



Comprehensive Annual Financial Report

for the Year Ended December 31, 2009

Prepared by the La Plata County Finance Department

INTRODUCTORY SECTION

La Plata County, Colorado
Comprehensive Annual Financial Report
For The Year Ended December 31, 2009

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(Unaudited)

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June 15, 2010

To the Citizens of La Plata County and the Honorable Members of the Board of County Commissioners:

State law requires that all general-purpose local governments publish within seven months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report (CAFR) of the County (the County) for the fiscal year ended December 31, 2009.

This report consists of management's representations concerning the finances of the County. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, the management of the County has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the County's financial statements in accordance with GAAP. Because the cost of internal controls should not outweigh their benefits, the County's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The County's financial statements have been audited by Bondi & Co., LLC., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended December 31, 2009 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the County's financial statements for the fiscal year ended December 31, 2009 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of the CAFR.

The independent audit of the financial statements of the County was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only

on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are included in the "Single Audit Section" of the CAFR.

GAAP require that management provide a narrative introduction overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The County's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

The County, incorporated in 1874, is located in the southwestern part of Colorado, and has been experiencing considerable economic and population growth the past 20 years. The County has an area of 1,683 square miles and a population of 51,272 (2009 State Demographer's estimate), an increase of 7,331 (17%) since 2000. The County is empowered to levy a property tax on both real and personal property located within its boundaries. The local economy is heavily tourism-based, and Durango, the County seat, is the home of Fort Lewis College, a four year liberal arts state institution of approximately 3,700 students. The County is the leading producer of coal bed methane gas in the State of Colorado, and a significant portion of the County's revenues are related to the energy industry.

The County operates as a statutory County, with a three-member Board of Commissioners (the Board). Board members are elected by district but represent the entire County and serve up to two four-year staggered terms. Additionally, there are six other elected officials: the Sheriff, Clerk and Recorder, Assessor, Treasurer/Public Trustee, Coroner, and Surveyor. There are no term limits on the elected positions other than the Commissioners. In addition to their many other responsibilities, the Board's responsibilities for financial matters include the adoption of financial policies, adopting the budget and any budget amendments, hiring the County manager and the County attorney, and selecting the external auditor. The County manager is responsible for carrying out the policies and resolutions of the Board and for overseeing the day-to-day operations of the non-elected departments, including hiring of department heads.

Financial Entity. The financial reporting entity, (the government) includes all the funds and account groups of the primary government as well as all of its component units. The County provides the full range of services required by state statutes as well as many ancillary services. This includes public safety consisting of the sheriff, jail, coroner, building inspection and district attorney; land use planning; property valuation, tax collection and distribution; vehicle licensing, construction and maintenance of roads and bridges; health and human services, and administrative services

Some legally separate entities, are, in substance, part of the primary government's operations and are included as part of the primary government as blended component units. Accordingly, the Durango Hills Road Improvement District is reported as a special revenue fund of the primary government. The La Plata County Finance Authority was created to provide financing options for office space acquisition and is therefore included as a blended component unit of the County. In contrast, the District Attorney of the Sixth Judicial District is reported as a discrete component unit of the primary government.

Budgetary Controls. Colorado state law requires the adoption of budgets for all local governments, adopted by fund and “spending agency”, so each summer La Plata County begins the annual budget preparation process. Every elected official and department head submits a requested budget to the Board of County Commissioners. The administration and finance departments prepare an estimate of the subsequent year’s projected revenues, and the requests for expenditures are balanced against the projected revenues. The annual budget is adopted in December of the prior year, and the property tax mill levy is set. Once the budget is adopted, La Plata County maintains budgetary controls to ensure compliance with the annual budget. The level of budgetary control (the level at which expenditures and transfers out cannot legally exceed the appropriated amount) is at the fund level. However, the Board further monitors expenditures at the spending authority (elected official/department head) level within individual funds. Department heads have the flexibility to transfer funding within their respective budgets with county manager and finance coordination. The Finance Department also monitors expenditures and informs the department heads, the County manager and the Board if there is potential for expenditure overruns. The statements and schedules included in the financial section of this report demonstrate that the County remains successful in meeting its responsibility for sound financial management.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the County operates.

Local economy

Financially, fiscal year 2009 showed that the La Plata County economy is strong and diverse, although not immune to the effects of the national recession and financial and housing market crises. For the first time since 2002, County sales tax collections declined compared to the prior year, with a 10% decrease compared to 2008. That trend continues through early 2010, with collections through March 2010 down 9% compared to 2009 levels. Tourism contributes an estimated 28% to the local economy and visitor statistics have slowed somewhat, although Southwest Colorado tourism may have benefited somewhat by being a “drive-to” destination for visitors from neighboring states. The hardest hit sector is the construction industry, with a dramatic slowdown in new development and construction.

Typically, Colorado’s (and La Plata County’s) economy lags national trends by 6-8 months. It took longer for Colorado to see the effects of the national recession, and it will likely take longer for our state to recover. Statewide, unemployment is projected to be at 7.8 percent for 2010 with very slow job growth in the near future. Personal income is forecast to increase by 3.5 percent in 2010. For 2009, Colorado realized an annual deflation rate of 0.7. The Colorado Office of Planning and Budgeting projects 1.5 percent annual inflation in 2010. The weakness in the housing market nationally makes it harder to buy or sell a home, affecting Colorado’s net in-migration, which is expected to be at 44,800 for 2010. Statewide, housing permits were down 50.5 percent from 2008 and retail trade continues to suffer the effects of low consumer confidence and unemployment.

Long-Term Financial Planning

The County budget includes a five-year capital improvement program. Projections for capital investment during the next five years include more than \$12 million projected for new facilities and capital equipment and \$25 million for road and bridge improvements. Construction of a \$15.7 million, 84-cell expansion of the jail facility was completed in early 2009 without the issuances of debt by using existing reserves. Long-term, the County will need to address the issue of crowding and security issues in all County buildings, but especially in the downtown Courthouse location. The County is in the process of acquiring several properties across the street from the County Courthouse to prepare for future growth in the downtown area. For 2010, the County intends to complete several major road projects, including several bridge replacements, intersection improvements at the airport, and the chip and seal of CR 211.

Since La Plata County is heavily dependent upon property collections related to gas production, in 2007, the County engaged a specialized consultant to review and project the balance of untapped gas reserves. The results of the study indicate that production related to coal-bed methane gas likely peaked in 2003 and is decreasing at the rate of about 6% per year, despite an increasing number of wells. Because the amount of property tax revenue is related to both production and price, it is difficult to project the long-term revenue stream associated with gas production. Accordingly, the County has adopted a practice of utilizing property taxes related to gas production over a baseline fiscal year 2000 amount only for capital construction and infrastructure improvements.

Given that the quantity of natural gas is finite, the County must develop a long-term strategy to backfill the inevitable decline in production. Economic development and vitality are one of the County's primary strategic goals. We are working closely with local economic development groups to explore ways to continue to diversify and expand La Plata County's economy.

Because coal-bed methane gas production comprises nearly 55% of the County's overall property tax collections, property tax collections can vary dramatically from year to year. For budget year 2009, the County's assessed valuation increased by about 3% while the assessed valuation for budget year 2010 increased by 16%, mostly due to the surge in natural gas prices in early and mid-2008. For the 2011 budget, we project a significant decline in property taxes (28% or nearly \$11 million) due to the record low prices for natural gas in 2009. We continue to monitor natural gas prices and have instituted a number of budget reduction measures to prepare for the declines in 2011. As part of the 2010 budget process, we froze employee salaries, eliminated 5 vacant positions and reduced our operational budgets by about 8%.

Managing for Accountability and Performance (MAP)

La Plata County has recently started implementation of an integrated, results-oriented, performance management system that encompasses planning, budgeting, reporting and decision-making. It builds on the County's strategic plan and provides renewed focus on improving County government management practices and service delivery to customers. As a first step, departments will develop customer-oriented business plans that identify a set of strategic goals for the next 2-5 years.

As of the end of 2009, we have completed business plans for the Planning, Human Services, Building Inspection, Public Works, General Services, Information Technology, Human Resources, Administration and Finance departments. In 2010, we will prepare plans for the


elected departments. The 2011 budget process will begin to use these business plans for allocating resources, and employee performance plans will also focus on achieving the results identified in the plan. It also includes a commitment to demonstrating accountability by providing clear, concise performance reports on the results being achieved for the community. We believe this new management system will help us continue to demonstrate our accountability for the investments that our citizens make in their government.

Awards and Acknowledgements


The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to La Plata County for its comprehensive annual financial report for the fiscal year ended December 31, 2008. The Certificate of Achievement is a prestigious international award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report (CAFR), whose contents conform to program standards. Such CAFR must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. La Plata County has received a Certificate of Achievement for the last twenty (20) consecutive fiscal years (1989-2008) ended December 31st. We believe the 2009 report conforms to the Certificate of Achievement requirements and we are submitting it to the GFOA for review.

The preparation of this financial report was made possible by the dedicated service of the entire staff of the Finance Department. Each member of the department has our sincere appreciation for their individual and team efforts in the preparation of the report. Also, we would like to extend our appreciation to the partners and staff of the firm of Bondi & Co. for their assistance. Our Elected Officials, Department Heads, and staff all promote an organizational culture of fiscal responsibility. Finally, the leadership, support and commitment of the Board of County Commissioners in the financial planning and execution of the County's operations is greatly appreciated.



Shawn Nau,
County Manager



Karla J. Distel, CMA
Director of Finance

Certificate of Achievement for Excellence in Financial Reporting

Presented to

La Plata County
Colorado

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2008

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



A stylized, handwritten signature in black ink.

President

A handwritten signature in black ink that reads "Jeffrey R. Emer".

Executive Director

LIST OF COUNTY OFFICIALS

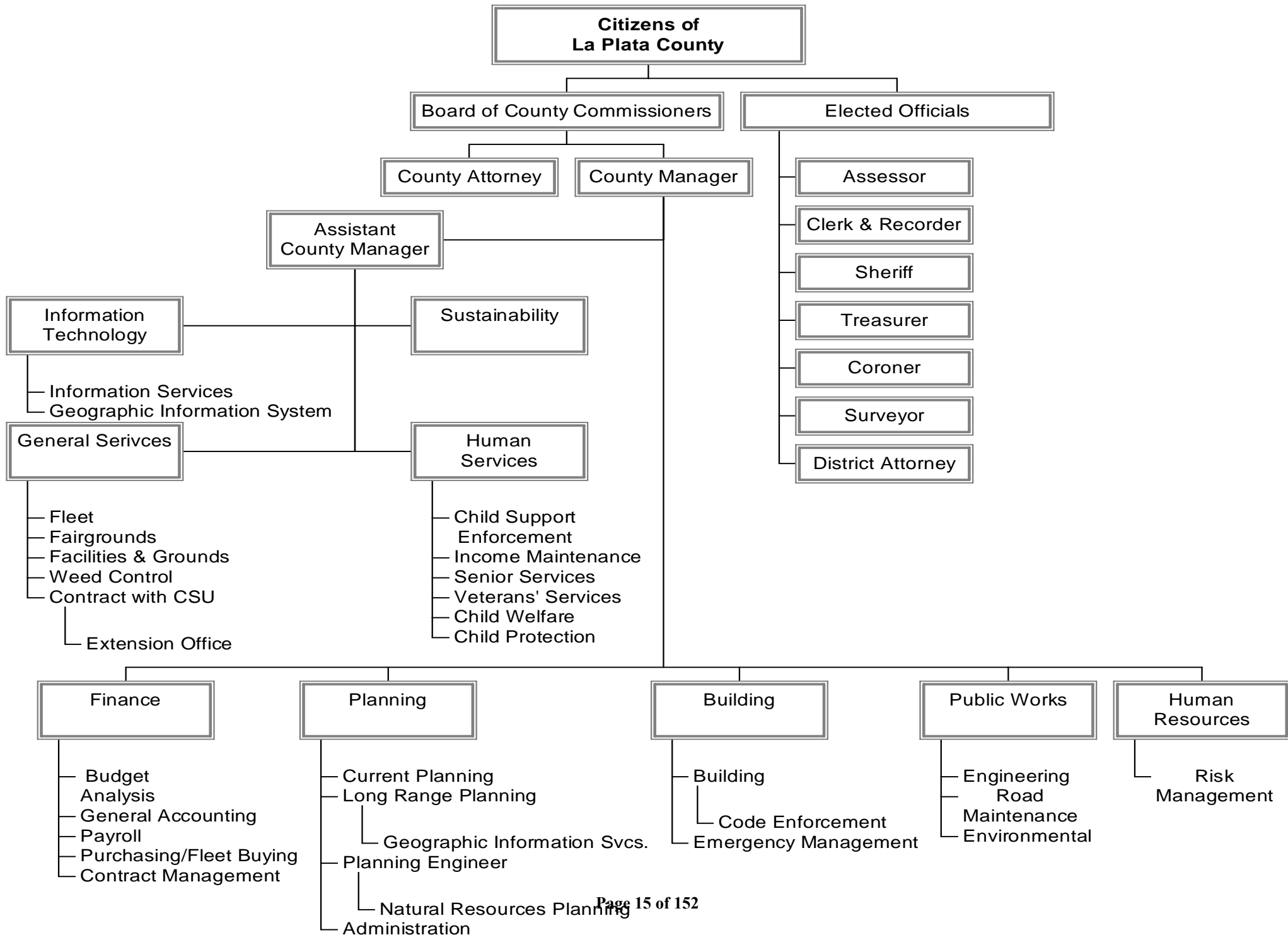
ELECTED OFFICIALS

<u>Title</u>	<u>Name</u>
Commissioner	Kellie Hotter
Commissioner	Joelle Riddle
Commissioner	Wallace “Wally” White
Assessor	Craig Larson
Clerk & Recorder	Linda Daley
Coroner	Carol Huser, MD
Sheriff	Sidney "Duke" Schirard
Surveyor	Larry Connolly
Treasurer & Public Trustee	Ed Murray

APPOINTED OFFICIALS

<u>Title</u>	<u>Name</u>
County Attorney	Sheryl Rogers
County Manager	Shawn Nau
Assistant County Manager	Joanne Spina
Director of Building & Emergency Services	Butch Knowlton
Director of Finance	Karla Distel
Director of General Services	Al Thye
Director of Human Resources	Kelli Ganevsky
Director of Human Services	Lezlie Mayer
Director of Information Services	Alan Andrews
Director of Planning Services	Erick Aune
Director of Public Works	Jim Davis

La Plata County Organizational Chart



FINANCIAL SECTION



BONDI & Co. LLC

CERTIFIED PUBLIC ACCOUNTANTS
MANAGEMENT CONSULTANTS

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Board of County Commissioners
La Plata County
Durango, Colorado

