u>	<u>\$ 27,756</u>	<u>\$ 301,740</u>	<u>\$ 273,984</u>

Phillips County, Colorado
Budget and Actual (with Variances)
Economic Development
For the year ended December 31, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Miscellaneous	\$ 100,000	\$ 100,000	\$ 3,768	\$ (96,232)
Total revenues	<u>100,000</u>	<u>100,000</u>	<u>3,768</u>	<u>(96,232)</u>
EXPENDITURES				
Current:				
Economic Development	124,887	124,887	10,768	114,119
General Government	40	40	34	6
Total Expenditures	<u>124,927</u>	<u>124,927</u>	<u>10,802</u>	<u>114,125</u>
Excess (deficiency) of revenues over expenditures	<u>(24,927)</u>	<u>(24,927)</u>	<u>(7,034)</u>	<u>17,893</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	28,000	28,000	-	28,000
Transfers out	-	-	(1,897)	1,897
Total other financing sources and uses	<u>28,000</u>	<u>28,000</u>	<u>(1,897)</u>	<u>29,897</u>
Net change in fund balances	3,073	3,073	(8,931)	12,004
Fund balances - beginning	-	-	8,931	8,931
Fund balances - ending	<u>\$ 3,073</u>	<u>\$ 3,073</u>	<u>\$ -</u>	<u>\$ 20,935</u>

LOCAL HIGHWAY FINANCE REPORT	STATE: COLORADO
	YEAR ENDING (mm/yy): 12/23
This Information From The Records Of: Phillips County	Prepared By: Andrew Nygaard

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)	\$ 228,508.00
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	\$ 1,642,696.00
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	\$ 183,332.00
3. Other local imposts (from page 2)	\$ 629,268.00	c. Other	
4. Miscellaneous local receipts (from page 2)	\$ 110,408.00	d. Total (a. through c.)	\$ 183,332.00
5. Transfers from toll facilities		4. General administration & miscellaneous	\$ 169,602.00
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	
a. Bonds - Original Issues		6. Total (1 through 5)	\$ 2,224,138.00
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)	\$ 739,676.00	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	\$ -
C. Receipts from State government (from page 2)	\$ 1,448,398.00	2. Notes:	
D. Receipts from Federal Government (from page 2)	\$ -	a. Interest	
E. Total receipts (A.7 + B + C + D)	\$ 2,188,074.00	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)	\$ 2,224,138.00

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

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

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

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	\$ 1,195,517.00	\$ 2,188,074.00	\$ 2,224,138.00	\$ 1,159,453.00	\$ -

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT

STATE:
COLORADO
YEAR ENDING (mm/yy):
12/23

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assesments	\$ 361,518.00	a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes	\$ 220,777.00	c. Parking Garage Fees	
2. Infrastructure & Impact Fees	\$ 3,815.00	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	\$ 99,878.00
4. Licenses		f. Charges for Services	\$ 5,475.00
5. Specific Ownership &/or Other	\$ 43,158.00	g. Other Misc. Receipts	\$ 5,055.00
6. Total (1. through 5.)	\$ 267,750.00	h. Other	
c. Total (a. + b.)	\$ 629,268.00	i. Total (a. through h.)	\$ 110,408.00
<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.)	\$ 1,411,326.00	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	\$ 11,470.00	d. Federal Transit Administration	
d. DOLA Grant		e. U.S. Corps of Engineers	
e. Other	\$ 25,602.00	f. Other Federal ARPA	
f. Total (a. through e.)	\$ 37,072.00	g. Total (a. through f.)	\$ -
4. Total (1. + 2. + 3.f)	\$ 1,448,398.00	3. Total (1. + 2.g)	\$ -
<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		\$ 228,508.00	\$ 228,508.00
(4). System Enhancement And Operation			\$ -
(5). Total Construction (1)+(2)+(3)+(4)	\$ -	\$ 228,508.00	\$ 228,508.00
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.4)	\$ -	\$ 228,508.00	\$ 228,508.00
<i>(Carry forward to page 1)</i>			

Notes and Comments: