



**LAKE COUNTY, COLORADO**

**FINANCIAL STATEMENTS  
AND THE INDEPENDENT AUDITOR'S REPORT**

**FOR THE FISCAL YEAR ENDED  
DECEMBER 31, 2024**

**LAKE COUNTY, COLORADO**  
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December 31, 2024

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## INDEPENDENT AUDITOR'S REPORT

Board of County Commissioners  
Lake County, Colorado  
Leadville, Colorado

### Report on the Audit of the Financial Statements

#### Opinions

We have audited the accompanying financial statements of the governmental activities, discretely presented component unit, each major fund, and the aggregate remaining fund information of Lake County, Colorado (the County) as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the basic financial statements of the County, 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, discretely presented component unit, each major fund, and the aggregate remaining fund information of the County as of December 31, 2024, 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 of 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 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 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 twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

#### Emphasis of Matter

As described in Note 11 to the financial statements, as of and for the year ended December 31, 2023, have been restated to correct a misstatement. Our opinion is not modified with respect to this matter.

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

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying combining and individual fund statements, the budgetary comparison schedules, local highway finance report, and the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, listed in the table of contents 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 the information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, the budgetary comparison schedules, and the schedule of expenditures of federal awards, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated February 20, 2026, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

*DMC Auditing and Consulting, LLC*

February 20, 2026  
Bailey, Colorado

# Management's Discussion & Analysis (M.D.A.)

Lake County Government

P.O. Box 964

Leadville, Colorado 80461

\* As of And For The Year Ended December 31, 2024

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*As the management of Lake County, Colorado (the County) we offer the readers of our County's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended December 31, 2024. Within this section of Lake County, we are pleased to provide this document to the public which discusses and analyzes the context of the accompanying financial statements and disclosures following this section.*

## SUMMARY OF LAKE COUNTY FINANCIAL STATUS \* HIGHLIGHTS

At December 31, 2024:

- The County's assets were \$88,132,635
- The County's liabilities were \$18,215,975
- Total County's net position was \$55,492,395
- The County's governmental funds had a fund balance of \$33,080,933
- The County's General fund had a fund balance of \$18,403,673

## OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the County's *basic financial statements*. The County's basic financial statements are comprised of 3 components: 1) Government-wide financial statements; 2) Financial Statements; and 3) Notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves. Comparative data is presented when available.

### *Government-wide Financial Statements*

The *Government-wide financial statements* are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

The *Statement of Net position* presents information on all the County's assets, liabilities, and deferred inflows of resources, with the difference between the two reported as net position. Over time, increases and decreases in net position serves as a useful indicator of whether the financial position of the County is improving or deteriorating. Evaluation of the overall financial health of the County would extend to other factors such as diversification of the taxpayers' base or condition of the County infrastructure, in addition to the financial information provided in this report.

The *Statement of Activities* presents 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 fiduciary control of the County's distinct activities or functions on revenues provided by the County's taxpayers.

## Management's Discussion and Analysis (Unaudited)

Lake County Government

As of And For the Year Ended December 31, 2024

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### *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.

The County has three types of funds: *Governmental, Proprietary, and Fiduciary Funds*.

*Governmental Funds* are reported in the financial statements and encompass the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different in that these statements report short-term calendar-year 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 4 through 11 of this report.

*Proprietary Funds* are reported in the fund financial statements and generally report services for which the County charges other funds a fee. The County proprietary fund is classified as an internal service fund and provides separate information for the business-type activity provided by the County.

The basic internal service fund financial statement is presented on pages 12 through 14 of this report.

*Fiduciary Funds* are used to account for resources held for the benefit of parties outside the government. Fiduciary Funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The Fiduciary Fund used by the County is the Agency Fund which represents funds collected and distributed by the County Treasurer, County Clerk, Public Trustee, and Sheriff.

The basic fiduciary fund financial statements are presented on page 15-16 of this report.

# Management’s Discussion and Analysis (Unaudited)

Lake County Government

As of And For the Year Ended December 31, 2024

## Notes to the Basic Financial Statements

The accompanying notes to the basic financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 17 of this report.

## Required and Other Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information to demonstrate compliance with the County’s adopted and final revised budget. Budgetary comparison statements are included as “required supplementary information,” beginning on page 30, for the general fund and major special revenue funds.

## FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE

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

The County’s net position at calendar year-end is \$55,492,395. The following table (Fig. 1) provides a summary of the County’s net position:

(Fig. 1)

	<b>PRIMARY GOVERNMENT GOVERNMENTAL ACTIVITIES</b>	
	<b>2024</b>	<b>2023</b>
<b>ASSETS</b>		
Current and Other Assets	\$ 51,801,519	27,297,578
Capital Net Assets	36,381,116	37,404,745
<b>TOTAL ASSETS</b>	<b>88,182,635</b>	<b>64,702,323</b>
<b>LIABILITIES</b>		
Current Liabilities	3,797,324	4,013,642
Long-Term Liabilities	14,418,651	6,403,770
<b>TOTAL LIABILITIES</b>	<b>18,215,975</b>	<b>10,417,412</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Property Tax	14,474,265	-
<b>NET POSITION</b>		
Net Investment in Capital Assets	21,494,417	30,575,154
Restricted for:		
Restricted: Tabor	639,800	359,800
Restricted Other Purposes	\$ 10,936,265	2,183,348
Unrestricted	22,421,913	21,166,609
<b>TOTAL NET POSITION</b>	<b>\$ 55,492,395</b>	<b>54,284,911</b>

## Management's Discussion and Analysis (Unaudited)

Lake County Government

As of And For the Year Ended December 31, 2024

Traditionally, the largest portion of any government's investments is in its capital assets. Land, buildings, equipment, machinery, and specialized tools are necessary to deliver and/or provide services to the County's residents and visitors. The County's government-wide net position increased substantially during the current fiscal year, primarily due to increases in capital assets and favorable revenue collections. The year-over-year increase in current and other assets is largely due to Certificate of Participation and taxes received.

The following table (Fig. 2) provides a summary of the County's changes in net position.

(Fig. 2)

### LAKE COUNTY, COLORADO Summary of Changes to Net Position

	<u>2024</u>	<u>2023</u>
<b>REVENUES</b>		
<b>Program Revenues:</b>		
Charges for Services	\$ 3,766,055	\$ 3,479,403
Operating Grants & Contributions	5,529,038	5,177,509
Capital Grants & Contributions	1,841,069	1,790,731
<b>General Revenues:</b>		
Taxes	22,141,921	19,358,947
Interest & Other Revenues	2,016,369	2,232,533
Transfers	(768,981)	0
<b>Total Revenues</b>	<u><b>34,525,471</b></u>	<u><b>32,039,123</b></u>
<b>EXPENSES</b>		
General Government	11,635,421	9,009,302
Public Safety	8,472,353	7,083,558
Public Works	2,342,515	1,408,611
Public Health & Welfare	4,982,978	6,515,553
Culture & Recreation	4,131,014	1,407,629
Economic Development	1,484,829	1,135,233
Interest on Long-term Debt	248,792	85,641
<b>Total Expenses</b>	<u><b>33,297,902</b></u>	<u><b>26,645,527</b></u>
<b>Change in Net Position</b>	<u>1,227,569</u>	<u>5,393,596</u>
<b>Net Position, January 1*</b>	<u>54,264,826</u>	<u>48,554,800</u>
<b>Net Position, December 31</b>	<u><b>55,492,395</b></u>	<u><b>53,948,396</b></u>

\*Beginning net position was restated to correct errors as of December 31, 2023.

## Management’s Discussion and Analysis (Unaudited)

Lake County Government

As of And For the Year Ended December 31, 2024

### GOVERNMENTAL REVENUES

Program revenues cover 33.4% of governmental operating expenses. This means that the County’s taxpayer and other general governmental revenues fund 70.0% of the governmental activities. Property taxes provided approximately \$14.4 million or 41.9% of the County’s total governmental revenues. Sales taxes were the second largest revenue source totaling \$6.7 million or 19.6% of the total governmental revenues. The County also relies on Federal and State operating grants and funding to support health and welfare operations.

The following table (Fig. 3) presents the cost of each of the County’s programs, including the net costs (i.e., total cost less revenues generated by the activities). The net costs illustrate the financial burden placed on the County’s taxpayers by each of these functions.

(Fig. 3)

	Total Cost of Service	% of Total	Net Cost of Services	% of Total
General Government	\$ 13,120,250	39.4%	\$ 7,715,664	34.8%
Public Safety	8,472,353	25.4%	8,291,553	37.4%
Public Works	2,342,515	7.0%	439,930	2.0%
Public Health & Welfare	4,982,978	15.0%	2,199,657	9.9%
Culture & Recreation	4,131,014	12.4%	3,266,144	14.7%
Debt Service	248,792	0.7%	248,792	1.1%
	<u>\$ 33,297,902</u>	<u>100.0%</u>	<u>\$ 22,161,740</u>	<u>100.0%</u>

\*General Government Total & Net Cost of Services Includes Economic Development

### GOVERNMENTAL FUNCTIONAL EXPENSES

The general government, public safety, and public health and welfare functions make up approximately 85.3% of the total governmental activities’ expenses. General government totals 39.4% of total governmental expenses with public health and welfare totaling 15.0%, public safety totaling 25.4%, and public works and recreation totaling 19.4%. General government includes administrative and airport functions. Public health and welfare include landfill and human services as well as pass-through grants from the Colorado Department of Public Health and Environment.

### FINANCIAL ANALYSIS OF THE COUNTY’S FUNDS

#### *Government 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 \$33,080,933.

## Management's Discussion and Analysis (Unaudited)

Lake County Government

As of And For the Year Ended December 31, 2024

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The total ending balances of governmental funds show an increase of \$10,098,325 or a 43.9% increase over the prior year. This increase is primarily the result of the events and programs described in further detail within the analysis of the County's governmental activities that follows.

### *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 \$35,675 or a 0.19% increase. The key contributing factors were totals revenues for taxes \$18,353,639 (property & sales tax) and total investment earnings \$1,279,316.

### *The Road & Bridge Fund*

The *Road and 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 and Bridge fund balance increased by \$279,627. Key contributing factors included increased Licenses and Permits increase and increased charges for services from 2023 and a decrease in Capital Outlay expenditures.

### *The Human Services Fund*

The *Human Services Fund* accounts for the operations of the County's welfare services. The Human Services fund balance decreased by \$65,754.

### *The Grants Fund*

The *Grants Fund* accounts for the County's grant activities from Federal, State, and local sources. The Grant fund balance is \$(2,740,987). Prior years deferred revenues have been carried on the balance sheet for multiple years regardless of county policies and in deficit of required documentation to support adequate tracking and recording of grant disbursements. (See Footnotes to Financial Statements for Detail)

### *The Internal Service Fund*

The County operates one internal service fund, for the purpose of funding health, dental, and worker's compensation insurance benefits for its employees as well as general and building liability insurance. Fund balance for the year increased \$147,669, primarily due to increases in county benefit contributions.

## **BUDGET HIGHLIGHTS**

### *Budgetary Information*

The General Fund revenue budget was amended during the year from \$22,185,658 to \$22,265,658. Realized revenues exceeded final budget estimates by \$448,446.

The expenditure side of the original budget for the General Fund was amended during 2024. Actual expenditures were less than planned expenditure (Fig 5).

**Management’s Discussion and Analysis (Unaudited)**

**Lake County Government**

**As of And For the Year Ended December 31, 2024**

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**(Fig. 5)**

**LAKE COUNTY, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
Year Ended December 31, 2024

	BUDGET		ACTUAL	VARIANCE
	ORIGINAL	FINAL		Positive (Negative)
EXPENDITURES				
General Government	13,103,841	14,037,354	9,410,339	4,627,015
Public Safety	5,282,962	5,499,762	5,061,797	437,965
Culture and Recreation	2,401,576	2,972,244	2,673,850	298,394
Economic Development	915,200	915,200	1,087,488	(172,288)
Capital Outlay	-	-	696,353	(696,353)
Debt Service				
Principal	-	-	88,286	(88,286)
Interest	-	-	3,870	(3,870)
<b>TOTAL EXPENDITURES</b>	<b>21,703,579</b>	<b>23,424,560</b>	<b>19,021,983</b>	<b>4,402,577</b>

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

The County’s capital assets, net of accumulated depreciation/amortization, for governmental activities as of December 31, 2024, was \$36,381,116.

The County’s capitalization policy pertains to assets with a purchase value of \$5,000 or greater. Assets of lesser value are treated as operational expenditures.

Additional information as well as a detailed classification of the County’s net capital assets can be found in the Notes to the Financial Statements

**Management’s Discussion and Analysis (Unaudited)**

**Lake County Government**

**As of And For the Year Ended December 31, 2024**

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***Debt Administration***

At the end of the calendar year, the County had \$14,418,651 of recorded debt outstanding.

**LAKE COUNTY, COLORADO  
OUTSTANDING BORROWINGS**

	<b>GOVERNMENTAL ACTIVITIES</b>	
	<b>2024</b>	<b>2023</b>
Leases and Financed Purchases	\$ 2,934,070	\$ 6,190,487
Compensated Absences	468,048	425,821
Certificates of Participation Payable	8,211,034	0
Landfill Closure and Postclosure Care	2,805,499	2,708,011
	<b><u>14,418,651</u></b>	<b><u>9,324,319</u></b>

**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 any questions about this report or would like to request additional information, contact the Commissioner’s Office, Lake County Courthouse, Post Office Box 964, Leadville, Colorado 80461.

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## **BASIC FINANCIAL STATEMENTS**

**LAKE COUNTY, COLORADO**  
**STATEMENT OF NET POSITION**  
December 31, 2024

	PRIMARY GOVERNMENT	COMPONENT UNIT
	GOVERNMENTAL ACTIVITIES	LAKE COUNTY 911 AUTHORITY
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 34,268,184	\$ 1,030,566
Accounts Receivable	2,303,223	53,043
Taxes Receivable	14,468,127	-
Grants Receivable	615,177	-
Accrued Interest Receivable	64,422	-
Inventories	52,886	-
Deposits	29,500	-
Capital Assets, <i>Not Being Depreciated / Amortized</i>	10,719,424	264,786
Capital Assets, <i>Net of Accumulated Depreciation / Amortization</i>	25,661,692	-
<b>TOTAL ASSETS</b>	88,182,635	1,348,395
<b>LIABILITIES</b>		
Accounts Payable	1,493,055	5,873
Accrued Payroll	662,221	25,273
Other Payables	-	176,786
Unearned Revenues	1,642,048	-
Long-Term Liabilities		
Due Within One Year	509,353	-
Due in More Than One Year	11,103,799	-
Landfill Closure / Post-Closure Liability	2,805,499	-
<b>TOTAL LIABILITIES</b>	18,215,975	207,932
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Property Taxes	14,474,265	-
<b>NET POSITION</b>		
Net Investment in Capital Assets	21,494,417	264,786
Restricted for:		
Emergencies	639,800	40,000
Roads and Bridges	1,115,952	-
Lodging Tax	81,409	-
Parks and Recreation	518,872	-
Human Services	72,894	-
Capital Projects	9,147,138	-
911 Operations	-	835,677
Unrestricted	22,421,913	-
<b>TOTAL NET POSITION</b>	\$ 55,492,395	\$ 1,140,463

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

**LAKE COUNTY, COLORADO**  
**STATEMENT OF ACTIVITIES**  
Year Ended December 31, 2024

FUNCTIONS / PROGRAMS	EXPENSES	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGE IN NET POSITION	
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	PRIMARY GOVERNMENTAL ACTIVITIES	COMPONENT UNIT LAKE COUNTY 911 AUTHORITY
<b>PRIMARY GOVERNMENT</b>						
<b>Governmental Activities</b>						
General Government	\$ 11,635,421	\$ 2,614,824	\$ 1,889,262	\$ 900,500	\$ (6,230,835)	\$ -
Public Safety	8,472,353	-	180,800	-	(8,291,553)	-
Health and Welfare	4,982,978	110,859	2,672,462	-	(2,199,657)	-
Culture and Recreation	4,131,014	71,471	713,772	79,627	(3,266,144)	-
Public Works	2,342,515	968,901	72,742	860,942	(439,930)	-
Economic Development	1,484,829	-	-	-	(1,484,829)	-
Interest on Long-Term Debt	248,792	-	-	-	(248,792)	-
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 33,297,902</b>	<b>\$ 3,766,055</b>	<b>\$ 5,529,038</b>	<b>\$ 1,841,069</b>	<b>(22,161,740)</b>	<b>-</b>
<b>COMPONENT UNIT</b>						
Lake County 911 Authority	\$ 667,564	\$ 267,176	\$ 265,400	\$ -	-	(134,988)
<b>GENERAL REVENUES</b>						
Property Taxes					14,468,447	-
Specific Ownership Taxes					600,414	-
Sales Taxes					6,761,300	-
Lodging Tax					311,760	-
Mineral Lease Contribution					539,212	-
Investment Income					1,279,316	301
Other Revenues					197,841	-
Transfers					(768,981)	768,981
<b>TOTAL GENERAL REVENUES</b>					<b>23,389,309</b>	<b>769,282</b>
<b>CHANGE IN NET POSITION</b>					1,227,569	634,294
NET POSITION, Beginning, as Originally Stated					53,948,396	506,169
Restatement - Correction of Errors					316,430	-
NET POSITION, Beginning, as Restated					54,264,826	506,169
NET POSITION, Ending					\$ 55,492,395	\$ 1,140,463

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

**LAKE COUNTY, COLORADO**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
December 31, 2024

	GENERAL	ROAD AND BRIDGE	HUMAN SERVICES	GRANTS
<b>ASSETS</b>				
Cash and Investments	\$ 16,684,512	\$ 1,125,182	\$ 150,208	\$ -
Accounts Receivable	1,940,463	77,883	93,709	-
Taxes Receivable	11,917,244	-	888,520	-
Grants Receivable	-	-	-	518,080
Interfund Receivables	1,873,508	-	-	-
Accrued Interest Receivable	64,422	-	-	-
Inventories	-	10,578	-	-
Deposits	19,500	-	-	-
	<b>32,499,649</b>	<b>1,213,643</b>	<b>1,132,437</b>	<b>518,080</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts Payable	839,978	42,975	1,492	484,815
Accrued Payroll	431,646	44,138	80,037	17,036
Interfund Payables	-	-	-	2,201,326
Unearned Revenues	907,108	-	89,494	555,890
	<b>2,178,732</b>	<b>87,113</b>	<b>171,023</b>	<b>3,259,067</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property Tax	11,917,244	-	888,520	-
<b>FUND BALANCES</b>				
<b>Nonspendable:</b>				
Inventories	-	10,578	-	-
Deposits	19,500	-	-	-
<b>Restricted for:</b>				
Emergencies	639,800	-	-	-
Roads and Bridges	-	1,115,952	-	-
Public Health	-	-	-	-
Conservation Trust	-	-	-	-
Lodging Tax	-	-	-	-
Human Services	-	-	72,894	-
Capital Projects	-	-	-	-
<b>Committed to:</b>				
Housing	-	-	-	-
Blood Lead Monitoring	-	-	-	-
Landfill	-	-	-	-
Sheriff Commissary	-	-	-	-
Mineral Belt Trail	-	-	-	-
Get Outdoors Leadville! Program	-	-	-	-
Mine Closure	-	-	-	-
Contingencies	686,033	-	-	-
Unassigned	17,058,340	-	-	(2,740,987)
	<b>18,403,673</b>	<b>1,126,530</b>	<b>72,894</b>	<b>(2,740,987)</b>
<b>TOTAL FUND BALANCES</b>	<b>18,403,673</b>	<b>1,126,530</b>	<b>72,894</b>	<b>(2,740,987)</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 20,582,405</b>	<b>\$ 1,213,643</b>	<b>\$ 243,917</b>	<b>\$ 518,080</b>

	MINE CLOSURE	COURT RENOVATION	NONMAJOR GOVERNMENTAL FUNDS	TOTAL
\$	3,737,494	\$ 8,551,430	\$ 4,019,358	\$ 34,268,184
	-	-	191,168	2,303,223
	-	-	850,000	13,655,764
	-	-	97,097	615,177
	-	-	-	1,873,508
	-	-	-	64,422
	-	-	42,308	52,886
	-	-	-	19,500
	<u>3,737,494</u>	<u>8,551,430</u>	<u>5,199,931</u>	<u>52,852,664</u>
	-	-	113,978	1,483,238
	-	-	89,364	662,221
	-	-	120,996	2,322,322
	-	-	89,556	1,642,048
	-	-	<u>413,894</u>	<u>6,109,829</u>
	-	-	856,138	13,661,902
	-	-	42,308	52,886
	-	-	-	19,500
	-	-	-	639,800
	-	-	-	1,115,952
	-	-	246,438	246,438
	-	-	518,872	518,872
	-	-	81,409	81,409
	-	-	-	72,894
	-	8,551,430	595,708	9,147,138
	-	-	98,040	98,040
	-	-	108,231	108,231
	-	-	1,844,773	1,844,773
	-	-	8,264	8,264
	-	-	110,197	110,197
	-	-	420,596	420,596
	3,737,494	-	-	3,737,494
	-	-	-	686,033
	-	-	(144,937)	14,172,416
	<u>3,737,494</u>	<u>8,551,430</u>	<u>3,929,899</u>	<u>33,080,933</u>
\$	<u>3,737,494</u>	\$ <u>8,551,430</u>	\$ <u>5,199,931</u>	\$ <u>52,852,664</u>

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

**LAKE COUNTY, COLORADO**  
**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF NET POSITION**  
December 31, 2024

AMOUNTS REPORTED FOR GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION ARE DIFFERENT BECAUSE:

Total Fund Balances of Governmental Funds	\$	33,080,933
Capital assets and lease right-to-use assets used in governmental activities are not financial resources and, therefore, are not reported in governmental funds.		36,381,116
Internal Service Funds are blended into Governmental Activities		448,997
Long-term liabilities and related items are not due and payable in the current year and, therefore, are not reported in governmental funds:		
Leases Payable		(2,592,660)
Financed Purchases		(341,410)
Certificates of Participation Payable		(8,211,034)
Accrued Landfill Closure / Post-Closure		(2,805,499)
Accrued Compensated Absences		(468,048)
		(468,048)
Total Net Position of Governmental Activities	\$	55,492,395

**LAKE COUNTY, COLORADO**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
Year Ended December 31, 2024

	<u>GENERAL</u>	<u>ROAD AND BRIDGE</u>	<u>HUMAN SERVICES</u>	<u>GRANTS</u>
<b>REVENUES</b>				
Taxes	\$ 18,353,639	\$ 600,414	\$ 401,883	\$ -
Licenses and Permits	274,452	67,412	-	-
Intergovernmental	1,099,794	1,236,212	1,991,338	2,148,509
Charges for Services	1,614,356	-	-	-
Rentals	-	-	10,765	-
Contributions	-	-	-	-
Lottery Funds	-	-	-	-
Investment Income	1,279,316	-	-	-
Miscellaneous	92,547	45,812	7,317	-
<b>TOTAL REVENUES</b>	<u>22,714,104</u>	<u>1,949,850</u>	<u>2,411,303</u>	<u>2,148,509</u>
<b>EXPENDITURES</b>				
General Government	9,410,339	-	-	455,091
Health and Welfare	-	-	2,569,057	35,698
Public Safety	5,061,797	-	-	2,324,646
Culture and Recreation	2,673,850	-	-	138,243
Economic Development	1,087,488	-	-	-
Public Works	-	1,650,101	-	-
Capital Outlay	696,353	348,195	-	-
Debt Service				
Principal	88,286	-	47,730	-
Interest	3,870	-	54,078	-
<b>TOTAL EXPENDITURES</b>	<u>19,021,983</u>	<u>1,998,296</u>	<u>2,670,865</u>	<u>2,953,678</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>3,692,121</u>	<u>(48,446)</u>	<u>(259,562)</u>	<u>(805,169)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from Sale of Capital Assets	-	46,726	-	-
Lease Proceeds	39,608	-	-	-
Certificates of Participation Proceeds	-	-	-	-
Certificates of Participation Premium	-	-	-	-
Transfers In	-	281,347	193,808	1,359,570
Transfers Out	(3,696,054)	-	-	(176,666)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(3,656,446)</u>	<u>328,073</u>	<u>193,808</u>	<u>1,182,904</u>
<b>CHANGE IN FUND BALANCES</b>	35,675	279,627	(65,754)	377,735
FUND BALANCES, Beginning, as Originally Stated	18,077,578	846,903	138,648	(3,144,732)
Restatement - Correction of Errors	290,420	-	-	26,010
FUND BALANCES, Beginning, as Restated	<u>18,367,998</u>	<u>846,903</u>	<u>138,648</u>	<u>(3,118,722)</u>
FUND BALANCES, Ending	<u>\$ 18,403,673</u>	<u>\$ 1,126,530</u>	<u>\$ 72,894</u>	<u>\$ (2,740,987)</u>

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

	MINE CLOSURE	COURT RENOVATION	NONMAJOR GOVERNMENTAL FUNDS	TOTAL
\$	366,503	\$ -	\$ 1,322,148	\$ 21,044,587
	-	-	-	341,864
	-	-	1,210,351	7,686,204
	-	-	1,691,876	3,306,232
	-	-	-	10,765
	-	-	140,731	140,731
	-	-	15,049	15,049
	-	-	-	1,279,316
	-	-	226,694	372,370
	<u>366,503</u>	<u>-</u>	<u>4,606,849</u>	<u>34,197,118</u>
	-	-	680,543	10,545,973
	-	-	2,091,765	4,696,520
	-	199,392	631,210	8,217,045
	-	-	680,158	3,492,251
	-	-	397,341	1,484,829
	-	-	19,003	1,669,104
	-	-	169,072	1,213,620
	-	-	353,502	489,518
	-	-	190,844	248,792
	<u>-</u>	<u>199,392</u>	<u>5,213,438</u>	<u>32,057,652</u>
	<u>366,503</u>	<u>(199,392)</u>	<u>(606,589)</u>	<u>2,139,466</u>
	-	-	-	46,726
	-	-	114,042	153,650
	-	8,000,000	-	8,000,000
	-	211,034	-	211,034
	-	539,788	948,126	3,322,639
	-	-	(218,900)	(4,091,620)
	<u>-</u>	<u>8,750,822</u>	<u>843,268</u>	<u>7,642,429</u>
	366,503	8,551,430	236,679	9,781,895
	3,370,991	-	3,693,220	22,982,608
	-	-	-	316,430
	<u>3,370,991</u>	<u>-</u>	<u>3,693,220</u>	<u>23,299,038</u>
\$	<u><u>3,737,494</u></u>	<u><u>8,551,430</u></u>	<u><u>3,929,899</u></u>	<u><u>33,080,933</u></u>

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

**LAKE COUNTY, COLORADO**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
Year Ended December 31, 2024

AMOUNTS REPORTED FOR GOVERNMENTAL ACTIVITIES IN THE  
STATEMENT OF ACTIVITIES ARE DIFFERENT BECAUSE:

Net Changes in Fund Balances of Governmental Funds	\$	9,781,895
<p>Governmental funds report capital outlays and leases as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as:</p>		
Depreciation Expense		(1,971,659)
Amortization Expense		(445,328)
Capital Outlay		2,689,641
Disposal of Capital Assets		(916,283)
<p>Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position and does not affect the statement of activities. This is the effect of these differences in the treatment of long-term debt and related items, including lease payable proceeds.</p>		
Lease Proceeds		(153,650)
Certificate of Participation Proceeds		(8,000,000)
Certificate of Participation Premium		(211,034)
<p>The repayment of long-term debt principal is an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net position and does not affect the statement of activities.</p>		
		489,518
<p>Internal Services Funds are blended into Governmental Activities.</p>		
		147,669
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This includes the changes in the following:</p>		
Landfill Closure / Post-Closure Liability		(97,488)
Accrued Compensated Absences		(85,712)
		(183,200)
Change in Net Position of Governmental Activities	\$	1,227,569

**LAKE COUNTY, COLORADO**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUND**  
December 31, 2024

	GOVERNMENTAL ACTIVITIES
	INTERNAL SERVICE FUND
<b>ASSETS</b>	
Taxes Receivable	\$ 812,363
Interfund Receivable	448,814
Deposit	10,000
<b>TOTAL ASSETS</b>	<b>1,271,177</b>
<b>LIABILITIES</b>	
Accounts Payable	9,817
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Property Taxes	812,363
<b>NET POSITION</b>	
Unrestricted	<b>\$ 448,997</b>

**LAKE COUNTY, COLORADO**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**PROPRIETARY FUND**  
Year Ended December 31, 2024

	GOVERNMENTAL ACTIVITIES
	INTERNAL SERVICE FUND
OPERATING REVENUES	
Contributions	\$ 2,150,177
Claims Reimbursement	<u>5,911</u>
TOTAL OPERATING REVENUES	<u>2,156,088</u>
OPERATING EXPENSES	
Insurance Premiums and Payments	3,102,157
Claims	<u>3,596</u>
TOTAL OPERATING EXPENSES	<u>3,105,753</u>
NET OPERATING INCOME (LOSS)	<u>(949,665)</u>
NONOPERATING REVENUES (EXPENSES)	
Property Taxes	<u>1,097,334</u>
CHANGE IN NET POSITION	147,669
NET POSITION, Beginning	<u>301,328</u>
NET POSITION, Ending	<u><u>\$ 448,997</u></u>

**LAKE COUNTY, COLORADO**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
Year Ended December 31, 2024

	<u>GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUND</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash Received from Claim Reimbursements	\$ 5,911
Cash Received from Premiums	2,328,929
Cash Payments to Vendors and Suppliers	<u>(3,099,807)</u>
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<u>(764,967)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Property Taxes	1,097,334
Net Transfers from (to) Other Funds	<u>(341,662)</u>
<b>NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES</b>	<u>755,672</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(9,295)
<b>CASH AND CASH EQUIVALENTS, Beginning</b>	<u>9,295</u>
<b>CASH AND CASH EQUIVALENTS, Ending</b>	<u>\$ -</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>	
Net Operating Income (Loss)	\$ (949,665)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Changes in Assets and Liabilities:	
Accounts Receivable	178,752
Accounts Payable	<u>5,946</u>
<b>Total Adjustments</b>	<u>184,698</u>
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<u>\$ (764,967)</u>

**LAKE COUNTY, COLORADO**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
December 31, 2024

	CUSTODIAL FUNDS				TOTAL FIDUCIARY FUNDS
	COUNTY TREASURER	COUNTY CLERK AND RECORDER	SHERIFF INMATE	PUBLIC TRUSTEE	
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 414,407	\$ 116,411	\$ 9,900	\$ 8,816	\$ 549,534
<b>LIABILITIES</b>					
Due To Other Governments	414,407	116,411	-	-	530,818
<b>NET POSITION</b>					
Restricted for Individuals, Organizations, and Other Governments	-	-	9,900	8,816	18,716

**LAKE COUNTY, COLORADO**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
Year Ended December 31, 2024

	CUSTODIAL FUNDS				TOTAL FIDUCIARY FUNDS
	COUNTY TREASURER	COUNTY CLERK AND RECORDER	SHERIFF INMATE	PUBLIC TRUSTEE	
<b>ADDITIONS</b>					
Taxes and Fees Collected for Other Governments	\$ 22,218,277	\$ 2,315,474	\$ -	\$ -	\$ 24,533,751
Fines and Fees Collected for Other Governments	-	-	59,435	155,858	215,293
<b>TOTAL ADDITIONS</b>	<u>22,218,277</u>	<u>2,315,474</u>	<u>59,435</u>	<u>155,858</u>	<u>24,749,044</u>
<b>DEDUCTIONS</b>					
Taxes and Fees Disbursed to Other Governments	22,218,277	2,315,474	-	-	24,533,751
Fines and Fees Disbursed to Others	-	-	52,015	152,725	204,740
<b>TOTAL DEDUCTIONS</b>	<u>22,218,277</u>	<u>2,315,474</u>	<u>52,015</u>	<u>152,725</u>	<u>24,738,491</u>
<b>CHANGE IN NET POSITION</b>	-	-	7,420	3,133	10,553
<b>NET POSITION, Beginning</b>	-	-	2,480	5,683	8,163
<b>NET POSITION, Ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,900</u>	<u>\$ 8,816</u>	<u>\$ 18,716</u>

**LAKE COUNTY, COLORADO**  
**NOTES TO THE FINANCIAL STATEMENTS**  
December 31, 2024

**NOTE 1: Summary of Significant Accounting Policies**

Lake County (the County) was created by an act of legislature in 1861 and is governed by applicable Colorado Statutes. The County is managed by three Commissioners and provides the following services: public safety, highways and roads, sanitation, health and social services, culture and recreation, public improvements, planning and zoning, tax and license assessments and collections, and general administrative services.

The accounting policies of the County conform to generally accepted accounting principles applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the County's significant policies.

**Reporting Entity**

The financial reporting entity consists of the County, organizations for which the County is financially accountable, and organizations that raise and hold economic resources for the direct benefit of the County. All funds, organizations, institutions, agencies, departments, and offices that are not legally separate are part of the County. Legally separate organizations for which the County is financially accountable are considered part of the reporting entity. Financial accountability exists if the County appoints a voting majority of the organization's governing board and is able to impose its will on the organization, or if the organization has the potential to provide benefits to, or impose financial burdens on, the County.

The County Operates the Lake County Emergency Telephone Service Authority (the Authority). The Authority was established for the purpose of providing 911 emergency phone services for the County. The Authority is a legally separate entity, governed by a five-member board. The Authority Board is appointed by the County Commissioners. The Authority is reported as a discretely presented component unit in the County's financial statements.

**Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all activities of the County and its component unit. For the most part, the effect of interfund activity has been removed from these financial statements. Exceptions to this general rule are charges for interfund services that are reasonably equivalent to the services provided. *Governmental activities*, which are normally 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.

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

Separate financial statements are provided for the governmental funds, proprietary funds, and fiduciary funds. Major individual governmental funds, proprietary funds, and fiduciary funds identified by management are reported as separate columns in the fund financial statements.

In the fund financial statements, the County reports the following major governmental funds:

The *General Fund* is the County's primary operating fund. It accounts for all financial resources of the County, except those required to be accounted for in another fund.

**LAKE COUNTY, COLORADO**  
**NOTES TO THE FINANCIAL STATEMENTS**  
December 31, 2024

**NOTE 1: Summary of Significant Accounting Policies (Continued)**

**Government-wide and Fund Financial Statements (Continued)**

The *Road and Bridge Fund* is used to account for road and bridge construction, maintenance, and administration, as established under state statutes, and includes revenues from specific ownership tax, highway user tax, and payments in lieu of taxes (PILT).

The *Human Services Fund* is used to account for the program and administrative management of human services. Financing is primarily provided by federal and state grants.

The *Grants Fund* is used to account for revenues and expenditures from federal, state, and local grants awarded to the County.

The *Court Renovation Fund* is used to account for the County's Justice Center renovation using the Certificates of Participation, Series 2024.

The *Mine Closure Fund* is used to account for revenues and expenditures related to the closure of the Climax Mine and for sustaining county activities after the valuation of the county declines, as established by the voters in 2011, which is financed by the collection of property taxes.

Additionally, the County reports the following fund types:

The *Internal Service Fund* is used to account for the set-aside of the County's casualty, property pool, and liability insurance. Revenues are derived from annual property taxes collected in the fund.

The *Fiduciary Funds* account for Custodial Fund assets held by the County in a custodial capacity or as an agent on behalf of others. *Fiduciary Funds* are accounted for using the accrual basis of accounting. The County's Custodial Funds include the Treasurer's Office, the Clerk and Recorder's Office, the Public Trustee, and the Sheriff – Jail Inmate.

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collected within the current year or soon enough thereafter to pay liabilities of the current year. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current year.

Taxes, intergovernmental revenues, grants, and interest associated with the current year are considered to be susceptible to accrual and so have been recognized as revenues of the current year. All other revenues are considered to be measurable and available only when cash is received by the County.

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, are recorded only when payment is due.

**LAKE COUNTY, COLORADO**  
**NOTES TO THE FINANCIAL STATEMENTS**  
December 31, 2024

**NOTE 1: Summary of Significant Accounting Policies (Continued)**

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)**

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County's proprietary funds are charges to customers or other funds for sales and services. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. When both restricted and unrestricted resources are available for a specific use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.

**Assets, Liabilities, Deferred Inflows of Resources, and Fund Balances / Net Position**

*Cash and Investments* – Cash and investments of each of the County's funds are pooled and invested by the County into liquid investment with maturities of three months or less. Investments are reported at fair value. For purposes of the statement of cash flows, cash equivalents include investments with original maturities of three months or less.

*Receivables* – Receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. Property taxes levied in the current year for collection in the subsequent year are recorded as receivables and deferred inflows of resources at year end. Taxes are due in the subsequent year on April 30, or in two installments on February 28 and June 15. Taxes are collected by the County Treasurer and remitted to the County on a monthly basis. Grant reimbursements not received before year-end for which eligibility has been met and expenditures have been incurred are reported as grants receivable. In 2023, taxes levied for 2024 that are normally certified in December 2023, but were certified in January 2024, as a result of Colorado Proposition HH, Property Tax Changes and Revenue Change Measure, which failed.

*Prepaid Expenditures* – Certain payments to vendors reflect costs applicable to future years and reported as prepaid expenditures or prepaid expenses.

*Inventories* – Inventories are stated at cost on a lower average cost or market. The costs of inventories are recorded as expenditures or expenses when consumed rather than when purchased.

*Capital Assets* – Capital assets include property, equipment, and infrastructure. These are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. They are also reported in the proprietary funds in the fund financial statements.

Capital assets are defined as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at the acquisition value on the date of donation. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized. Capital assets are depreciated using the straight-line method over the following estimated useful lives.

Buildings	3 – 40 years
Infrastructure	3 – 40 years
Improvements	5 – 10 years
Equipment	3 – 5 years

*Deferred Inflows of Resources* – This separate financial statement element represents an acquisition of net assets by the County that is applicable to a future reporting period. Deferred inflows of resources in the governmental fund financial statements include property taxes earned but not available as current financial resources.

**LAKE COUNTY, COLORADO**  
**NOTES TO THE FINANCIAL STATEMENTS**  
December 31, 2024

**NOTE 1: Summary of Significant Accounting Policies (Continued)**

**Assets, Liabilities, Deferred Inflows of Resources, and Fund Balance / Net Position (Continued)**

*Long-Term Debt* – In the government-wide financial statements, long-term debt and other long-term obligations, including financed purchases, are reported as liabilities. Debt premiums, discounts and accounting losses resulting from debt refundings are deferred and amortized over the life of the debt using the effective interest method. In the governmental fund financial statements, the face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts are reported as other financing uses. Debt issuance costs, whether or not withheld from the debt proceeds, are reported as current expenses or expenditures.

*Leases* – The County determines if an arrangement is a lease at inception. For leasing arrangements where the County is the lessee, leases are reported as right-to-use assets and noncurrent liabilities in the statement of net position.

Lease assets represent the County's control of the right-to-use an underlying asset for the lease term, as specified in the contract, in an exchange or exchange-like transaction. Lease assets are recognized at the commencement date on the initial measurement of the lease liabilities, plus any payment made to the lessor at or before the commencement of the lease term and certain direct costs. Lease assets are amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset. Leased assets are defined by the County as assets with an initial, individual cost of more than \$5,000.

Lease liabilities represent the County's obligation to make payments arising from the lease. Lease liabilities are recognized at the commencement date based on the present value of expected lease payments over the lease term, less any lease incentives. Interest expense is recognized ratably over the contract term. The lease term may include options to extend or terminate the lease when it is reasonably certain that the County will exercise that option.

For individual lease contracts where information about the discount rate implicit in the lease is not included, the County has elected to use the incremental borrowing rate to calculate the present value of expected lease payments.

*Compensated Absences* – Employees accrue paid vacation leave based on the number of hours worked in a year up to a maximum balance varies based on years of continuous employment. Employees also accrue paid personal leave allocated on January 1<sup>st</sup> of each year up to a maximum of 24 hours. Both accumulated leave benefits are paid upon separation/termination at their current pay rate. A long-term liability is reported in the government-wide financial statements for the accrued compensated absences when earned. Governmental funds recognize a liability only when payment is due.

*Net Position/Fund Balances* – In the government-wide financial statements, net position is restricted when constraints placed on the use of resources are externally imposed. Governmental fund balances are classified as restricted when constraints are placed on the use of resources by creditors, grantors, contributors, or laws or regulations of other governments. Committed fund balances include resources which are subject to limitations the County imposes on itself by action of County Council through ordinances. Committed fund balances also include contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Commitments may be established, modified, or rescinded only through ordinances approved by the Board of County Commissioners. Assigned fund balances are constrained by an intent to be used for specific purposes but are neither restricted nor committed.

**LAKE COUNTY, COLORADO**  
**NOTES TO THE FINANCIAL STATEMENTS**  
December 31, 2024

**NOTE 1: Summary of Significant Accounting Policies (Continued)**

**Assets, Liabilities, Deferred Inflows of Resources, and Fund Balance / Net Position (Continued)**

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

**Property Taxes**

Property taxes normally attach as an enforceable lien on property on January 1, are levied the following December, and are collected in the subsequent calendar year. Taxes are payable in full on April 30, or in two installments on February 28 and June 15. The County Treasurer’s Office collects property taxes and remits to the County on a monthly basis. When taxes become delinquent, the property is sold on the tax sale date.

**NOTE 2: Cash and Investments**

At December 31, 2024, the County had the following cash and cash equivalents:

Petty Cash	\$ 2,146
Deposits	2,776,953
Investments	33,069,185
Total	\$ 35,848,284

At December 31, 2024, cash and investments are reported in the financial statements as follows:

Primary Government	\$ 34,268,184
Fiduciary Funds	549,534
Discretely Presented Component Unit - 911 Authority	1,030,566
Total	\$ 35,848,284

**Deposits**

The Colorado Public Deposit Protection Act (PDPA) requires local government 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 the PDPA. The PDPA allows the financial institution 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 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, 2024, the County had bank deposits of \$3,845,949 collateralized with securities held by the financial institution’s agent but not in the County’s name.

**Investments**

The County is required to comply with State statutes which specify investment instruments meeting defined rating, maturity, and concentration risk criteria in which local governments may invest, which include the following. State statutes do not address custodial risk.

- Obligations of the United States and certain U.S. Agency securities
- Certain international agency securities
- General obligation and revenue bonds of U.S. local government entities
- Bankers’ acceptances of certain banks
- Commercial paper
- Written repurchase agreements collateralized by certain authorized securities

**LAKE COUNTY, COLORADO**  
**NOTES TO THE FINANCIAL STATEMENTS**  
December 31, 2024

**NOTE 2: Cash and Investments (Continued)**

**Investments (Continued)**

- Certain money market funds
- Guaranteed investment contracts
- Local government investment pools

At December 31, 2024, the County had the following investments:

Investment Type	Rating	Fair Value	Investment Maturity		Percentage of Investments	Fair Value Hierarchy
			Less Than One Year	1-5 Years		
Certificates of Deposit (Negotiable)	Not Rated	\$ 3,295,096	\$ 1,839,810	\$ 1,455,286	10%	Level 2
U.S. Agency Securities	AA+	6,177,745	540,644	5,637,101	19%	Level 2
Money Market Fund	AAAm	539,788	539,788	-	2%	Level 2
Local Government Pools	AAAm	23,056,557	23,056,557	-	70%	NAV
Total Investments		<u>\$ 33,069,185</u>	<u>\$ 25,976,798</u>	<u>\$ 7,092,386</u>	<u>100%</u>	

*Fair Value Measurements* - At December 31, 2024, the County's investments in the local government investment pool reported at the net asset value per share.

The fair value measurements are categorized by the fair value hierarchy. Valuation inputs are used to measure the fair value of the asset to determine the appropriate category. The categories range from Level 1, which is the highest priority, to Level 3, which is the lower priority and are based on the following criteria:

Level 1 – Unadjusted quoted prices for identical instruments in active markets.

Level 2 – Quoted prices for similar instruments in the active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs are observable.

Level 3 – Valuations derived from valuation techniques in which significant inputs are observable.

*Interest Rate Risk* - State statutes generally limit investments to an original maturity of five years from the date of purchase unless the governing board authorizes the investment for a period in excess of five years.

*Credit Risk* - State statutes limit investments in money market funds to those that maintain a constant share price, with a maximum remaining maturity in accordance with the Securities and Exchange Commission's Rule 2a-7, and either have assets of one billion dollars or the highest rating issued by one or more nationally recognized statistical rating organizations (NRSROs).

*Concentration of Credit Risk* - State statutes do not limit the amount the County may invest in a single issuer of investment securities, except for corporate securities.

*Local Government Investment Pool* – At December 31, 2023, the County had \$16,423,214 and \$6,633,343 invested in the Colorado Local Government Liquid Asset Trust Plus (ColoTrust) and the Colorado Surplus Asset Fund Trust (CSAFE) (the Pools), respectively. The Pools are investment vehicles established for local government entities in Colorado to pool surplus funds. The Colorado Division of Securities administers and enforces the requirements of creating and operating the Pools. The Pools operate in conformity with the Securities and Exchange Commission's Rule 2a-7. The Pools are measured at the net asset value per share, with each share valued at \$1. The Pools are rated AAAm by Standard and Poor's. Investments of the Pools is limited to those allowed by State statutes. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodian's internal records identify the investments owned by the participating governments.

**LAKE COUNTY, COLORADO**  
**NOTES TO THE FINANCIAL STATEMENTS**  
December 31, 2024

**NOTE 3: Interfund Balances and Transfers**

At December 31, 2024, the General Fund temporarily subsidized the operations of the Grants Fund, Airport Fund, and Lodging Tax Fund in the amount of \$2,201,326, \$102,698, and \$18,298, respectively. In addition, the Internal Service Fund temporarily subsidized the General Fund in the amount of \$448,814. These balances were repaid after year-end.

Transfers between funds during the year ended December 31, 2024, consisted of the following:

Transfers In	Transfers Out	Amount
Road and Bridge Fund	General Fund	\$ 281,347
Human Services Fund	General Fund	193,808
Grants Fund	General Fund	1,359,570
Court Renovation Fund	General Fund	539,788
Public Health Fund	General Fund	401,808
Housing Fund	General Fund	10,661
Get Outdoors Leadville! Fund	General Fund	390,657
Airport Fund	General Fund	65,000
Blood Lead Monitoring Fund	General Fund	10,000
Landfill Closure Fund	General Fund	70,000
Get Outdoors Leadville! Fund	Grants Fund	176,666
Grants Fund	Airport Fund	218,900
Component Unit - E911 Fund	General Fund	768,981
Total		<u>\$ 4,487,186</u>

In 2024, the General Fund made transfers to various funds to subsidize operations and satisfy grant matching requirements. Additional transfers occurred among the Grants Fund, Airport Fund, and Get Outdoors Leadville! Fund to cover grant-related expenditures.

**NOTE 4: Risk Management**

**Colorado Intergovernmental Risk Sharing Agency**

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. For these risks of loss, the County participates in Colorado Intergovernmental Risk Sharing Agency (CIRSA), a separate independent governmental entity formed by intergovernmental agreement by member municipalities pursuant to the provisions of 24-10-115.5, Colorado Revised Statutes (1982 Replacement Volume) and Colorado Constitution, Article XIV, Section 18(2).

The purposes of CIRSA are to provide members defined liability, property, and workers compensation coverages and to assist members in preventing and reducing losses and injuries to municipal property and to persons or property which might result in claims being made against members of CIRSA, their employees and officers.

It is the intent of the members of CIRSA to create an entity in perpetuity which will administer and use funds contributed by the members to defend and indemnify, in accordance with the bylaws, any member of CIRSA against stated liability of loss, to the limit of the financial resources of CIRSA. It is also the intent of the members to have CIRSA provide continuing stability and availability of needed coverages at a reasonable cost. All income and assets of CIRSA shall be at all times dedicated to the exclusive benefit of its members. CIRSA is a separate legal entity and the County does not approve budgets nor does it have the ability to significantly affect the operations of CIRSA.

**LAKE COUNTY, COLORADO**  
**NOTES TO THE FINANCIAL STATEMENTS**  
December 31, 2024

**NOTE 5: Capital Assets**

Capital asset activity for the year ended December 31, 2024, is summarized below:

	Balances 12/31/2023	Additions	Deletions	Balances 12/31/2024
<b>Governmental Activities</b>				
Capital Assets, Not Being Depreciated:				
Land	\$ 5,723,377	\$ -	\$ -	\$ 5,723,377
Land Improvements	3,288,072	-	-	3,288,072
Construction in Progress	1,325,176	382,799	-	1,707,975
<b>Total Capital Assets, Not Being Depreciated</b>	<b>10,336,625</b>	<b>382,799</b>	<b>-</b>	<b>10,719,424</b>
Capital Assets, Being Depreciated / Amortized:				
Buildings	12,322,668	-	-	12,322,668
Improvements	11,131,670	-	-	11,131,670
Infrastructure	3,804,410	-	-	3,804,410
Machinery and Equipment	10,540,481	1,237,521	(13,497)	11,764,505
Vehicles	3,742,213	914,485	(1,595,405)	3,061,293
Right-to-Use Lease Asset	3,275,685	154,836	-	3,430,521
<b>Total Capital Assets, Being Depreciated / Amortized</b>	<b>44,817,127</b>	<b>2,306,842</b>	<b>(1,608,902)</b>	<b>45,515,067</b>
Less Accumulated Depreciation / Amortization:				
Buildings	(4,583,581)	(305,108)	-	(4,888,689)
Improvements	(2,792,781)	(302,579)	-	(3,095,360)
Infrastructure	(1,091,224)	(123,740)	-	(1,214,964)
Machinery and Equipment	(6,977,105)	(438,347)	11,117	(7,404,335)
Vehicles	(2,227,065)	(801,885)	681,502	(2,347,448)
Right-to-Use Lease Assets	(457,251)	(445,328)	-	(902,579)
<b>Total Accumulated Depreciation / Amortization</b>	<b>(18,129,007)</b>	<b>(2,416,987)</b>	<b>692,619</b>	<b>(19,853,375)</b>
<b>Capital Assets, Being Depreciated / Amortized, Net</b>	<b>26,688,120</b>	<b>(110,145)</b>	<b>(916,283)</b>	<b>25,661,692</b>
<b>Governmental Activities, Capital Assets, Net</b>	<b>\$ 37,024,745</b>	<b>\$ 272,654</b>	<b>\$ (916,283)</b>	<b>\$ 36,381,116</b>
	Balances 12/31/2023	Additions	Deletions	Balances 12/31/2024
<b>Discretely Presented Component Unit</b>				
Capital Assets, Not Being Depreciated:				
Construction in Progress	\$ -	\$ 264,786	\$ -	\$ 264,786

Depreciation expense of the governmental activities was charged to the following functions of the County.

Depreciation expense	
General Government	\$ 728,300
Public Safety	175,500
Health and Welfare	345,365
Culture and Recreation	614,119
Public Works	553,703
<b>Total</b>	<b>\$ 2,416,987</b>

**LAKE COUNTY, COLORADO**  
**NOTES TO THE FINANCIAL STATEMENTS**  
December 31, 2024

**NOTE 6: Long-Term Debt**

Following is a summary of long-term debt transactions for the year ended December 31, 2024.

	Balance 12/31/2023	Additions	Reductions	Balance 12/31/2024	Due Within One Year
<b>Governmental Activities</b>					
Leases Payable	\$ 2,777,949	\$ 153,650	\$ 338,939	\$ 2,592,660	\$ 294,141
Financed Purchases	491,989	-	150,579	341,410	55,212
Certificates of Participation	-	8,000,000	-	8,000,000	160,000
Certificates of Participation Premium	-	211,034	-	211,034	-
Compensated Absences	382,336	85,712	-	468,048	-
<b>Total Long-Term Debt</b>	<b>\$ 3,652,274</b>	<b>\$ 8,450,396</b>	<b>\$ 489,518</b>	<b>\$ 11,613,152</b>	<b>\$ 509,353</b>

**Financed Purchase**

In July 2015, the County entered into a 15-year financed purchase obligation with Alpine Bank to purchase solar panels valued at \$735,000. Payments are made monthly in the amount of \$6,138 beginning in June 2023, through May 2030, with an interest rate of 5.75% per annum. The solar panels have an estimated useful life of 20 years. At December 31, 2024, the solar panels had a net book value of \$358,004, with depreciation expense of \$36,780 in 2025.

In 2020, the County entered into a four-year financed purchase obligation with Ford Motor Credit for nine Sheriff vehicles valued at \$454,194. Payments are made annually in the amount of \$103,794 beginning in November 2020, through November 2024, with an interest rate of 5.39% per annum. The vehicles have an estimated useful life of five years. At December 31, 2024, the vehicles had a net book value of \$77,345, with depreciation expense of \$77,345 reported in 2024.

Financed purchase payments to maturity are as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 55,212	\$ 18,441	\$ 73,653
2026	58,518	15,135	73,653
2027	62,022	11,631	73,653
2028	65,737	7,917	73,654
2029	69,673	3,981	73,654
2030	30,248	441	30,689
<b>Total</b>	<b>\$ 341,410</b>	<b>\$ 57,546</b>	<b>\$ 398,956</b>

**Leases Payable**

The County entered into a master equity lease agreement (lease agreement) with Enterprise FM Trust for the lease of vehicles. The County agreed to pay monthly rental and other payments for the use of vehicles based on the terms of the lease and return the vehicles at the end of the lease term. The County leased eighteen vehicles with an asset value of \$915,586, with a total outstanding lease payable at December 31, 2024, in the amount of \$547,468. Payments are made monthly ranging from \$546 to \$1,647 beginning in January 2022, through October 2028, with comparable incremental borrowing rates ranging between 2.82% and 5.4% per annum. The eighteen vehicles have an estimated cost ranging between \$31,254 and \$119,129 with an estimated useful life of 60 months from the date of delivery. At December 31, 2024, the vehicles had a net book value of \$580,889, with a total amortization expense of \$179,939 reported in 2024.

**LAKE COUNTY, COLORADO**  
**NOTES TO THE FINANCIAL STATEMENTS**  
December 31, 2024

**NOTE 6: Long-Term Debt (Continued)**

**Leases Payable (Continued)**

In 2023, the County entered into a twelve-year lease agreement with Rocky Mountain Family Practice of Leadville, PC, for the lease of a building for the operation of a health care medical facility. The building lease is valued at \$2,068,222, with an outstanding lease payable at December 31, 2024, in the amount of \$1,933,234. Payments are made monthly in the amount of \$16,800 beginning in September 2023, through August 2035 with an interest rate of 5.43% per annum. The payment amount increases 3% annually. The building has a useful life of 12 years. At December 31, 2024, the building had a net book value of \$1,838,419, with total amortization expense of \$173,352 reported in 2024.

In 2022, the County entered into a three-year lease agreement with David and Jane Horning for the lease of a building used by the Lake County Probation Department. The building lease is valued at \$100,691, and was paid in full at December 31, 2024. Payments are made monthly in the amount of \$2,900 beginning in January 2022, through December 2024 with an interest rate of 2.5% per annum. The building has a useful life of three years. At December 31, 2024, the building had a net book value of zero, with total amortization expense of \$34,021 reported in 2024.

In 2022, the County entered into a 63 month lease agreement with De Lage Landen Financial Services, Inc. for the lease of office equipment valued at \$53,090, with an outstanding lease payable at December 31, 2024, in the amount of \$26,213. Payments are made monthly in the amount of \$967 beginning in March 2022, through May 2027 with an interest rate of 5.45% per annum. The equipment has an estimated useful life of 63 months. At December 31, 2024, the equipment had a net book value of \$24,439, with total amortization expense of \$10,112 reported in 2024.

In 2020, the County entered a four-year lease agreement with Great America Financial Services for the lease of IT equipment valued at \$199,025 and was paid in full at December 31, 2024. Payments are made monthly in the amount of \$4,350 beginning in October 2020, through October 2024, with an interest rate of 2.47% per annum. The equipment had an estimated useful life of 48 months. At December 31, 2024, the equipment had a net book value of zero with total amortization expense of \$39,190 reported in 2024.

In 2024, the County entered a five-year lease agreement with Peak Performance Imaging Solutions for the lease of IT equipment valued at \$39,608, with an outstanding lease payable at December 31, 2024, in the amount of \$34,278. Payments are made monthly in the amount of \$748 beginning in April 2024, through March 2029, with an interest rate of 5.00% per annum. The equipment had an estimated useful life of 60 months. At December 31, 2024, the equipment had a net book value of \$33,667 with total amortization expense of \$5,941 reported in 2024.

In 2024, the County entered into a six-year lease agreement with Climax Molybdenum Company for the lease of a portion of a building. The building lease is valued at \$54,229, with an outstanding lease payable at December 31, 2024, in the amount of \$51,457. Payments are made monthly in the amount of \$1,000 beginning in August 2024, through July 2030 with an interest rate of 4.0% per annum. The building has a useful life of six years. At December 31, 2024, the building had a net book value of \$50,528, with total amortization expense of \$3,771 reported in 2024.

**LAKE COUNTY, COLORADO**  
**NOTES TO THE FINANCIAL STATEMENTS**  
December 31, 2024

**NOTE 6: Long-Term Debt (Continued)**

**Leases Payable (Continued)**

Lease payable payments to maturity are as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 294,141	\$ 130,692	\$ 424,833
2026	315,539	115,500	431,039
2027	304,079	99,520	403,599
2028	228,803	85,471	314,274
2029	179,988	74,031	254,019
2030-2034	1,087,791	205,182	1,292,973
2035	182,319	2,909	185,228
Total	<u>\$ 2,592,660</u>	<u>\$ 713,305</u>	<u>\$ 3,305,965</u>

**Certificates of Participation**

On December 16, 2024, the County issued the Certificates of Participation, Series 2024, in the amount of \$8,000,000 to finance improvements of certain capital improvements, renovations, and upgrades to the County's Justice Center. Principal payments are due annually on December 1, through 2049. Interest payments are due semi-annually on June 1st and December 1st, with interest accruing at rates ranging from 4% to 5% per annum. The property financed (leased) is pledged in case of default by the County for the payment of the principal and interest.

Certificates of Participation payments to maturity are as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 160,000	\$ 343,903	\$ 503,903
2026	180,000	358,288	538,288
2027	190,000	349,288	539,288
2028	200,000	339,788	539,788
2029	210,000	329,788	539,788
2030-2034	1,205,000	1,481,438	2,686,438
2035-2039	1,535,000	1,149,188	2,684,188
2040-2044	1,945,000	748,038	2,693,038
2045-2049	2,375,000	311,313	2,686,313
Total	<u>\$ 8,000,000</u>	<u>\$ 5,411,032</u>	<u>\$ 13,411,032</u>

**NOTE 7: Landfill Closure and Post-Closure Liability**

The County operates and maintains a landfill. Federal and state regulations require the County to place a final cover and perform certain maintenance and monitoring functions at the site for no less than 39 years after closure. The County reports a portion of the closure and post-closure costs as an operating expense annually based on landfill capacity used. As of December 31, 2024, the County reported a \$2,805,499 liability as future landfill closure and post-closure, which represents the cumulative costs with an inflation factor on the use of the 60% of the estimated capacity of the landfill. Actual costs may be higher due to inflation, various economic factors, changes in technology, or changes in regulations.

**LAKE COUNTY, COLORADO**  
**NOTES TO THE FINANCIAL STATEMENTS**  
December 31, 2024

**NOTE 7: Landfill Closure and Post-Closure Liability (Continued)**

The State of Colorado “Regulations Pertaining to Solid Waste Disposal Facilities, 6 CCR 1007-2” require owners or operators of any solid waste disposal site/facility maintain in written documented form current cost estimates for hiring a third party to close such site and to conduct post-closure care. The County uses the “Local Government Financial Test” as its financial mechanism to financially assure full payment of all closure, post-closure, and if applicable, corrective action estimated costs.

The County makes annual contributions to finance closure and post-closure care costs. At December 31, 2024, cash and investments of \$1,844,773 are held by the Landfill Fund for these purposes.

**NOTE 8: Employee Retirement Plans**

**Defined Contribution Plan**

The County provides pension benefits for substantially all full-time employees through a defined contribution plan of the Colorado Retirement Association. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. One year of service is required prior to participation in the Colorado Retirement Association Plan.

Employees contribute 3% of their salary to the plan with an equal amount contributed by the County. Vesting occurs at the rate of 20% per year. County contributions for, and earnings forfeited by, employees who leave employment before fully vesting are returned to the County. At December 31, 2024, the employer contributions were \$645,173. The County had no outstanding liability for this plan at year end. The County commissioners authorize the benefit terms and have the authority to amend these terms.

**Deferred Compensation Plan**

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all permanent employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

In 2001, the County adopted an amendment to its Deferred Compensation Plan with Colorado Retirement Association. The adoption of the amendment was due to recent changes in the Internal Revenue Code. Specifically, the amendment states that all amounts deferred under this plan, all property and rights purchased with such amounts, and all income attributable to such amounts, property or rights shall, until made available to the participant or beneficiary, be held in the Colorado Retirement Association Deferred Compensation Plan Trust for the exclusive benefit of participants and their beneficiaries. Colorado Retirement Association is trustee of the trust. Eligible voluntary employee contributions were \$259,358 for 2024.

**NOTE 9: Contraband Forfeitures**

The Colorado Contraband Forfeiture Act allows law enforcement agencies to retain proceeds from the seizure of contraband. Proceeds are recorded in the Grant fund and are used for drug enforcement activities.

**NOTE 10: Commitments and Contingencies**

**Claims and Judgments**

The County participates in a number of federal, state, and local programs that are fully or partially funded by grants received from other governmental entities. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the County may be required to reimburse the grantor government. At December 31, 2024, significant amounts of grant expenditures have not been audited but management believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on the overall financial position of the County.

**LAKE COUNTY, COLORADO**  
**NOTES TO THE FINANCIAL STATEMENTS**  
December 31, 2024

**NOTE 10: Commitments and Contingencies (Continued)**

**Tabor Amendment**

In November 1992, Colorado voters passed Article X, Section 20 (the Amendment) to the State Constitution which limits state and local government taxing powers and imposes spending limits. The County is subject to the Amendment.

On April 5, 1994, the registered voters approved a ballot resolution authorizing the County to accept, retain, and spend, for use as the Board of County Commissioners deem appropriate, the full revenues received from any and all grants awarded to the County.

The Amendment requires the County to establish a reserve for emergencies, representing 3% of qualifying expenditures. At December 31, 2023, the County's emergency reserve was reported as restricted fund balance in the General Fund in the amount of \$639,800 and 911 Authority in the amount of \$40,000.

**Litigation**

The County from time to time is involved in various legal matters. In the opinion of the County's counsel, there are no pending legal issues that would have a material adverse effect on the financial condition of the County.

**NOTE 11: Restatements - Corrections of Errors**

The County made a correction of errors to the fund balances of various fund and the net position of governmental activities at December 31, 2023. The corrections were made to the beginning fund balances / net position was made due to the following:

- Recognize sales tax revenues in the proper fiscal year
- Recognize grants revenues in the proper fiscal year

The impact of the restatements/corrections of errors as of December 31, 2023, on financial statements was identified as follows:

	General Fund	Grants Fund	Total Governmental Funds	Governmental Activities
Net Position/Fund Balance, Beginning, as Originally Stated	\$ 18,077,578	\$ (3,144,732)	\$ 22,982,608	\$ 53,948,396
Sales Taxes Revenue	290,420	-	290,420	290,420
Grants Receivable	-	26,010	26,010	26,010
Net Position/Fund Balance, Beginning, as Restated	<u>\$ 18,367,998</u>	<u>\$ (3,118,722)</u>	<u>\$ 23,299,038</u>	<u>\$ 54,264,826</u>

**REQUIRED SUPPLEMENTARY INFORMATION**

**LAKE COUNTY, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
Year Ended December 31, 2024

	BUDGET		ACTUAL	VARIANCE
	ORIGINAL	FINAL		Positive (Negative)
REVENUES				
Taxes	\$ 16,858,414	\$ 16,858,414	\$ 18,353,639	\$ 1,495,225
Licenses and Permits	378,400	388,400	274,452	(113,948)
Intergovernmental	2,440,494	2,440,494	1,099,794	(1,340,700)
Charges for Services	1,403,891	1,473,891	1,614,356	140,465
Investment Income	550,000	550,000	1,279,316	729,316
Miscellaneous	554,459	554,459	92,547	(461,912)
<b>TOTAL REVENUES</b>	<b>22,185,658</b>	<b>22,265,658</b>	<b>22,714,104</b>	<b>448,446</b>
EXPENDITURES				
General Government	13,103,841	14,037,354	9,410,339	4,627,015
Public Safety	5,282,962	5,499,762	5,061,797	437,965
Culture and Recreation	2,401,576	2,972,244	2,673,850	298,394
Economic Development	915,200	915,200	1,087,488	(172,288)
Capital Outlay	-	-	696,353	(696,353)
Debt Service				
Principal	-	-	88,286	(88,286)
Interest	-	-	3,870	(3,870)
<b>TOTAL EXPENDITURES</b>	<b>21,703,579</b>	<b>23,424,560</b>	<b>19,021,983</b>	<b>4,402,577</b>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	482,079	(1,158,902)	3,692,121	4,851,023
OTHER FINANCING SOURCES (USES)				
Lease Proceeds	-	-	39,608	39,608
Transfers Out	(2,198,258)	(2,198,258)	(3,696,054)	(1,497,796)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(2,198,258)</b>	<b>(2,198,258)</b>	<b>(3,656,446)</b>	<b>(1,458,188)</b>
CHANGE IN FUND BALANCE	(1,716,179)	(3,357,160)	35,675	3,392,835
FUND BALANCE, Beginning, as Originally Stated	18,426,880	18,426,880	18,077,578	(349,302)
Restatement - Correction of Errors	-	-	290,420	290,420
FUND BALANCE, Beginning, as Restated	18,426,880	18,426,880	18,367,998	(58,882)
FUND BALANCE, Ending	<u>\$ 16,710,701</u>	<u>\$ 15,069,720</u>	<u>\$ 18,403,673</u>	<u>\$ 3,043,533</u>

**LAKE COUNTY, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**ROAD AND BRIDGE FUND**  
Year Ended December 31, 2024

	BUDGET		ACTUAL	VARIANCE
	ORIGINAL	FINAL		Positive (Negative)
REVENUES				
Taxes	\$ 450,000	\$ 450,000	\$ 600,414	\$ 150,414
Licenses and Permits	26,000	26,000	67,412	41,412
Intergovernmental	1,225,000	1,225,000	1,236,212	11,212
Miscellaneous	302,347	312,347	45,812	(266,535)
<b>TOTAL REVENUES</b>	<b>2,003,347</b>	<b>2,013,347</b>	<b>1,949,850</b>	<b>(63,497)</b>
EXPENDITURES				
Public Works	1,951,361	2,012,361	1,650,101	362,260
Capital Outlay	492,317	522,317	348,195	174,122
<b>TOTAL EXPENDITURES</b>	<b>2,443,678</b>	<b>2,534,678</b>	<b>1,998,296</b>	<b>536,382</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(440,331)</b>	<b>(521,331)</b>	<b>(48,446)</b>	<b>472,885</b>
OTHER FINANCING SOURCES				
Proceeds from Sale of Capital Assets	-	-	46,726	(46,726)
Transfers In	-	-	281,347	281,347
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>328,073</b>	<b>234,621</b>
<b>CHANGE IN FUND BALANCE</b>	<b>(440,331)</b>	<b>(521,331)</b>	<b>279,627</b>	<b>707,506</b>
FUND BALANCE, Beginning	654,062	654,062	846,903	192,841
FUND BALANCE, Ending	<u>\$ 213,731</u>	<u>\$ 132,731</u>	<u>\$ 1,126,530</u>	<u>\$ 993,799</u>

**LAKE COUNTY, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**HUMAN SERVICES FUND**  
Year Ended December 31, 2024

	BUDGET		ACTUAL	VARIANCE
	ORIGINAL	FINAL		Positive (Negative)
REVENUES				
Taxes	\$ 400,000	\$ 400,000	\$ 401,883	\$ 1,883
Intergovernmental	2,873,393	2,873,393	1,991,338	(882,055)
Rental	-	-	10,765	10,765
Miscellaneous	-	-	7,317	7,317
<b>TOTAL REVENUES</b>	<b>3,273,393</b>	<b>3,273,393</b>	<b>2,411,303</b>	<b>(862,090)</b>
EXPENDITURES				
Health and Welfare	3,833,234	3,852,318	2,569,057	1,283,261
Debt Service				
Principal	-	-	47,730	(47,730)
Interest	-	-	54,078	(54,078)
<b>TOTAL EXPENDITURES</b>	<b>3,833,234</b>	<b>3,852,318</b>	<b>2,670,865</b>	<b>1,181,453</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(559,841)</b>	<b>(578,925)</b>	<b>(259,562)</b>	<b>319,363</b>
OTHER FINANCING SOURCES				
Transfers In	401,808	401,808	193,808	(208,000)
<b>CHANGE IN FUND BALANCE</b>	<b>(158,033)</b>	<b>(177,117)</b>	<b>(65,754)</b>	<b>111,363</b>
FUND BALANCE, Beginning	487,684	487,684	138,648	(349,036)
FUND BALANCE, Ending	<u>\$ 329,651</u>	<u>\$ 310,567</u>	<u>\$ 72,894</u>	<u>\$ (237,673)</u>

**LAKE COUNTY, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**GRANTS FUND**  
Year Ended December 31, 2024

	BUDGET		ACTUAL	VARIANCE
	ORIGINAL	FINAL		Positive (Negative)
REVENUES				
Intergovernmental	\$ 6,319,229	\$ 6,436,229	\$ 2,148,509	\$ (4,287,720)
EXPENDITURES				
General Government	4,306,132	4,306,132	455,091	3,851,041
Public Safety	895,008	895,008	2,324,646	(1,429,638)
Health and Welfare	440,081	440,081	35,698	404,383
Culture and Recreation	1,188,794	1,188,794	138,243	1,050,551
TOTAL EXPENDITURES	<u>6,830,015</u>	<u>6,830,015</u>	<u>2,953,678</u>	<u>3,876,337</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(510,786)</u>	<u>(393,786)</u>	<u>(805,169)</u>	<u>(411,383)</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	683,311	683,311	1,359,570	676,259
Transfers Out	-	-	(176,666)	(176,666)
TOTAL OTHER FINANCING SOURCES (USES)	<u>683,311</u>	<u>683,311</u>	<u>1,182,904</u>	<u>499,593</u>
CHANGE IN FUND BALANCE	172,525	289,525	377,735	88,210
FUND BALANCE, Beginning, as Originally Stated	1,963,561	1,963,561	(3,144,732)	(5,108,293)
Restatement - Correction of Errors	-	-	26,010	26,010
FUND BALANCE, Beginning, as Restated	<u>1,963,561</u>	<u>1,963,561</u>	<u>(3,118,722)</u>	<u>(5,082,283)</u>
FUND BALANCE, Ending	<u>\$ 2,136,086</u>	<u>\$ 2,253,086</u>	<u>\$ (2,740,987)</u>	<u>\$ (4,994,073)</u>

**LAKE COUNTY, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**MINE CLOSURE FUND**  
Year Ended December 31, 2024

	BUDGET		ACTUAL	VARIANCE Positive (Negative)
	ORIGINAL	FINAL		
REVENUES				
Taxes	\$ 365,774	\$ 365,774	\$ 366,503	\$ 729
CHANGE IN FUND BALANCE	365,774	365,774	366,503	729
FUND BALANCE, Beginning	3,369,412	3,216,642	3,370,991	154,349
FUND BALANCE, Ending	\$ 3,735,186	\$ 3,582,416	\$ 3,737,494	\$ 155,078

**LAKE COUNTY, COLORADO**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**  
December 31, 2024

**NOTE 1: Stewardship, Compliance, and Accountability**

**Budgetary Information**

Budgets are adopted for all funds on a basis consistent with generally accepted accounting principles. The County adheres to the following procedures to establish the budgetary information reflected in the financial statements.

- Prior to September 1, the Finance Manager submits to the County Commissioners a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain taxpayer comments.
- Prior to December 31, the budget is legally enacted through passage of an ordinance or resolution.
- The County Commissioners approve all budget transfers or revisions.
- Budgets are legally adopted for all funds of the County except the Fiduciary Funds. Budgets for the governmental funds are adopted on a basis consistent with generally accepted accounting principles (GAAP) except for certain interfund transactions that are reported as revenues and expenditures on the budgetary basis but not the GAAP basis of accounting. Budgetary comparisons presented for the Proprietary Funds are presented on a non-GAAP budgetary basis. Debt principal is recognized as an expenditure for budgetary purposes. Capital outlay is budgeted as an expenditure, and depreciation and amortization are not budgeted.
- All budget appropriations lapse at fiscal year-end.

**Budget Compliance**

At December 31, 2024, the Airport Fund, Water Projects Fund, Court Renovation Fund, Lodging Tax Fund, Capital Acquisition Fund, and Internal Service Fund actual expenditures/expenses exceeded budgeted appropriations by \$65,635, \$19,003, \$199,392, \$36,911, \$193,681, and \$43,565, respectively. These may be violations of state statutes.

In addition, during the fiscal year ended December 31, 2024, the Public Health Fund budgeted expenditures exceeded available resources by the amount of \$44,964. This may be a violation of state statutes.

**Accountability**

At December 31, 2024, the Grants Fund, Airport Fund, and Water Projects Fund reported negative fund balances in the amount of \$2,740,987, \$83,626, and \$19,003 respectively, which exceeded available resources. The County's General Fund temporarily subsidized these funds. These may be violations of state statutes.

**COMBINING AND INDIVIDUAL FUND STATEMENTS AND  
BUDGET COMPARISON SCHEDULES**

**LAKE COUNTY, COLORADO**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
December 31, 2024

	PUBLIC HEALTH	HOUSING	GET OUTDOORS LEADVILLE!	AIRPORT	BLOOD LEAD MONITORING	LANDFILL	CONSERVATION TRUST	WATER PROJECTS
<b>ASSETS</b>								
Cash and Investments	\$ 275,473	\$ 98,506	\$ 433,372	\$ -	\$ 108,968	\$ 1,851,575	\$ 504,651	\$ -
Taxes Receivable	-	-	-	-	-	-	-	-
Accounts Receivable	2,413	-	-	30,623	232	34,354	14,221	-
Grants Receivable	91,610	-	5,487	-	-	-	-	-
Inventories	-	-	-	42,308	-	-	-	-
<b>TOTAL ASSETS</b>	<b>369,496</b>	<b>98,506</b>	<b>438,859</b>	<b>72,931</b>	<b>109,200</b>	<b>1,885,929</b>	<b>518,872</b>	<b>-</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>								
<b>LIABILITIES</b>								
Accounts Payable	\$ 3,477	\$ 466	\$ 4,959	\$ 41,829	\$ 10	\$ 17,514	\$ -	\$ 19,003
Accrued Liabilities	30,025	-	13,304	12,030	959	23,642	-	-
Unearned Revenue	89,556	-	-	-	-	-	-	-
Interfund Payables	-	-	-	102,698	-	-	-	-
<b>TOTAL LIABILITIES</b>	<b>123,058</b>	<b>466</b>	<b>18,263</b>	<b>156,557</b>	<b>969</b>	<b>41,156</b>	<b>-</b>	<b>19,003</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Property Taxes	-	-	-	-	-	-	-	-
<b>FUND BALANCES</b>								
Nonspendable:								
Inventories	-	-	-	42,308	-	-	-	-
Restricted for:								
Public Health	246,438	-	-	-	-	-	-	-
Conservation Trust	-	-	-	-	-	-	518,872	-
Lodging Tax	-	-	-	-	-	-	-	-
Capital Projects / Purchases	-	-	-	-	-	-	-	-
Get Outdoors Leadville! Program	-	-	420,596	-	-	-	-	-
Committed to:								
Housing	-	98,040	-	-	-	-	-	-
Blood Lead Monitoring	-	-	-	-	108,231	-	-	-
Landfill	-	-	-	-	-	1,844,773	-	-
Sheriff Commissary	-	-	-	-	-	-	-	-
Mineral Belt Trail	-	-	-	-	-	-	-	-
Unassigned	-	-	-	(125,934)	-	-	-	(19,003)
<b>TOTAL FUND BALANCES</b>	<b>246,438</b>	<b>98,040</b>	<b>420,596</b>	<b>(83,626)</b>	<b>108,231</b>	<b>1,844,773</b>	<b>518,872</b>	<b>(19,003)</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>								
	<b>\$ 369,496</b>	<b>\$ 98,506</b>	<b>\$ 438,859</b>	<b>\$ 72,931</b>	<b>\$ 109,200</b>	<b>\$ 1,885,929</b>	<b>\$ 518,872</b>	<b>\$ -</b>