Independent Auditors' Report

We have audited the accompanying statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of La Plata County, Colorado, (County) as of and for the year ended December 31, 2009, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit. The prior year partial comparative information has been derived from the County's December 31, 2008 financial statements, and in our report dated June 9, 2009, we expressed unqualified opinions on the respective financial statements of the governmental activities, the discretely presented component unit, each major fund and the aggregate remaining fund information.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the County as of December 31, 2009, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund, Road and Bridge Fund, and Social Services Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Board of County Commissioners
La Plata County

In accordance with *Government Auditing Standards*, we have also issued our report, dated May 12, 2010, 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 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section; combining and individual fund financial statements; the Local Highway Finance Report; Social Services Fund – Schedule of EBT Authorizations, Warrant Expenditures and Total Expenditures; the Schedule of Expenditures of Federal Awards, as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements; the Local Highway Finance Report; Social Services Fund – Schedule of EBT Authorizations, Warrant Expenditures and Total Expenditures; and the Schedule of Expenditures of Federal Awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

May 12, 2010


BONDI & Co. LLC

MANAGEMENT'S DISCUSSION AND ANALYSIS

Within this section of La Plata County's (the County) annual financial report, the County's management is pleased to provide this narrative discussion and analysis of the financial activities of the County for the calendar year ended December 31, 2009. The County's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

Financial Highlights

- The County's assets exceeded its liabilities by \$172,880,328 (net assets) for the calendar year reported.
- Total net assets are comprised of the following:
 - (1) Capital assets, net of related debt, of \$104,785,611 include property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of capital assets.
 - (2) Net assets of \$10,773,181 are restricted by constraints imposed from outside the County such as debt covenants, grantors, laws, or regulations.
 - (3) Net assets of \$17,046,240 are unrestricted, but are invested in a joint venture.
 - (4) The balance of unrestricted net assets of \$40,275,296 represent the portion available to maintain the County's continuing obligations to citizens and creditors.
- The County's governmental funds reported total ending fund balance of \$51,555,027 this year. This compares to the prior year ending fund balance of \$44,280,215 showing an increase of \$7,274,812, during the current year.
- At the end of the current calendar year, unreserved fund balance for the General Fund was \$28,285,373 or 64% of 2010 General Fund expenditures and transfers out to other funds.
- Overall, the County continues to maintain a strong financial position.

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

Overview of the Financial Statements

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

Government-wide Financial Statements

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

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

The second government-wide statement is the *Statement of Activities*, which reports how the County's net assets changed during the current calendar year. All current year revenues and expenses are included regardless of when cash is received or

paid. An important purpose of the design of the statement of activities is to show the financial reliance of the County's distinct activities or functions on revenues provided by the County's taxpayers.

Both government-wide financial statements distinguish governmental activities of the County that are principally supported by taxes and other governmental revenues and from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general government, public safety, public works, health and welfare, auxiliary services and community programs.

The government-wide financial statements are presented on pages 28 & 29 of this report.

Fund Financial Statements

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

Governmental funds are reported in the fund financial statements and encompass the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the County's governmental funds. These statements report short-term calendar 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 County also presents its budget to actual statements for the general fund, road and bridge fund and the social services fund as basic financial statements.

The basic governmental fund financial statements are presented on pages 28 through 36 of this report.

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

Proprietary funds are reported in the fund financial statements and generally report services for which the fees are charged. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal services funds to account for its fleet and employee health insurance functions. Because these services predominantly benefit governmental rather than external activities, they have been included within governmental activities in the government-wide financial statements.

The basic proprietary fund financial statements are presented on pages 37 through 39 of this report.

Notes to the Basic Financial Statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 41 of this report.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. Combining and individual statements and budgetary comparison schedules for non-major funds are presented in

the supplementary section of this report beginning on page 68. The County has chosen to present comparative balance sheets for each of the governmental funds.

Financial Analysis of the County as a Whole

The County implemented the new financial reporting model used in this report beginning with the calendar year ended December 31, 2003. Over time, as year-to-year financial information is accumulated on a consistent basis, changes in net assets may be observed and used to discuss the changing financial position of the County as a whole.

Overall, the County's financial position continues to remain strong, and has improved over the prior year. This improvement can be demonstrated in a number of different areas, as detailed below.

The County's net assets at calendar year-end are \$172,880,328. The following table provides a summary of the County's net assets:

Summary of Net Assets

	Governmental Activities 2009	Percentage of Total 2009	Governmental Activities 2008	Governmental Activities 2007 as restated	Governmental Activities 2006 as restated
Assets:					
Current assets	\$ 90,849,763	42.3%	\$ 79,514,431	\$ 80,187,806	\$ 71,299,272
Investment in joint venture	17,046,240	7.9%	12,593,961	12,555,259	10,093,468
Capital assets	106,950,611	49.8%	103,977,081	88,797,184	79,698,336
Total assets	214,846,614	100.0%	196,085,473	181,540,249	161,091,076
Liabilities:					
Current liabilities	35,075,492	83.6%	32,015,969	31,827,041	30,451,047
Long-term liabilities	6,890,794	16.4%	4,418,868	4,295,215	4,740,010
Total liabilities	41,966,286	100.0%	36,434,837	36,122,256	35,191,057
Net assets:					
Invested in capital assets, net of debt	104,785,611	60.6%	101,427,081	85,872,184	76,413,335
Restricted	10,773,181	6.2%	13,444,227	26,494,550	23,561,851
Unrestricted	57,321,536	33.2%	44,779,328	33,051,259	25,924,833
Total net assets	\$ 172,880,328	100.0%	\$ 159,650,636	\$ 145,417,993	\$ 125,900,019

The current liabilities and net assets for the year ended 12/31/2007 have been restated to reflect amounts due to other governments that were not properly accrued at 12/31/2007. The capital assets and net assets for the year ended 12/31/2006 have been restated to include infrastructure amounts not previously reported that were developed in 2007 as a requirement of GASB 34. The largest portion of the County's net assets (60.6%) reflects its investment in capital assets, including infrastructure, less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the funds needed to pay the annual debt service must be provided from other sources, since the capital assets themselves cannot be used to pay the debt.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
December 31, 2009

La Plata County, Colorado

The County continues to maintain a high current ratio. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio for governmental activities is 2.6 to 1. This ratio is a bit misleading since the accounting rules require that the County recognize as a current asset the amount of property taxes for calendar year 2010 with an offsetting amount reported in deferred revenue as a current liability. If you remove those amounts from the current ratio calculation, the adjusted ratio is 12.2 to 1, which demonstrates the real liquid position of the County.

The County reported positive balances in net assets. Net assets increased \$13,229,692 for governmental activities, an 8.3% increase.

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

Summary of Changes in Net Assets					
	2009				
	Governmental	Percentage	2008	(Decrease)	2007 As Restated
	Activities	of Total		Increase	
Revenues:					
Program:					
Charges for services	\$ 3,984,285	5.9%	\$ 4,475,896	\$ (491,611)	\$ 4,580,587
Operating grants	18,162,203	26.9%	10,280,747	7,881,456	11,291,178
Capital grants	2,828,191	4.2%	4,026,680	(1,198,489)	3,905,903
General:					
Taxes	40,256,014	59.6%	41,192,722	(936,708)	41,055,913
Other	2,324,944	3.4%	3,803,260	(1,478,316)	5,328,898
Total revenues	67,555,637	100.0%	63,779,305	3,776,332	66,162,479
Program Expenses:					
General government	11,324,542	20.8%	10,081,860	1,242,682	9,310,267
Public safety	14,921,662	27.5%	13,909,083	1,012,579	13,408,384
Auxiliary services	3,925,467	7.2%	3,693,219	232,248	3,290,008
Public works	13,329,071	24.5%	12,532,719	796,352	11,690,024
Health and welfare	5,551,746	10.2%	4,896,385	655,361	4,796,460
Community programs	5,191,522	9.6%	4,341,763	849,759	4,044,371
Interest and fiscal charges	81,935	0.2%	91,633	(9,698)	104,989
Total expenses	54,325,945	100.0%	49,546,662	(4,779,283)	46,644,503
Change in net assets	13,229,692		14,232,643	<u>\$ (1,002,951)</u>	19,517,976
Beginning net assets (as restated)	159,650,636		145,417,993		125,900,019
Ending net assets	<u>\$ 172,880,328</u>		<u>\$ 159,650,636</u>		<u>\$ 145,417,993</u>

GOVERNMENTAL REVENUES

The County is heavily reliant on property and sales taxes to support governmental operations and capital. Property taxes provided 41% of the County's total governmental revenues. Sales taxes are the second largest revenue source with slightly less than \$12.3 million of revenues or 18% of the total. Also, note that program revenues cover about 46% of governmental operating expenses. This means that the government's property and sales taxpayers fund the largest share of the governmental activities. As a result, the general economy and the county businesses have a major impact on the County's revenue streams. A significant component of the County's revenue is property taxes associated with the extraction of natural gas. Because of the variability in the two factors that determine the amount of tax collected on natural gas production, price and volume, it has been the County's practice to utilize the growth in property taxes related to gas production for capital and infrastructure improvements.

GOVERNMENTAL FUNCTIONAL EXPENSES

The public safety, general government and public works functions make up nearly three-fourths of the total governmental activities expenses. Public safety costs total over \$14.9 million dollars or 27% of the total expenditures. General government makes up approximately 21% and public works is slightly less than 25% of total costs.

This table 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 that was placed on the County's taxpayers by each of these functions.

	Governmental Activities 2009			2008 Net Cost	Decrease (Increase)	2007 Net Cost
	Total Cost of Services	Net Cost of Services	Net Cost % of Total			
General government	11,324,542	\$ 3,377,933	11.5%	\$ 4,272,197	\$ 894,264	\$ 4,516,762
Public safety	14,921,662	13,146,714	44.8%	10,581,891	(2,564,823)	11,531,460
Auxiliary services	3,925,467	3,271,874	11.1%	2,734,583	(537,291)	2,461,978
Public works	13,329,071	8,537,802	29.1%	7,831,579	(706,223)	5,924,967
Change in joint venture	-	(4,452,279) ¹	-15.2%	(38,702)	4,413,577	(2,461,791)
Health and welfare	5,551,746	1,259,338	4.3%	1,220,626	(38,712)	1,264,017
Community programs	5,191,522	4,127,949	14.1%	4,069,532	(58,417)	3,524,453
Interest	81,935	81,935	0.3%	91,633	9,698	104,989
Total	<u>\$ 54,325,945</u>	<u>\$ 29,351,266</u>	<u>100.0%</u>	<u>\$ 30,763,339</u>	<u>\$ 1,412,073</u>	<u>\$ 26,866,835</u>

¹ this represents an increase the County's share of increased net assets at the joint venture airport

After reducing gross expenses by program revenues, public safety totals 44.8% of the net cost of services, public works comprises 29% of total net costs of services, and the general government function's net costs are 11.5% of the total net cost of services.

Financial Analysis of the County's Funds

Governmental Funds

As discussed, governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with

upcoming financing requirements. Governmental funds reported ending fund balances of \$51,555,027. Of this year-end total, \$40,394,169 is unreserved indicating availability for continuing County service requirements. Legally restricted fund balances (i.e., the reserved fund balances) include: \$3,667,978 committed to fund program purposes, \$2,000,000 set aside for emergency purposes, \$452,735 reserved for debt service, and \$4,652,468 committed to capital projects. \$387,677 represents inventories held for future consumption and does not represent available, spendable resources.

The total ending fund balances of governmental funds show an increase of \$7,274,812 or 16% above the prior year. This increase is primarily related to under-spending of the 2009 budget and higher levels of property tax collections due to the increased valuation of gas extraction properties.

Major Governmental Funds

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 slightly less than \$4.5 million. This followed a \$7 million increase in 2008.

Property taxes collections in the General Fund increased slightly compared to 2008, increasing by \$624,000 to \$22,568,533. Sales taxes totaled about \$12.3 million, a moderate decrease over the 2008 collections of \$13.6 million. State and federal revenues were up \$2.8 million above calendar 2008, primarily due to an increased direct distribution of severance and mineral leasing funds awarded through the State of Colorado. Most other revenue streams were consistent with that of calendar 2008, although investment earnings were down significantly from 2008, dropping from nearly \$1.8 million in 2008 to \$500,000 in 2009. Expenditures in the general fund went up slightly (about 8%).

The General Fund's ending unreserved fund balance of nearly \$28 million is considered more than adequate, representing nearly 63% of 2010 budgeted general fund expenditures and transfers out to other funds. The County has a policy that requires a general fund unreserved balance of 20%-25% of the annual appropriation amount.

The Road and Bridge fund's fund balance increased by \$3.8 million in 2009, primarily due to an increased transfer in from the General Fund. Intergovernmental revenues were up \$.4 million, primarily due to capital grants. This fund spent more than \$11.7 million building, improving and maintaining County roads and bridges, which was about \$1 million less than in 2008. The social services fund spent more than \$5.5 million in providing services to clients, about 15% more than in 2008. Because the state or federal government primarily funds many of the programs in the social services fund, revenues also increased, leading to a 15% increase (\$307,129) in fund balances over the prior year. The capital improvement fund balance decreased by more than \$787,000 in 2009. This was primarily due to the completion of the 84-cell expansion at the La Plata County detention center and the purchase of a property adjacent to the downtown Courthouse that will allow for future expansion of County facilities.

Budgetary Highlights

The General Fund – The revenue budget was increased by nearly \$700,000 over the original budget, related to increased funding for a Community Development Block grant. Actual property, sales, and other tax collections were \$1.3 million below the final budget, primarily due to declining sales tax collections. Intergovernmental revenues were \$1.7 million more than budgeted, related to increases in state shared revenues (severance tax and mineral leasing). Investment earnings in the General Fund were slightly more than \$500,000, which was half of what was budgeted (due to extremely low rates of return on investments). In total, the County realized 100.7% of the final revenue budget.

The expenditure side of the original budget for the General Fund was increased about \$700,000, related to the pass-through of the above-mentioned CDBG to the Region 9 Economic Development District. In 2009, the County placed \$1.5 in a budget reserve account and transferred nearly 50% of that out to other General Fund line items. The County spent 87% of the final amended general fund expenditure budget. In some cases, budget surpluses resulted from staff vacancies. We also believe that our staff and management exercise extreme diligence in spending public funds.

Capital Assets and Debt Administration

Capital Assets

The County's investment in capital assets, net of accumulated depreciation for governmental activities as of December 31, 2009, was \$106,950,611. The total increase in this net investment was 3%. See Note 3-D for additional information about changes in capital assets during the calendar year and outstanding at the end of the year. The following table provides a summary of capital asset activity.