LODGING TAX	SHERIFF COMMISSARY	MINERAL BELT TRAIL	AMBULANCE SERVICE	CAPITAL ACQUISITION	TOTAL
\$ -	\$ 8,264	\$ 110,197	\$ 823	\$ 627,529	\$ 4,019,358
-	-	-	750,000	100,000	850,000
109,325	-	-	-	-	191,168
-	-	-	-	-	97,097
-	-	-	-	-	42,308
<u>109,325</u>	<u>8,264</u>	<u>110,197</u>	<u>750,823</u>	<u>727,529</u>	<u>5,199,931</u>
\$ 214	\$ -	\$ -	\$ 823	\$ 25,683	\$ 113,978
9,404	-	-	-	-	89,364
-	-	-	-	-	89,556
18,298	-	-	-	-	120,996
<u>27,916</u>	<u>-</u>	<u>-</u>	<u>823</u>	<u>25,683</u>	<u>413,894</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>750,000</u>	<u>106,138</u>	<u>856,138</u>
-	-	-	-	-	42,308
-	-	-	-	-	246,438
-	-	-	-	-	518,872
81,409	-	-	-	-	81,409
-	-	-	-	595,708	595,708
-	-	-	-	-	420,596
-	-	-	-	-	98,040
-	-	-	-	-	108,231
-	-	-	-	-	1,844,773
-	8,264	-	-	-	8,264
-	-	110,197	-	-	110,197
-	-	-	-	-	(144,937)
<u>81,409</u>	<u>8,264</u>	<u>110,197</u>	<u>-</u>	<u>595,708</u>	<u>3,929,899</u>
<u>\$ 109,325</u>	<u>\$ 8,264</u>	<u>\$ 110,197</u>	<u>\$ 823</u>	<u>\$ 621,391</u>	<u>\$ 3,065,753</u>

**LAKE COUNTY, COLORADO**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
Year Ended December 31, 2024

	PUBLIC HEALTH	HOUSING	GET OUTDOORS LEADVILLE!	AIRPORT	BLOOD LEAD MONITORING	LANDFILL	CONSERVATION TRUST	WATER PROJECTS
<b>REVENUES</b>								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,819	\$ -	\$ -
Intergovernmental	555,667	-	625,165	-	-	-	-	-
Charges for Services	110,859	99,343	-	584,645	-	897,029	-	-
Contributions	-	-	-	-	124,379	-	-	-
Lottery Funds	-	-	-	-	-	-	15,049	-
Miscellaneous	45,784	-	59,088	29,735	1,078	2,622	64,578	-
<b>TOTAL REVENUES</b>	<b>712,310</b>	<b>99,343</b>	<b>684,253</b>	<b>614,380</b>	<b>125,457</b>	<b>904,470</b>	<b>79,627</b>	<b>-</b>
<b>EXPENDITURES</b>								
General Government	-	12,434	-	668,109	-	-	-	-
Health and Welfare	757,670	-	-	-	55,537	1,278,558	-	-
Public Safety	-	-	-	-	-	-	-	-
Public Works	-	-	-	-	-	-	-	19,003
Culture and Recreation	-	-	675,874	-	-	-	-	-
Economic Development	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service								
Principal	47,730	-	-	-	-	-	-	-
Interest	54,078	-	-	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>859,478</b>	<b>12,434</b>	<b>675,874</b>	<b>668,109</b>	<b>55,537</b>	<b>1,278,558</b>	<b>-</b>	<b>19,003</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(147,168)</b>	<b>86,909</b>	<b>8,379</b>	<b>(53,729)</b>	<b>69,920</b>	<b>(374,088)</b>	<b>79,627</b>	<b>(19,003)</b>
<b>OTHER FINANCING SOURCES (USES)</b>								
Lease Proceeds	-	-	-	-	-	-	-	-
Transfers In	401,808	10,661	390,657	65,000	10,000	70,000	-	-
Transfers Out	-	-	-	(218,900)	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>401,808</b>	<b>10,661</b>	<b>390,657</b>	<b>(153,900)</b>	<b>10,000</b>	<b>70,000</b>	<b>-</b>	<b>-</b>
<b>CHANGES IN FUND BALANCES</b>	<b>254,640</b>	<b>97,570</b>	<b>399,036</b>	<b>(207,629)</b>	<b>79,920</b>	<b>(304,088)</b>	<b>79,627</b>	<b>(19,003)</b>
FUND BALANCES, Beginning	(8,202)	470	21,560	124,003	28,311	2,148,861	439,245	-
FUND BALANCES, Ending	<u>\$ 246,438</u>	<u>\$ 98,040</u>	<u>\$ 420,596</u>	<u>\$ (83,626)</u>	<u>\$ 108,231</u>	<u>\$ 1,844,773</u>	<u>\$ 518,872</u>	<u>\$ (19,003)</u>

LODGING TAX	SHERIFF COMMISSARY	MINERAL BELT TRAIL	AMBULANCE SERVICE	CAPITAL ACQUISITION	TOTAL
\$ 311,760	\$ -	\$ -	\$ 694,066	\$ 311,503	\$ 1,322,148
29,519	-	-	-	-	1,210,351
-	-	-	-	-	1,691,876
-	-	16,352	-	-	140,731
-	-	-	-	-	15,049
6,675	1,765	-	-	15,369	226,694
<u>347,954</u>	<u>1,765</u>	<u>16,352</u>	<u>694,066</u>	<u>326,872</u>	<u>4,606,849</u>
-	-	-	-	-	680,543
-	-	-	-	-	2,091,765
-	-	-	631,210	-	631,210
-	-	-	-	-	19,003
-	-	4,284	-	-	680,158
397,341	-	-	-	-	397,341
54,299	-	-	-	114,773	169,072
2,832	-	-	-	302,940	353,502
2,168	-	-	-	134,598	190,844
<u>456,640</u>	<u>-</u>	<u>4,284</u>	<u>631,210</u>	<u>552,311</u>	<u>5,213,438</u>
<u>(108,686)</u>	<u>1,765</u>	<u>12,068</u>	<u>62,856</u>	<u>(225,439)</u>	<u>(606,589)</u>
54,299	-	-	-	59,743	114,042
-	-	-	-	-	948,126
-	-	-	-	-	(218,900)
<u>54,299</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>59,743</u>	<u>843,268</u>
(54,387)	1,765	12,068	62,856	(165,696)	236,679
<u>135,796</u>	<u>6,499</u>	<u>98,129</u>	<u>(62,856)</u>	<u>761,404</u>	<u>3,693,220</u>
<u>\$ 81,409</u>	<u>\$ 8,264</u>	<u>\$ 110,197</u>	<u>\$ -</u>	<u>\$ 595,708</u>	<u>\$ 3,929,899</u>

**LAKE COUNTY, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**PUBLIC HEALTH FUND**  
Year Ended December 31, 2024

	BUDGET		ACTUAL	VARIANCE
	ORIGINAL	FINAL		Positive (Negative)
REVENUES				
Intergovernmental	\$ 670,646	\$ 670,646	\$ 555,667	\$ (114,979)
Licenses and Permits	25,000	25,000	-	(25,000)
Charges for Services	59,655	59,655	110,859	51,204
Miscellaneous	-	-	45,784	45,784
<b>TOTAL REVENUES</b>	<b>755,301</b>	<b>755,301</b>	<b>712,310</b>	<b>(42,991)</b>
EXPENDITURES				
Health and Welfare	1,027,283	1,129,091	757,670	371,421
Debt Service				
Principal	-	-	47,730	(47,730)
Interest	-	-	54,078	(54,078)
<b>TOTAL EXPENDITURES</b>	<b>1,027,283</b>	<b>1,129,091</b>	<b>859,478</b>	<b>269,613</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(271,982)</b>	<b>(373,790)</b>	<b>(147,168)</b>	<b>226,622</b>
OTHER FINANCING SOURCES (USES)				
Transfers In	300,000	300,000	401,808	101,808
<b>CHANGE IN FUND BALANCE</b>	<b>28,018</b>	<b>(73,790)</b>	<b>254,640</b>	<b>328,430</b>
FUND BALANCE, Beginning	28,826	28,826	(8,202)	(37,028)
FUND BALANCE, Ending	<u>\$ 56,844</u>	<u>\$ (44,964)</u>	<u>\$ 246,438</u>	<u>\$ 291,402</u>

**LAKE COUNTY, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**HOUSING FUND**  
Year Ended December 31, 2024

	BUDGET		ACTUAL	VARIANCE Positive (Negative)
	ORIGINAL	FINAL		
REVENUES				
Rental	\$ 750,000	\$ 750,000	\$ 99,343	\$ (650,657)
EXPENDITURES				
General Government	250,000	250,000	12,434	237,566
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	500,000	500,000	86,909	(413,091)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	10,661	10,661
CHANGE IN FUND BALANCE	500,000	500,000	97,570	(402,430)
FUND BALANCE, Beginning	(26)	(26)	470	496
FUND BALANCE, Ending	\$ 499,974	\$ 499,974	\$ 98,040	\$ (401,934)

**LAKE COUNTY, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**GET OUTDOORS LEADVILLE! FUND**  
Year Ended December 31, 2024

	BUDGET		ACTUAL	VARIANCE
	ORIGINAL	FINAL		Positive (Negative)
REVENUES				
Intergovernmental	\$ 892,569	\$ 892,569	\$ 625,165	\$ (267,404)
Miscellaneous	-	-	59,088	59,088
<b>TOTAL REVENUES</b>	<b>892,569</b>	<b>892,569</b>	<b>684,253</b>	<b>(208,316)</b>
EXPENDITURES				
Culture and Recreation	916,559	916,559	675,874	240,685
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(23,990)</b>	<b>(23,990)</b>	<b>8,379</b>	<b>32,369</b>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	390,657	390,657
<b>CHANGE IN FUND BALANCE</b>	<b>(23,990)</b>	<b>(23,990)</b>	<b>399,036</b>	<b>423,026</b>
FUND BALANCE, Beginning	46,851	46,851	21,560	(25,291)
FUND BALANCE, Ending	<u>\$ 22,861</u>	<u>\$ 22,861</u>	<u>\$ 420,596</u>	<u>\$ 397,735</u>

**LAKE COUNTY, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**AIRPORT FUND**  
Year Ended December 31, 2024

	BUDGET		ACTUAL	VARIANCE
	ORIGINAL	FINAL		Positive (Negative)
REVENUES				
Charges for Services	\$ 400,000	\$ 400,000	\$ 508,025	\$ 108,025
Rentals	159,500	159,500	76,620	(82,880)
Miscellaneous	-	-	29,735	29,735
<b>TOTAL REVENUES</b>	<b>559,500</b>	<b>559,500</b>	<b>614,380</b>	<b>54,880</b>
EXPENDITURES				
General Government	764,374	821,374	668,109	153,265
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(204,874)</b>	<b>(261,874)</b>	<b>(53,729)</b>	<b>208,145</b>
OTHER FINANCING SOURCES (USES)				
Lease Proceeds	-	-	-	-
Transfers In	65,000	65,000	65,000	-
Transfers Out	-	-	(218,900)	(218,900)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>65,000</b>	<b>65,000</b>	<b>(153,900)</b>	<b>(218,900)</b>
<b>CHANGE IN FUND BALANCE</b>	<b>(139,874)</b>	<b>(196,874)</b>	<b>(207,629)</b>	<b>(10,755)</b>
FUND BALANCE, Beginning	152,696	152,696	124,003	(28,693)
FUND BALANCE, Ending	<u>\$ 12,822</u>	<u>\$ (44,178)</u>	<u>\$ (83,626)</u>	<u>\$ (39,448)</u>

**LAKE COUNTY, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**BLOOD LEAD MONITORING FUND**  
Year Ended December 31, 2024

	BUDGET		ACTUAL	VARIANCE
	ORIGINAL	FINAL		Positive (Negative)
REVENUES				
Contributions	\$ 89,700	\$ 89,700	\$ 124,379	\$ 34,679
Miscellaneous	-	-	1,078	1,078
<b>TOTAL REVENUES</b>	<b>89,700</b>	<b>89,700</b>	<b>125,457</b>	<b>35,757</b>
EXPENDITURES				
Health and Welfare	122,006	122,006	55,537	66,469
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(32,306)</b>	<b>(32,306)</b>	<b>69,920</b>	<b>102,226</b>
OTHER FINANCING SOURCES (USES)				
Transfers In	10,000	10,000	10,000	-
<b>CHANGE IN FUND BALANCE</b>	<b>(22,306)</b>	<b>(22,306)</b>	<b>79,920</b>	<b>102,226</b>
FUND BALANCE, Beginning	28,374	28,374	28,311	(63)
FUND BALANCE, Ending	<u>\$ 6,068</u>	<u>\$ 6,068</u>	<u>\$ 108,231</u>	<u>\$ 102,163</u>

**LAKE COUNTY, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**LANDFILL FUND**  
Year Ended December 31, 2024

	BUDGET		ACTUAL	VARIANCE Positive (Negative)
	ORIGINAL	FINAL		
REVENUES				
Taxes	\$ 6,000	\$ 6,000	\$ 4,819	\$ (1,181)
Charges for Services	845,000	845,000	897,029	52,029
Miscellaneous	-	-	2,622	2,622
<b>TOTAL REVENUES</b>	<b>851,000</b>	<b>851,000</b>	<b>904,470</b>	<b>53,470</b>
EXPENDITURES				
Health and Welfare	865,541	1,407,709	1,278,558	129,151
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(14,541)</b>	<b>(556,709)</b>	<b>(374,088)</b>	<b>182,621</b>
OTHER FINANCING SOURCES (USES)				
Transfers In	70,000	70,000	70,000	-
<b>CHANGE IN FUND BALANCE</b>	<b>55,459</b>	<b>(486,709)</b>	<b>(304,088)</b>	<b>182,621</b>
FUND BALANCE, Beginning	2,113,256	2,113,256	2,148,861	35,605
FUND BALANCE, Ending	<u>\$ 2,168,715</u>	<u>\$ 1,626,547</u>	<u>\$ 1,844,773</u>	<u>\$ 218,226</u>

**LAKE COUNTY, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**CONSERVATION TRUST FUND**  
Year Ended December 31, 2024

	BUDGET		ACTUAL	VARIANCE Positive (Negative)
	ORIGINAL	FINAL		
REVENUES				
Lottery Funds	\$ 43,100	\$ 43,100	\$ 15,049	\$ (28,051)
Miscellaneous	15,000	15,000	64,578	49,578
<b>TOTAL REVENUES</b>	<b>58,100</b>	<b>58,100</b>	<b>79,627</b>	<b>21,527</b>
<b>CHANGE IN FUND BALANCE</b>	<b>58,100</b>	<b>58,100</b>	<b>79,627</b>	<b>21,527</b>
FUND BALANCE, Beginning	439,245	439,245	439,245	-
FUND BALANCE, Ending	<u>\$ 497,345</u>	<u>\$ 497,345</u>	<u>\$ 518,872</u>	<u>\$ 21,527</u>

**LAKE COUNTY, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**WATER PROJECTS FUND**  
Year Ended December 31, 2024