Governmental Activities

	<u>@ 12/31/2009</u>	<u>@ 12/31/2008</u>
Non-depreciable assets:		
Land	\$ 6,724,305	\$ 5,752,658
Construction in progress	185,360	15,550,861
Total non-depreciable	<u>6,909,665</u>	<u>21,303,519</u>
Depreciable assets:		
Buildings	47,746,790	30,335,950
Improvements	9,021,071	8,998,238
Machinery and equipment	15,309,769	14,254,752
Infrastructure	<u>77,881,064</u>	<u>74,237,813</u>
Total depreciable assets	149,958,694	127,826,753
Less accumulated depreciation	<u>49,917,748</u>	<u>45,153,191</u>
Book value - depreciable assets	<u>100,040,946</u>	<u>82,673,562</u>
Percentage depreciated	<u>33%</u>	<u>35%</u>
Book value - all assets	<u>\$ 106,950,611</u>	<u>\$ 103,977,081</u>

The major changes to the construction in progress and buildings asset classes relates primarily to the completion of an 84-cell expansion at the La Plata County jail facility. The detention center expansion was originally projected to cost \$17 million, but through significant value engineering, was completed in early 2009 at a project cost of \$15.7 million, and was partially supported by a \$2.4 million energy impact assistance grant through the Department of Local Affairs. The County also purchased property adjacent to the current County Courthouse to allow for future expansion, at a cost of slightly more than \$750,000.

The County has capitalized current year infrastructure costs of over \$3.6 million including the following major projects:

- The construction of a shared use patch on CR 501 near the Town of Bayfield
- The replacement of a bridge on CR 527
- Addition of turn lanes on CR 240 at CR 234
- Continuing work on CR 234 to realign several dangerous curves on a major arterial
- Completion of work on CR 213

Long-term Debt

At the end of the current fiscal year, La Plata County had no bonded debt, and during 2009, the County retired \$385,000 in certificates of participation issued by the La Plata County Finance Authority in 2004 for the acquisition of the Old Main Professional Building, leaving an outstanding balance of \$2,165,000. See Note 3-G for additional information about the County's long-term debt. We discuss the pollution remediation costs in Note 3-J and the landfill closure and postclosure care liability in Note 3-K. A summary of outstanding debt at year-end is as follows:

	12/31/2009	12/31/2008	\$ Change	% Change
Certificates of Participation	\$ 2,165,000	\$ 2,550,000	\$ (385,000)	-15%
Compensated Absences	1,289,724	1,403,064	(113,340)	-8%
Pollution remediation costs	3,525,000	587,610	2,937,390	500%
Landfill closure and postclosure care costs	1,158,369	1,488,775	(330,406)	-22%
Total Governmental Activities	<u>\$ 8,138,093</u>	<u>\$ 6,029,449</u>	<u>\$ 2,108,644</u>	<u>35%</u>

Economic Factors and Next Year's Budget

For budget year 2010, the County's assessed valuation increased by about 15%, resulting in \$4.2 million more in property tax collections compared to 2009. Property tax valuation related to the extraction of coal-bed methane gas comprises approximately 55% of the County's overall property tax collections. The producers in La Plata County continue to permit and drill additional wells and one of the largest producers, BP America, recently completed a major expansion of local support facilities for their operations. Severance taxes collected on production on wells located in La Plata County are the largest contributor to the State of Colorado's severance tax fund, and La Plata County receives a portion of those funds back in the form of direct distribution and grant programs.

The national recession and the instability in the housing and financial markets have affected the La Plata County economy. County sales tax collections dropped by approximately 10% in 2009 compared to 2008. The local construction sector has slowed significantly, reflected in a sharp drop in the number of building and planning permits requested. The County's 2010 budget has been prepared with consideration of these and other economic factors and community needs, and projects flat to slightly declining revenues (outside of property taxes) and decreased expenditures for budget year 2010.

Of greatest concern is the projection for property tax collections for budget year 2011. Because property taxes related to coal bed methane extraction are such a large portion of the County's overall property tax base, and because natural gas prices were at historic lows through most of 2009, we anticipate an \$11 million reduction in our property taxes in 2011. Accordingly, we froze employee salaries in 2010, eliminated five vacant positions and reduced our operating budget by about 8% for budget year 2010. We continue to do executive review of all expenditures for capital and professional services agreement before contracting, as well as all travel and training requests. The management team reviews position vacancies prior to recruitment. Because of the County's practice of multi-year fiscal planning and forecasting, the anticipated decline in property tax collections in fiscal 2011 was identified and prepared for, and that consecutive additions to the County's liquid reserve levels should help us to avoid a dramatic reduction in service levels in 2011.

Contacting the County's Financial Management

This financial report is intended to provide a general overview of the County's finances, comply with finance-related laws and regulations, and demonstrate the County's commitment to public accountability. If you have questions about this report or would like to request additional information, contact the County's Finance Director at 1060 E. 2nd Avenue, Durango, CO 81301, or via email distelkj@co.laplata.co.us.

BASIC FINANCIAL STATEMENTS

La Plata County, Colorado
Statement of Net Assets
December 31, 2009

	Primary Government Governmental Activities	Component Unit
Assets		
Current Assets		
Cash	\$ 259,580	\$ 421,844
Equity in treasurer's cash and investments	54,149,616	-
Restricted cash and investments	112,393	-
Cash held by Trustee	431,980	-
Receivables:		
Accounts	372,703	7,620
Taxes	30,099,220	-
Deposits	29,340	-
Intergovernmental	4,578,732	145,452
Due from component unit	300,000	-
Due from primary government	-	249,649
Inventory	516,199	-
Investment in joint venture	17,046,240	-
Capital Assets		
Nondepreciable capital assets	6,909,665	-
Depreciable capital assets, net	100,040,946	62,952
Total Assets	214,846,614	887,517
Liabilities		
Current Liabilities		
Accounts payable	1,556,185	4,444
Accrued expenses	739,709	52,495
Contracts payable	218,726	-
Intergovernmental payable	463,788	-
Accrued interest payable	5,792	-
Due to primary government	-	300,000
Deposits payable	133,833	-
Unearned revenue	30,249,220	-
Liabilities payable from restricted assets	112,393	-
Claims payable	348,546	-
Current portion-certificates of participation payable	400,000	-
Current portion-compensated absences payable	322,431	17,055
Current portion-pollution remediation obligations	285,000	-
Current portion-landfill closure and post-closure care costs payable	239,869	-
Long-Term Liabilities:		
Certificates of participation payable (net of current portion)	1,765,000	-
Compensated absences payable (net of current portion)	967,294	51,165
Pollution remediation obligations (net of current portion)	3,240,000	-
Landfill closure/post-closure costs (net of current portion)	918,500	-
Total Liabilities	41,966,286	425,159
Net Assets		
Invested in capital assets, net of related debt	104,785,611	62,952
Restricted for:		
Capital improvements	4,652,468	-
Debt service	452,735	-
Required legal fund segregations	3,667,978	-
Emergencies	2,000,000	72,000
Unrestricted	57,321,536	327,406
Total Net Assets	\$ 172,880,328	\$ 462,358

See accompanying notes to the basic financial statements

La Plata County, Colorado
Statement of Activities
For the Year Ended December 31, 2009

						Net (Expense) Revenue and Changes in Net Assets	
Function/Program	Expenses	Program Revenues			Primary Government	Component Unit	
		Charges for Services and Sales	Operating Grants, Contributions and Interest	Capital Grants and Contributions	Governmental Activities		
Primary Government							
Governmental Activities							
General government	\$ 11,324,542	\$ 2,820,023	\$ 4,251,586	\$ 875,000	\$ (3,377,933)	\$ -	
Public safety	14,921,662	813,731	706,341	254,876	(13,146,714)	-	
Auxiliary services	3,925,467	264,190	389,403	-	(3,271,874)	-	
Public works	13,329,071	86,341	3,006,613	1,698,315	(8,537,802)	-	
Public works-increase (decrease) in joint venture			4,452,279		4,452,279		
Health and welfare	5,551,746	-	4,292,408	-	(1,259,338)	-	
Community programs	5,191,522	-	1,063,573	-	(4,127,949)	-	
Interest and fiscal charges	81,935	-	-	-	(81,935)	-	
Total Governmental Activities	\$ 54,325,945	\$ 3,984,285	\$ 18,162,203	\$ 2,828,191	(29,351,266)	-	
Component Unit							
Office of the District Attorney	<u>\$ 2,331,465</u>	<u>\$ -</u>	<u>\$ 987,307</u>	<u>\$ -</u>	-	(1,344,158)	
General Revenues							
					27,822,967	-	
					12,264,867	-	
					168,180	-	
					-	1,260,367	
					514,724	-	
					1,810,220	139,142	
Total General Revenues					<u>42,580,958</u>	<u>1,399,509</u>	
Change in Net Assets					13,229,692	55,351	
Beginning Net Assets					159,650,636	407,007	
Net Assets End of Year					\$ 172,880,328	\$ 462,358	

See accompanying notes to the basic financial statements

La Plata County, Colorado
Balance Sheet
Governmental Funds
December 31, 2009

	General	Road and Bridge	Social Services	Capital Projects	Other Governmental Funds	Total Governmental Funds
Assets						
Cash	\$ 258,080	\$ 1,100	\$ 400	\$ -	\$ -	\$ 259,580
Equity in treasurer's cash and investments	28,686,311	10,220,911	2,281,787	4,255,500	2,918,140	48,362,649
Restricted cash and investments	77,922	-	34,471	-	-	112,393
Cash held by Trustee	-	-	-	-	431,980	431,980
Receivables:						
Accounts	204,247	19,896	43,456	100,530	-	368,129
Taxes	26,180,829	2,506,270	1,339,678	-	72,443	30,099,220
Deposits	2,000	-	-	27,340	-	29,340
Intergovernmental	1,848,357	1,853,548	288,868	587,959	-	4,578,732
Component unit	300,000	-	-	-	-	300,000
Interfund	115,601	-	-	-	130,871	246,472
Inventory	77,164	310,513	-	-	-	387,677
Total Assets	\$ 57,750,511	\$ 14,912,238	\$ 3,988,660	\$ 4,971,329	\$ 3,553,434	\$ 85,176,172
Liabilities and Fund Balances						
Liabilities						
Accounts payable	\$ 463,861	\$ 925,290	\$ 57,686	\$ 51,192	\$ 41,442	\$ 1,539,471
Accrued salaries and wages	568,618	88,624	-	-	-	657,242
Contracts payable	-	101,057	-	117,669	-	218,726
Intergovernmental payable	372,317	19,607	71,864	-	-	463,788
Interfund payable	130,871	-	115,601	-	-	246,472
Deposits payable	133,833	-	-	-	-	133,833
Deferred revenues	26,180,829	2,506,270	1,339,678	150,000	72,443	30,249,220
Liabilities payable from restricted assets	77,922	-	34,471	-	-	112,393
Total Liabilities	27,928,251	3,640,848	1,619,300	318,861	113,885	33,621,145
Fund Balances						
Reserved for:						
Inventory	77,164	310,513	-	-	-	387,677
Emergencies	-	-	-	-	2,000,000	2,000,000
Program purposes	1,459,723	2,208,255	-	-	-	3,667,978
Capital improvements	-	-	-	4,652,468	-	4,652,468
Debt service	-	-	-	-	452,735	452,735
Unreserved:						
Undesignated, reported in:						
General fund	28,285,373	-	-	-	-	28,285,373
Special revenue funds	-	8,752,622	2,369,360	-	986,814	12,108,796
Total Fund Balances	29,822,260	11,271,390	2,369,360	4,652,468	3,439,549	51,555,027
Total Liabilities and Fund Balances	\$ 57,750,511	\$ 14,912,238	\$ 3,988,660	\$ 4,971,329	\$ 3,553,434	\$ 85,176,172

See accompanying notes to the basic financial statements

La Plata County, Colorado
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Assets
December 31, 2009

Total Governmental Fund Balances		\$ 51,555,027
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources and therefore not reported in the funds. However, in the government-wide statement of net assets, the cost of these assets are capitalized and expensed over their estimated lives through annual depreciation expense.		
Cost of capital assets	\$ 156,868,359	
Less accumulated depreciation	<u>(49,917,748)</u>	106,950,611
Interfund receivables and payables between governmental funds are reported on the fund balance sheet but eliminated on the government-wide statement of net assets:		
Interfund receivables	\$ 246,472	
Interfund payables	<u>(246,472)</u>	-
The investment in the joint venture is not included at the fund level, but is reported on the government-wide statement of net assets.		17,046,240
An internal service fund is used by management to charge the costs of employee medical self-insurance and fleet management costs to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets.		
Non-capital assets	\$ 5,920,063	
Non-capital liabilities	<u>(447,727)</u>	5,472,336
Accrued interest on certificates of participation is not accrued at the fund level but is reported on the government-wide statement of net assets.		(5,792)
Liabilities that are not due and payable in the current period and therefore are not reported in the funds but are reported on the government-wide statement of net assets.		
Certificates of participation	\$ (2,165,000)	
Compensated absences	(1,289,725)	
Pollution remediation obligations	(3,525,000)	
Landfill closure and postclosure care costs	<u>(1,158,369)</u>	(8,138,094)
Net Assets Of Governmental Activities		<u><u>\$ 172,880,328</u></u>
See accompanying notes to the basic financial statements		

La Plata County, Colorado
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2009

	General	Road and Bridge	Social Services	Capital Projects	Other Governmental Funds	Total Governmental Funds
Revenues						
Taxes	\$ 36,798,743	\$ 2,114,123	\$ 1,268,774	\$ -	\$ 74,375	\$ 40,256,015
Intergovernmental	6,410,903	4,554,110	4,292,408	1,280,690	-	16,538,111
Licenses and permits	434,059	86,341	-	-	-	520,400
Charges for services	3,302,681	-	-	-	-	3,302,681
Investment earnings	500,171	-	-	-	6,709	506,880
Miscellaneous	693,678	813,467	300,605	-	2,475	1,810,225
Total Revenues	48,140,235	7,568,041	5,861,787	1,280,690	83,559	62,934,312
Expenditures						
Current:						
General government	10,576,949	-	-	-	52,720	10,629,669
Public safety	14,623,385	-	-	-	-	14,623,385
Auxiliary services	3,593,406	-	-	-	-	3,593,406
Public works	-	7,801,205	-	-	204,006	8,005,211
Health and welfare	-	-	5,532,693	-	-	5,532,693
Community programs	5,191,522	-	-	-	-	5,191,522
Capital Outlay	77,810	3,947,025	21,965	3,568,383	-	7,615,183
Debt Service:						
Principal retirement	-	-	-	-	385,000	385,000
Interest and fiscal charges	-	-	-	-	81,681	81,681
Agent fees	-	-	-	-	1,750	1,750
Total Expenditures	34,063,072	11,748,230	5,554,658	3,568,383	725,157	55,659,500
Excess (Deficiency) of Revenues Over (Under) Expenditures	14,077,163	(4,180,189)	307,129	(2,287,693)	(641,598)	7,274,812
Other Financing Sources (Uses)						
Transfers in	2,239,546	8,000,000	-	1,500,000	2,342,470	14,082,016
Transfers out	(11,832,470)	-	-	-	(2,249,546)	(14,082,016)
Total Other Financing Sources (Uses)	(9,592,924)	8,000,000	-	1,500,000	92,924	-
Net Change in Fund Balances	4,484,239	3,819,811	307,129	(787,693)	(548,674)	7,274,812
Fund Balances Beginning of Year	25,338,021	7,451,579	2,062,231	5,440,161	3,988,223	44,280,215
Fund Balances End of Year	\$ 29,822,260	\$ 11,271,390	\$ 2,369,360	\$ 4,652,468	\$ 3,439,549	\$ 51,555,027