	BUDGET		ACTUAL	VARIANCE Positive (Negative)
	ORIGINAL	FINAL		
EXPENDITURES				
Public Works	\$ -	\$ -	\$ 19,003	\$ (19,003)
CHANGE IN FUND BALANCE	-	-	(19,003)	(19,003)
FUND BALANCE, Beginning	-	-	-	-
FUND BALANCE, Ending	\$ -	\$ -	\$ (19,003)	\$ (19,003)

**LAKE COUNTY, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**COURT RENOVATION FUND**  
Year Ended December 31, 2024

	BUDGET		ACTUAL	VARIANCE
	ORIGINAL	FINAL		Positive (Negative)
EXPENDITURES				
Public Safety	\$ -	\$ -	\$ 199,392	\$ (199,392)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(199,392)	(199,392)
OTHER FINANCING SOURCES (USES)				
Certificates of Participation Proceeds	-	-	8,000,000	8,000,000
Certificates of Participation Premium	-	-	211,034	211,034
Transfers In	-	-	539,788	539,788
TOTAL OTHER FINANCING SOURCES (USES)	-	-	8,750,822	8,750,822
CHANGE IN FUND BALANCE	-	-	8,551,430	8,551,430
FUND BALANCE, Beginning	-	-	-	-
FUND BALANCE, Ending	\$ -	\$ -	\$ 8,551,430	\$ 8,551,430

**LAKE COUNTY, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**LODGING TAX FUND**  
Year Ended December 31, 2024

	BUDGET		ACTUAL	VARIANCE
	ORIGINAL	FINAL		Positive (Negative)
REVENUES				
Taxes	\$ 315,000	\$ 315,000	\$ 311,760	\$ (3,240)
Intergovernmental	40,000	40,000	29,519	(10,481)
Miscellaneous	-	-	6,675	6,675
<b>TOTAL REVENUES</b>	<b>355,000</b>	<b>355,000</b>	<b>347,954</b>	<b>(13,721)</b>
EXPENDITURES				
Economic Development	419,729	419,729	397,341	22,388
Capital Outlay	-	-	54,299	(54,299)
Debt Service				
Principal	-	-	2,832	(2,832)
Interest	-	-	2,168	(2,168)
<b>TOTAL EXPENDITURES</b>	<b>419,729</b>	<b>419,729</b>	<b>456,640</b>	<b>(36,911)</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(64,729)</b>	<b>(64,729)</b>	<b>(108,686)</b>	<b>23,190</b>
OTHER FINANCING SOURCES (USES)				
Lease Proceeds	-	-	54,299	54,299
<b>CHANGE IN FUND BALANCE</b>	<b>(64,729)</b>	<b>(64,729)</b>	<b>4,912</b>	<b>69,641</b>
FUND BALANCE, Beginning	75,630	75,630	135,796	60,166
FUND BALANCE, Ending	<u>\$ 10,901</u>	<u>\$ 10,901</u>	<u>\$ 140,708</u>	<u>\$ 129,807</u>

**LAKE COUNTY, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**SHERIFF COMMISSARY FUND**  
Year Ended December 31, 2024

	BUDGET		ACTUAL	VARIANCE Positive (Negative)
	ORIGINAL	FINAL		
REVENUES				
Miscellaneous	\$ -	\$ -	\$ 1,765	\$ 1,765
CHANGE IN FUND BALANCE	-	-	1,765	1,765
FUND BALANCE, Beginning	6,499	6,499	6,499	-
FUND BALANCE, Ending	\$ 6,499	\$ 6,499	\$ 8,264	\$ 1,765

**LAKE COUNTY, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**MINERAL BELT TRAIL FUND**  
Year Ended December 31, 2024

	BUDGET		ACTUAL	VARIANCE Positive (Negative)
	ORIGINAL	FINAL		
REVENUES				
Contributions	\$ 20,000	\$ 20,000	\$ 16,352	\$ (3,648)
EXPENDITURES				
Culture and Recreation	13,000	13,000	4,284	8,716
CHANGE IN FUND BALANCE	7,000	7,000	12,068	5,068
FUND BALANCE, Beginning	99,430	99,430	98,129	(1,301)
FUND BALANCE, Ending	\$ 106,430	\$ 106,430	\$ 110,197	\$ 3,767

**LAKE COUNTY, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**AMBULANCE SERVICE FUND**  
Year Ended December 31, 2024

	BUDGET		ACTUAL	VARIANCE Positive (Negative)
	ORIGINAL	FINAL		
REVENUES				
Taxes	\$ 690,269	\$ 690,269	\$ 694,066	\$ 3,797
EXPENDITURES				
Public Safety	690,269	690,269	631,210	59,059
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	62,856	62,856
OTHER FINANCING SOURCES (USES)				
Transfers In	70,671	70,671	-	(70,671)
CHANGE IN FUND BALANCE	70,671	70,671	62,856	(7,815)
FUND BALANCE, Beginning	(70,671)	(70,671)	(62,856)	7,815
FUND BALANCE, Ending	\$ -	\$ -	\$ -	\$ -

**LAKE COUNTY, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**CAPITAL ACQUISITION FUND**  
Year Ended December 31, 2024

	BUDGET		ACTUAL	VARIANCE
	ORIGINAL	FINAL		Positive (Negative)
REVENUES				
Taxes	\$ 310,915	\$ 310,915	\$ 311,503	\$ 588
Miscellaneous	-	-	15,369	15,369
<b>TOTAL REVENUES</b>	<b>310,915</b>	<b>310,915</b>	<b>326,872</b>	<b>588</b>
EXPENDITURES				
Public Works	103,794	103,794	-	103,794
Capital Outlay	254,836	254,836	114,773	140,063
Debt Service				
Principal	-	-	302,940	(302,940)
Interest	-	-	134,598	(134,598)
<b>TOTAL EXPENDITURES</b>	<b>358,630</b>	<b>358,630</b>	<b>552,311</b>	<b>(193,681)</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(47,715)</b>	<b>(47,715)</b>	<b>(225,439)</b>	<b>(177,724)</b>
OTHER FINANCING SOURCES (USES)				
Lease Proceeds	-	-	59,743	59,743
<b>CHANGE IN FUND BALANCE</b>	<b>(47,715)</b>	<b>(47,715)</b>	<b>(165,696)</b>	<b>(117,981)</b>
FUND BALANCE, Beginning	877,260	877,260	761,404	(115,856)
FUND BALANCE, Ending	<u>\$ 829,545</u>	<u>\$ 829,545</u>	<u>\$ 595,708</u>	<u>\$ (233,837)</u>

**LAKE COUNTY, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**INTERNAL SERVICE FUND**  
Year Ended December 31, 2024

	BUDGET		ACTUAL	VARIANCE Positive (Negative)
	ORIGINAL	FINAL		
<b>OPERATING REVENUES</b>				
Taxes	\$ 1,094,681	\$ 1,094,681	\$ 1,097,334	\$ 2,653
Contributions	2,118,950	2,118,950	2,150,177	31,227
Miscellaneous	-	-	5,911	5,911
<b>TOTAL OPERATING REVENUES</b>	<b>3,213,631</b>	<b>3,213,631</b>	<b>3,253,422</b>	<b>39,791</b>
<b>EXPENDITURES</b>				
Insurance Premiums and Payments	3,062,188	3,062,188	3,102,157	(39,969)
Claims	-	-	3,596	(3,596)
<b>TOTAL EXPENDITURES</b>	<b>3,062,188</b>	<b>3,062,188</b>	<b>3,105,753</b>	<b>(43,565)</b>
<b>CHANGE IN NET POSITION, Budgetary Basis and GAAP Basis</b>	<b>\$ 151,443</b>	<b>\$ 151,443</b>	<b>\$ 147,669</b>	<b>\$ (3,774)</b>

## **COMPLIANCE SECTION**

## **SINGLE AUDIT**

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

Board of County Commissioners  
Lake County, Colorado  
Leadville, Colorado

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, discretely presented component unit, each major fund, and the aggregate remaining fund information of Lake County, Colorado (the County) as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the basic financial statements of the County and have issued our report thereon dated February 20, 2026.

**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 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 over financial reporting.

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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the County’s financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as item 2024-001 for the County.

Board of County Commissioners  
Lake County, Colorado

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

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

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County'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 County's internal control and compliance. Accordingly, this report is not suitable for any other purpose.

*DMC Auditing and Consulting, LLC*

February 20, 2026  
Bailey, Colorado

**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH  
MAJOR FEDERAL PROGRAM, INTERNAL CONTROL OVER COMPLIANCE,  
AND THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
REQUIRED BY THE UNIFORM GUIDANCE**

Board of County Commissioners  
Lake County, Colorado  
Leadville, Colorado

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

**Opinion on Each Major Federal Program**

We have audited Lake County, Colorado’s (the County) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of the County’s major federal programs for the year ended December 31, 2024, the County’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2024.

**Basis for Opinion on Each Major Federal Program**

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (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* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the County’s compliance with the compliance requirements referred to above.

**Responsibilities of Management for Compliance**

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

### **Auditor’s Responsibilities for the Audit of Compliance**

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and to 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 each major federal program as a whole.

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 in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the County’s internal control over compliance. Accordingly, no such opinion is expressed.

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

### **Other Matters**

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2024-002 2024-003. Our opinion on each major federal program is not modified with respect to these matters.

*Government Auditing Standards* requires the auditor to perform limited procedures on the County’s response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The County’s response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

### **Report on Internal Control over Compliance**

Our consideration of internal control over compliance was for the limited purpose described in the Auditor’s Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance 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.

Board of County Commissioners  
Lake County, Colorado

*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 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. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2024-002 and 2024-003 to be material weaknesses.

*A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our 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 compliance audit described in the accompanying schedule of findings and questioned costs. County's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.

*DMC Auditing and Consulting, LLC*

February 20, 2026  
Bailey, Colorado

**LAKE COUNTY, COLORADO**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
Year Ended December 31, 2024

Federal Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Pass-through to Subrecipients	Expenditures
<b>U.S. DEPARTMENT OF AGRICULTURE</b>				
Passed Through Colorado Department of Human Services				
<u>SNAP Cluster</u>				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	N/A	\$ -	\$ 160,876
<u>Total SNAP Cluster</u>			-	160,876
TOTAL U.S. DEPARTMENT OF AGRICULTURE			-	160,876
<b>U.S. DEPARTMENT OF JUSTICE</b>				
Direct				
Congressionally Recommended Awards	16.753	N/A	-	325,619
TOTAL U.S. DEPARTMENT OF JUSTICE			-	325,619
<b>U.S. DEPARTMENT OF TRANSPORTATION</b>				
Direct				
Airport Improvement Program	20.106	N/A	-	163,899
TOTAL U.S. DEPARTMENT OF JUSTICE			-	163,899
<b>U.S. DEPARTMENT OF TREASURY</b>				
Direct				
Local Assistance and Tribal Consistency Fund	21.032	N/A	300,000	300,000
Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	-	530,500
Passed Through Colorado Department of Local Affairs				
Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	-	841,172
Passed Through Colorado Department of Public Health and Environment				
Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	-	51,272
Passed Through Colorado Department of Human Services				
Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	-	3,346
TOTAL U.S. DEPARTMENT OF TREASURY			300,000	1,726,290
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>				
Passed Through State Department of Human Services				
Guardianship Assistance	93.090	N/A	-	1,455
Title IV-E Kinship Navigator Program	93.471	N/A	-	42,512
Title IV-E Prevention Program	93.472	N/A	-	21,093
<u>Child Care Disaster Relief Cluster</u>				
Child Care and Development Block Grant	93.575	N/A	-	93,837
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	N/A	-	76,219
<u>Subtotal Child Care Disaster Relief Cluster</u>			-	170,056
Temporary Assistance for Needy Families (TANF)	93.558	N/A	-	153,654
Child Support Services	93.563	N/A	-	164,663
Low-Income Energy Assistance	93.568	N/A	-	19,807
Foster Care Title IV-E	93.658	N/A	-	120,251
Adoption Assistance	93.659	N/A	-	24,448
Social Services Block Grant	93.667	N/A	-	51,525
Elder Abuse Prevention Interventions Program	93.747	N/A	-	11,568
<u>Medicaid Cluster</u>				
Medical Assistance Program	93.778	N/A	-	301,700
<u>Subtotal Medicaid Cluster</u>			-	301,700
Passed Through Colorado Department of Public Health and Environment				
Family Planning Services	93.217	N/A	-	39,627
Public Health Emergency Preparedness	93.069	N/A	-	38,067
Immunization Cooperative Agreements	93.268	N/A	-	73,527
Maternal and Child Health Services Block Grant to the States	93.994	N/A	-	18,425
Epidemiology and Laboratory Capacity for Infectious Diseases	93.323	N/A	-	48,928
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354	N/A	-	23,579
Centers for Disease Control and Prevention Collaboration with Academia to Strengthen Public Health	93.967	N/A	-	49,476
Preventive Health and Health Services Block Grant	93.991	N/A	-	3,833
TOTAL U.S. DEPARTMENT OF HUMAN SERVICES			-	1,378,194
<b>U.S. DEPARTMENT OF HOMELAND SECURITY</b>				
Passed through the Colorado Division of Homeland and Emergency Management				
Hazard Mitigation Grant Program	97.039	N/A	-	40,709
Emergency Management Performance Grants	97.042	N/A	-	50,743
TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY			-	91,452
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 300,000	\$ 3,846,330

The accompanying notes are an integral part of the schedule of expenditures of federal awards.

**LAKE COUNTY, COLORADO**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
Year Ended December 31, 2024

**NOTE 1: Basis of Presentation**

The accompanying schedule of expenditures of federal awards 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*, using the modified accrual basis of accounting. Therefore, some amounts presented in this schedule may differ from amounts presented in the financial statements. The County does not charge a de minimis indirect cost rate. 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 position or fund balance, or cash flows of the County.

The accompanying schedule of expenditures of federal awards is presented using the modified accrual basis of accounting. Non-cash expenditures are included in the schedule.

**NOTE 2: Summary of Significant Accounting Policies**

Governmental fund types account for the majority of the County's federal grant activity. Expenditures reported in the schedule of expenditures of federal awards are recognized on a modified basis of accounting. Subrecipient expenditures are recorded on a cash basis. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or limited as to reimbursement. Non-cash expenditures are included in the footnotes to this schedule.

**NOTE 3: Indirect Cost Rate**

The County has not elected to use the 10% de minimis cost rate.

**NOTE 4: Value of Non-Cash Awards**

Supplemental Nutrition Assistance Program (SNAP) electronic benefit transfers of \$1,006,267 are reported in the Social Services Fund and not reported in the Schedule of Expenditures of Federal Awards. SNAP benefits are provided exclusively by the electronic benefits method (EBT) and processed and determined by the State of Colorado. Therefore, SNAP benefits are not considered the County's federal award and not reported on the County's Schedule of Expenditures of Federal Awards.

**LAKE COUNTY, COLORADO**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
Year Ended December 31, 2024

**SECTION I: SUMMARY OF AUDITOR’S RESULTS**

**Financial Statements**

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

Internal control over financial reporting:

- Material weaknesses identified?  Yes  No
- Significant deficiencies identified?  Yes  None Reported

Noncompliance material to the financial statements noted?

- Yes  No

**Federal Awards**

Internal control over major federal programs:

- Material weaknesses identified?  Yes  No
- Significant deficiencies identified?  Yes  None Reported

Type of auditor’s report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

- Yes  No

Identification of major federal programs:

<u>Federal Assistance Listing Number</u>	<u>Name of Federal Cluster/Program</u>
21.027	Coronavirus State and Local Fiscal Recovery Funds
21.032	Local Assistance and Tribal Consistency Fund

Dollar threshold used to distinguish Between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee?