See accompanying notes to the basic financial statements

La Plata County, Colorado
Reconciliation of the Governmental Funds Statement of Revenues
Expenditures and Changes in Fund Balances to the Statement of Activities
For the Year Ended December 31, 2009

Net Changes In Fund Balances - Total Governmental Funds		\$ 7,274,812
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures.		
However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount capital outlay exceeded depreciation expense in the current period.		
	Depreciation expense (excl internal svc funds)	\$ (4,487,534)
	Capital outlay (excl internal service funds)	<u>7,499,341</u>
		3,011,807
Governmental funds do not report the net cost of capital assets disposed of, but the cost is reported on the statement of activities		(3,610)
Internal service funds capital asset activity:		
	Depreciation expense	(886,631)
	Cash received from sales of assets	131,795
	Assets disposed-net of accum depreciation	<u>(87,312)</u>
		(842,148)
Governmental funds do not report the investment in the joint venture, however, the change is reported on the government-wide statement of activities		4,452,279
Transfers between governmental funds are reported on the governmental fund operating statement but eliminated on the government-wide statement of activities.		
	Transfers in	\$ 14,082,016
	Transfers out	<u>(14,082,016)</u>
		-
Interest expense 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.		
	Liability @ 12/31/09	\$ (5,792)
	Liability @ 12/31/08	<u>7,287</u>
		1,495
Internal service funds are used by management to charge the costs of fleet management and self insurance to individual funds. The net revenue of certain activities (excluding depreciation) of internal service funds is reported with governmental activities.		1,443,703
The (increase) decrease in pollution remediation obligations do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
	Liability @ 12/31/09	\$ (3,525,000)
	Liability @ 12/31/08	<u>587,610</u>
		(2,937,390)
The (increase) decrease in landfill closure and postclosure care costs do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
	Liability @ 12/31/09	\$ (1,158,369)
	Liability @ 12/31/08	<u>1,488,775</u>
		330,406
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.		
	Certificates of participation	385,000
Compensated absences 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.		
	Liability @ 12/31/09	\$ (1,289,725)
	Liability @ 12/31/08	<u>1,403,064</u>
		113,339
Change In Net Assets of Governmental Activities		<u>\$ 13,229,693</u>

See accompanying notes to the basic financial statements

La Plata County, Colorado
General Fund
Statement of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2009

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues				
Taxes	\$ 38,124,827	\$ 38,124,827	\$ 36,798,743	\$ (1,326,084)
Intergovernmental	4,019,280	4,712,908	6,410,903	1,697,995
Licenses and permits	607,500	607,500	434,059	(173,441)
Charges for services	2,913,150	2,913,150	3,302,681	389,531
Investment earnings	1,000,000	1,000,000	500,171	(499,829)
Miscellaneous	448,720	448,720	693,678	244,958
Total Revenues	<u>47,113,477</u>	<u>47,807,105</u>	<u>48,140,235</u>	<u>333,130</u>
Expenditures				
Current:				
General government	13,117,726	12,889,090	10,576,949	2,312,141
Public safety	15,810,987	15,817,487	14,623,385	1,194,102
Auxiliary services	4,124,600	4,124,600	3,593,406	553,588
Community programs	5,300,992	6,216,756	5,191,522	1,025,234
Total Current	<u>38,354,305</u>	<u>39,047,933</u>	<u>33,985,262</u>	<u>5,085,065</u>
Capital Outlay	<u>100,204</u>	<u>100,204</u>	<u>77,810</u>	<u>22,394</u>
Total Expenditures	<u>38,454,509</u>	<u>39,148,137</u>	<u>34,063,072</u>	<u>5,107,459</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>8,658,968</u>	<u>8,658,968</u>	<u>14,077,163</u>	<u>5,418,195</u>
Other Financing Sources (Uses)				
Transfers in	2,541,916	2,541,916	2,239,546	(302,370)
Transfers out	(12,017,998)	(12,017,998)	(11,832,470)	185,528
Total Other Financing Sources (Uses)	<u>(9,476,082)</u>	<u>(9,476,082)</u>	<u>(9,592,924)</u>	<u>(116,842)</u>
Net Change in Fund Balances	<u>\$ (817,114)</u>	<u>\$ (817,114)</u>	<u>4,484,239</u>	<u>\$ 5,301,353</u>
Fund Balances Beginning of Year			<u>25,338,021</u>	
Fund Balances End of Year			<u>\$ 29,822,260</u>	

See accompanying notes to the basic financial statements

La Plata County, Colorado
Road and Bridge Fund
Statement of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2009

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues				
Taxes	\$ 2,124,711	\$ 2,124,711	\$ 2,114,123	\$ (10,588)
Intergovernmental	4,514,113	4,514,113	4,554,110	39,997
Licenses and permits	60,000	60,000	86,341	26,341
Miscellaneous	729,405	1,367,041	813,467	(553,574)
Total Revenues	<u>7,428,229</u>	<u>8,065,865</u>	<u>7,568,041</u>	<u>(497,824)</u>
Expenditures				
Current:				
Public works	10,564,531	10,464,531	7,801,205	2,663,326
Capital Outlay	<u>7,250,500</u>	<u>7,988,136</u>	<u>3,947,025</u>	<u>4,041,111</u>
Total Expenditures	<u>17,815,031</u>	<u>18,452,667</u>	<u>11,748,230</u>	<u>4,041,111</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(10,386,802)</u>	<u>(10,386,802)</u>	<u>(4,180,189)</u>	<u>3,543,287</u>
Other Financing Sources (Uses)				
Transfers in	<u>8,000,000</u>	<u>8,000,000</u>	<u>8,000,000</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>8,000,000</u>	<u>8,000,000</u>	<u>8,000,000</u>	<u>-</u>
Net Change in Fund Balances	<u>\$ (2,386,802)</u>	<u>\$ (2,386,802)</u>	<u>3,819,811</u>	<u>\$ 3,543,287</u>
Fund Balances Beginning of Year			<u>7,451,579</u>	
Fund Balances End of Year			<u>\$ 11,271,390</u>	

See accompanying notes to the basic financial statements

La Plata County, Colorado
Social Services Fund
Statement of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2009