- Yes  No

**LAKE COUNTY, COLORADO**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
Year Ended December 31, 2024

**SECTION II: FINANCIAL STATEMENT FINDINGS**

**2024-001: Material Weakness in Internal Controls Related to Financial Reporting**

**Criteria:** AU-C Section 265, A.11 states that indicators of material weaknesses in internal control include restatement of previously issued financial statements to reflect the correction of a material misstatement due to fraud, an error and an identification by the auditor of a material misstatement of the financial statements under the audit in circumstances that indicate that the misstatements would not have been detected and corrected by the entity's internal controls, and ineffective oversight of the entity's financial reporting and internal control by those charged with governance.

**Condition:** We have identified multiple material corrections of errors in the County's financial statements for the fiscal year ended December 31, 2024. Several of these corrections required a restatement of the prior year's financial statements, including corrections related to revenue recognition in the corresponding fiscal year in accordance with GASBS No. 33. In addition, the County had multiple material corrections and audit adjustments during the year ended December 31, 2024, which primarily related to year-end accruals for expenditures and revenues and reclassifications for financial reporting purposes.

**Cause:** In 2024, the County's internal controls over financial reporting were not operating effectively. In addition, the County's accounting records were not fully reconciled in a timely basis to produce accurate financial records for the year-end audit and financial statements. It is important to note that this relates to the 2024 audited financial statements, and not the future operations of the County. In 2024, the County's experienced significant turnover in key positions, including Administration and Finance, that may have contributed to the material misstatements and weaknesses in internal controls once again. Based on our discussion with current management, many of these internal controls have been implemented and consistently being improved.

**Effect:** Lack of internal controls over financial reporting caused significant audit adjustments and could cause material misstatements / errors and/or potential fraud.

**Repeat Finding:** Yes.

**Recommendation:** We recommend that Administration and Finance Department staff continue to improve the internal controls over financial reporting by continuing to implement a year-end closing process prior to the start of the audit. In addition, we recommend that the County continue to implement processes to review and reconcile all of the accounting records on a monthly basis and implement effective internal controls over those reconciliations in order to prevent future misstatements and errors.

**Corrective Action Plan:** Reported on page .

**LAKE COUNTY, COLORADO**  
**SCHEDULE FINDINGS AND QUESTIONED COSTS**  
Year Ended December 31, 2024

**SECTION III: FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS**

**2024-002: Material Weakness in Internal Controls over the Schedule of Federal Awards and Grants Management**

**Federal Assistance Listing Number(s):** 21.027

**Program Title:** Coronavirus State and Local Fiscal Recovery Funds (SLFRF)

**Federal Award Year:** 2022-2023

**Name of Federal Agency:** U.S. Department of Treasury

**Name of pass-through entity:** Direct, Colorado Department of Local Affairs, and various

**COVID-19 Program:** Yes

**Criteria:** 2 CFR 200 Section 303 in part states that the recipient of federal awards must establish, document, and maintain effective internal control over the Federal award that provides reasonable assurance that the recipient or subrecipient is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. In addition, the auditee must prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements.

**Condition:** We continued to identify several material adjustments to the Federal awards that were expended during 2024 that were not accurately reported on the County's Schedule of Expenditures of Federal Awards (SEFA).

**Cause:** Based on our review of County's schedule of expenditures of federal awards, grants revenue, and receivables, we identified that the County may need to implement a periodic process that will include grants reconciliation across the County (except for DHS) and a year-end closing process that will include a reconciliation of the SEFA to the County's financial statements.

**Effect:** Financial reporting over the SEFA caused delays in the completion of the audit and Single Audits.

**Repeat Finding:** Yes.

**Recommendation:** We recommend that the County create processes to identify, organize, and manage Federal awards and other grants and make sure that the grant requirements are properly maintained with effective internal controls over compliance and reporting. In addition, we recommend that the County prepares an accurate schedule of expenditures of federal awards and properly reconcile and record accruals related to grants at year-end to avoid future delays in the audit process. The current staff have made a significant effort during 2025 to improve monthly and yearly processes and address this issue.

**Corrective Action Plan:** Reported on page .

**LAKE COUNTY, COLORADO**  
**SCHEDULE FINDINGS AND QUESTIONED COSTS**  
Year Ended December 31, 2024

**2024-003: Noncompliance and Material Weakness in Internal Controls Over the Reporting Requirement**

**Federal Assistance Listing Number(s):** 21.027, 21.032

**Program Title:** Coronavirus State and Local Fiscal Recovery Funds (SLFRF) and Local Assistance and Tribal Consistency Fund

**Federal Award Year:** 2022-2023

**Name of Federal Agency:** U.S. Department of Treasury

**Name of pass-through entity:** Direct, Colorado Department of Local Affairs, and various

**COVID-19 Program:** Yes

**Federal Program:** Coronavirus State and Local Fiscal Recovery Funds and Local Assistance and Tribal Consistency Fund

**Criteria:** The OMB Compliance Supplement section L (Reporting) for the grant program requires that the County submits a project and expenditure report on a quarterly and annual basis.

**Condition:** We judgmentally selected two of four quarterly reports and the annual report for the grant program for testing compliance and internal control over the reporting requirement. However, we were notified by management that several of the required quarterly and one annual report were not filed in a timely manner by the required deadline(s), which put the County out of compliance with the grant program requirements. As result, this noncompliance has identified that the County does not have proper internal controls related to reporting based on 2 CFR 200 Section 303.

**Cause:** County did not have proper internal controls and processes in place to make sure that the reporting is satisfied on a timely basis. The County is out of compliance with the reporting requirement and indicates a lack of internal controls over reporting.

**Effect:** The County is out of compliance with the reporting requirement and indicates a lack of internal controls over reporting. This may be a violation of the Federal award that may cause additional requirements or additional oversight over the grant award.

**Repeat Finding:** Yes.

**Recommendation:** We continue to recommend that the County re-evaluate the reporting processes over Federal awards at the County to be in compliance with the Federal requirements. In addition, we recommend that the County evaluate grant requirements including reporting and related internal controls to avoid future noncompliance. County's new administration and finance staff have made significant progress in improving these processes in 2025 and subsequent to December 31, 2024.

**Corrective Action Plan:** Reported on page 7 .

**LAKE COUNTY, COLORADO**  
**SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS**  
Year Ended December 31, 2024

**PRIOR YEAR FINANCIAL STATEMENT FINDING**

**2022-001: Timely and Accurate Preparation of the Annual Financial Statements**

**Condition:** The County does not have the adequate level of qualified accounting personnel that allows for the routine monthly reconciliations and accounting procedures that would maintain the County's books and records to be in a condition that would promote the timely and accurate preparation of the annual financial statements.

**Repeat Finding:** Yes

**Status:** This finding is repeated in 2023 and 2024. The County has taken some corrective action such as hiring additional accounting personnel, deputy finance director, and a new finance director to address this finding. We continue to see that the current finance director, accounting staff, and administrator have made significant improvements with more time in the position and have cleared this audit finding.

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## Finance

### Corrective Action Plan

2/20/2026

Wlmhof@LakeCountyCO.gov  
M: (970) 977.7308

505 Harrison Avenue  
PO Box 964  
Leadville CO 80461



### Correction Action Plan:

#### 2024-001: Material Weakness in Internal Controls Related to Financial Reporting

**Problem:** During the audit of the fiscal year ended December 31, 2024, multiple material errors were identified in the County's financial statements. Several corrections required restatement of prior-year financial statements, including revenue recognition adjustments to comply with GASB Statement No. 33. Additional material audit adjustments were made for year-end accruals and financial statement reclassifications.

**Actions Steps:** Created an accounting control process and timeline that includes both monthly and annual closes, along with corresponding reconciliations that resolve financial transactions.

**Status:** This process began in January of 2025. The accounting control process is currently being refined and implemented, with monthly closes across departments occurring consistently.

**Dates:** January 1st, 2025, to present

**Goal:** To standardize the accounting control processes that recognize all levels of financial transactional details. Secondary goals on this managerial control process include improving accuracy and reliability of financial reporting.

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## Finance

### Corrective Action Plan

2/20/2026

Wlmhof@LakeCountyCO.gov  
M: (970) 977.7308

505 Harrison Avenue  
PO Box 964  
Leadville CO 80461



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### Correction Action Plan:

**2024-002:** Material Weakness in Internal Controls over the Schedule of Federal Awards and Grants Management

**Federal Assistance Listing Number(s):** 21.027

**Program Title:** Coronavirus State and Local Fiscal Recovery Funds (SLFRF)

**Federal Award Year:** 2022-2023

**Name of Federal Agency:** U.S. Department of Treasury

**Name of pass-through entity:** Direct, Colorado Department of Local Affairs, and various

**COVID-19 Program:** Yes

**Problem:** Several material adjustments were identified related to federal awards expended during 2024, indicating that amounts reported on the County's Schedule of Expenditures of Federal Awards (SEFA) were not accurately stated.

**Actions Steps:** Creation of a Lake County Grant Policy that provides standardized processes and procedures for applying, obtaining, managing and reporting of federally awarded funding. This process also is being used to manage and control all other funding sources (grants, private, state, etc.).

**Status:** New Lake County Financial Policies and Procedures to include grants application, management and tracking were adopted in 2025. These allow for continuous improvement and managerial oversight for granted funds awarded (Federal, state and privately sourced funds).

**Dates:** January 2025

**Goal:** To accurately and reliably manage and report on all granted funds awarded to Lake County Government.



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**2024-003: Noncompliance and Material Weakness in Internal Controls Over the Reporting Requirement**

**Federal Assistance Listing Number(s):** 21.027, 21.032

**Program Title:** Coronavirus State and Local Fiscal Recovery Funds (SLFRF) and Local Assistance and Tribal Consistency Fund

**Federal Award Year:** 2022-2023

**Name of Federal Agency:** U.S. Department of Treasury

**Name of pass-through entity:** Direct, Colorado Department of Local Affairs, and various

**COVID-19 Program:** Yes

**Federal Program:** Coronavirus State and Local Fiscal Recovery Funds and Local Assistance and Tribal Consistency Fund

**Problem:** Several required quarterly and one annual grant reports were not submitted by the required deadlines, resulting in noncompliance with grant program requirements and indicating deficiencies in internal controls over reporting in accordance with 2 CFR 200.303.

**Actions Steps:** Creation of a Lake County Grant Policy establishing standardized processes for the application, administration, tracking, and reporting of federally awarded funds to address internal control requirements under 2 CFR 200. This framework is also applied to all other grant funding sources (federal, state, and private) to ensure consistency and oversight.

**Status:** New Lake County Financial Policies and Procedures, including grant application, management, tracking, and reporting requirements, were adopted in 2025. These policies strengthen internal controls, support ongoing compliance with 2 CFR 200, and provide continuous managerial oversight of awarded funds.

**Dates:** January 2025

**Goal:** To accurately and reliably manage and report on all granted funds awarded to Lake County Government.

## **STATE COMPLIANCE**

<b>LOCAL HIGHWAY FINANCE REPORT</b>	STATE: <b>COLORADO</b> YEAR ENDING (mm/yy): <b>12/2024</b>
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This Information From The Records Of: <b>LAKE COUNTY GOVERNMENT</b>	Prepared By: <b>WILLIAM IMHOF</b>
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**I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE**

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

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

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

ITEM	AMOUNT	ITEM	AMOUNT
<b>A. Receipts from local sources:</b>		<b>A. Local highway expenditures:</b>	
1. Local highway-user taxes		1. Capital outlay (from page 2)	\$ 236,831.82
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	\$ 1,413,146.76
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	\$ 580,862.68
3. Other local imposts (from page 2)	\$ 600,414.36	c. Other	
4. Miscellaneous local receipts (from page 2)	\$ 159,950.24	d. Total (a. through c.)	\$ 580,862.68
5. Transfers from toll facilities		4. General administration & miscellaneous	\$ 182,938.69
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	\$ 11,151.37
a. Bonds - Original Issues	\$ -	6. Total (1 through 5)	\$ 2,424,931.31
b. Bonds - Refunding Issues	\$ -	<b>B. Debt service on local obligations:</b>	
c. Notes	\$ -	1. Bonds:	
d. Total (a. + b. + c.)	\$ -	a. Interest	\$ -
7. Total (1 through 6)	\$ 760,364.60	b. Redemption	\$ -
<b>B. Private Contributions</b>		c. Total (a. + b.)	\$ -
<b>C. Receipts from State government</b> (from page 2)	\$ 887,002.78	2. Notes:	
<b>D. Receipts from Federal Government</b> (from page 2)	\$ 183,038.00	a. Interest	\$ -
<b>E. Total receipts (A.7 + B + C + D)</b>	\$ 1,830,405.38	b. Redemption	\$ -
		c. Total (a. + b.)	\$ -
		3. Total (1.c + 2.c)	\$ -
		<b>C. Payments to State for highways</b>	\$ -
		<b>D. Payments to toll facilities</b>	\$ -
		<b>E. Total expenditures (A.6 + B.3 + C + D)</b>	\$ 2,424,931.31

**IV. LOCAL HIGHWAY DEBT STATUS**

*(Show all entries at par)*

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

**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
	\$ 826,302.00	\$ 1,830,405.38	\$ 2,424,931.31	\$ 231,776.07	\$ -

**Notes and Comments:**

**LOCAL HIGHWAY FINANCE REPORT**

STATE:  
**COLORADO**  
 YEAR ENDING (mm/yy):  
**12/2024**

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

ITEM	AMOUNT	ITEM	AMOUNT
<b>A.3. Other local imposts:</b>		<b>A.4. Miscellaneous local receipts:</b>	
a. Property Taxes and Assessments		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	\$ 46,726.00
4. Licenses	\$ -	f. Charges for Services	\$ 44,638.25
5. Specific Ownership &/or Other	\$ 600,414.36	g. Other Misc. Receipts	\$ 42,251.40
6. Total (1. through 5.)	\$ 600,414.36	h. Other	\$ 26,334.59
c. Total (a. + b.)	\$ 600,414.36	i. Total (a. through h.)	\$ 159,950.24
<i>(Carry forward to page 1)</i>		<i>(Carry forward to page 1)</i>	

ITEM	AMOUNT	ITEM	AMOUNT
<b>C. Receipts from State Government</b>		<b>D. Receipts from Federal Government</b>	
1. Highway-user taxes (from Item I.C.5.)	\$ 860,942.39	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	\$ 26,060.39	d. Federal Transit Administration	\$ 183,038.00
d. DOLA Grant		e. U.S. Corps of Engineers	\$ -
e. Other		f. Other Federal ARPA	\$ -
f. Total (a. through e.)	\$ 26,060.39	g. Total (a. through f.)	\$ 183,038.00
4. Total (1. + 2. + 3.f)	\$ 887,002.78	3. Total (1. + 2.g)	\$ 183,038.00
<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)
<b>A.1. Capital outlay:</b>			
a. Right-Of-Way Costs	\$ -	\$ -	\$ -
b. Engineering Costs	\$ -	\$ -	\$ -
c. Construction:			
(1). New Facilities	\$ -	\$ -	\$ -
(2). Capacity Improvements	\$ -	\$ -	\$ -
(3). System Preservation	\$ -	\$ 181,475.56	\$ 181,475.56
(4). System Enhancement And Operation	\$ -	\$ 55,356.26	\$ 55,356.26
(5). Total Construction (1)+(2)+(3)+(4)	\$ -	\$ 236,831.82	\$ 236,831.82
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.4)	\$ -	\$ 236,831.82	\$ 236,831.82

*(Carry forward to page 1)*

**Notes and Comments:**