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues				
Taxes	\$ 1,234,019	\$ 1,234,019	\$ 1,268,774	\$ 34,755
Intergovernmental	6,666,359	6,666,359	4,292,408	(2,373,951)
Miscellaneous	-	-	300,605	300,605
Total Revenues	<u>7,900,378</u>	<u>7,900,378</u>	<u>5,861,787</u>	<u>(2,038,591)</u>
Expenditures				
Current:				
Health and welfare	7,925,232	7,925,232	5,532,693	2,392,539
Capital Outlay	<u>-</u>	<u>-</u>	<u>21,965</u>	<u>(21,965)</u>
Total Expenditures	<u>7,925,232</u>	<u>7,925,232</u>	<u>5,554,658</u>	<u>2,370,574</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(24,854)</u>	<u>(24,854)</u>	<u>307,129</u>	<u>353,948</u>
Net Change in Fund Balances	<u>\$ (24,854)</u>	<u>\$ (24,854)</u>	<u>307,129</u>	<u>\$ 353,948</u>
Fund Balances Beginning of Year			<u>2,062,231</u>	
Fund Balances End of Year			<u>\$ 2,369,360</u>	

See accompanying notes to the basic financial statements

La Plata County, Colorado
Statement of Net Assets
Internal Service Funds
December 31, 2009

	Governmental Activities - Internal Service Funds
Assets	
Current Assets:	
Equity in treasurer's cash and investments	\$ 5,786,967
Accounts receivable	4,574
Inventory	128,522
Total Current Assets	5,920,063
Noncurrent Assets:	
Capital Assets:	
Depreciable capital assets, net	7,066,099
Total Assets	\$ 12,986,162
Liabilities	
Current Liabilities:	
Accrued payroll	82,467
Accounts payable	16,714
Accrued claims payable	348,546
Total Current Liabilities	447,727
Net Assets	
Invested in capital assets	7,066,099
Unrestricted	5,472,336
Total Net Assets	\$ 12,538,435

See accompanying notes to the basic financial statements

La Plata County, Colorado
Statement of Revenues,
Expenses and Changes in Fund Net Assets
Internal Service Funds
For the Year Ended December 31, 2009

	Governmental Activities - Internal Service Funds
Operating Revenues	
Charges for services	\$ 2,688,024
Insurance deposits	2,422,062
Total Operating Revenues	5,110,086
Operating Expenses	
Equipment maintenance	1,017,855
Depreciation	886,631
Medical claims	2,656,372
Total Operating Expenses	4,560,858
Operating Income (Loss)	549,228
Non-Operating Revenues	
Gain (loss) on sale of capital assets	44,483
Investment earnings	7,844
Total Non-Operating Revenues (Expenses)	52,327
Change in Net Assets	601,555
Net Assets Beginning of Year	11,936,880
Net Assets End of Year	\$ 12,538,435

See accompanying notes to the basic financial statements

La Plata County, Colorado
Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2009

	Governmental Activities - Internal Service Funds
Increase (Decrease) in Cash and Cash Equivalents	
Cash Flows from Operating Activities	
Cash received from customers	\$ 5,112,260
Cash payments for goods and services	(1,011,153)
Cash payments for claims	(2,672,176)
Net Cash Provided by (Used in) Operating Activities	1,428,931
Cash Flows from Capital and Related Financing Activities	
Cash sales of capital assets	131,795
Payments for capital acquisitions	(939,276)
Net Cash Used in Capital and Related Financing Activities	(807,481)
Cash Flows from Investing Activities	
Investment earnings	7,844
Net Increase (Decrease) in Cash and Cash Equivalents	629,294
Cash and Cash Equivalents Beginning of Year	5,157,673
Cash and Cash Equivalents End of Year	\$ 5,786,967
 Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities	
Operating Income (Loss)	\$ 549,228
Adjustments:	
Depreciation	886,631
(Increase) Decrease in Assets:	
Accounts receivable	2,174
Inventory	(37,056)
Increase (Decrease) in Liabilities:	
Accounts payable	(24,114)
Accrued incurred/unreported claims	(15,804)
Accrued wages	67,872
Net Cash Provided by Operating Activities	\$ 1,428,931
Non-cash Investing, Capital and Financing Activities	\$ -

See accompanying notes to the basic financial statements

La Plata County, Colorado
Comparative Statement of Fiduciary Assets and Liabilities
Fiduciary Funds
December 31, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Assets		
Equity in treasurer's cash and investments	\$ 2,145,665	\$ 1,880,295
Liabilities		
Accounts payable	\$ 116,353	\$ 60,279
Due to component unit	249,649	298,617
Deposits held for others	1,779,663	1,521,399
Total Liabilities	\$ 2,145,665	\$ 1,880,295

See accompanying notes to the basic financial statements

La Plata County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

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La Plata County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

La Plata County, Colorado (the County) was formed in 1874 and operates under Colorado State Statutes as a statutory county. The County has a governing board of three elected Commissioners. The offices of Assessor, Clerk, Coroner, Sheriff, Surveyor and Treasurer also are elected positions. The County provides the following services as authorized by State Statutes: public safety (police and jail), transportation, health and social services, planning and protective inspections, property tax assessment, property tax collection and distribution, recording and election services, and other general and administrative services.

Note 1 - Summary of Significant Accounting Policies

The financial statements of the County have been prepared in conformity with accounting principles generally accepted in the United States of America as applicable to governmental entities. The County's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements. The County has implemented the provisions of GASB Statement 20 with regard to the application of Financial Accounting Standards Board (FASB) pronouncements to its proprietary funds. In accordance with the provisions of GASB Statement 20, the County has elected not to apply those FASB statements and interpretations issued after November 30, 1989. A summary of significant policies is as follows:

1-A. Reporting Entity

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

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

The County's component units are presented either as "blended" or "discretely presented." If blended, it is reported as if it were a fund of the County throughout the year. It is included at both the government-wide and fund financial reporting levels. Discretely presented component units are reported only at the government-wide financial reporting level.

The component unit columns included on the government-wide financial statements identify the financial data of the County's discretely presented component unit. They are reported separately to emphasize that they are legally separate from the County.

A brief description of the blended component units follows:

The ***Durango Hills Local Improvement District (the District)***, a legally separate entity from the County, is governed by a three-member board composed of the sitting County Commissioners. For financial statement reporting purposes, the Durango Hills Local Improvement District is blended because the District's governing body consists of the County Commissioners. The activities of the Durango Hills Local Improvement District are reported in the County's financial report as the special revenue fund, "Local Improvement District."

The financial data of the ***La Plata County Finance Authority (the Authority)*** is reported as part of the primary government because it is fiscally dependent upon the County and provides financing solely to the County. The

La Plata County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

Authority was incorporated as a nonprofit corporation in the State of Colorado in 2004. The purpose of the Authority is to facilitate financing for the County (see Note 3-H). Although the Authority is a separate legal entity, for financial reporting purposes it is considered part of the County and is reported in the La Plata County Finance Authority Debt Service Fund.

A brief description of the discretely presented component unit follows:

The ***Office of the District Attorney of the Sixth Judicial District (the DA)***, a legally separate entity from the County, is governed by a separately elected District Attorney; however the DA's budget is approved by the Boards of County Commissioners of La Plata, Archuleta and San Juan Counties. Since the County provides over 80% of the operational funding for the DA's activities, it is considered fiscally dependent upon the County. The DA does not issue separate financial statements, so the fund level statements for the District Attorney are presented in the County's report.

1-B. Basis of Presentation

The County's basic financial statements consist of government-wide statements, including a statement of net assets and a statement of activities and fund financial statements, which provide a more detailed level of financial information.

Government-wide Financial Statements - The government-wide financial statements include the statement of net assets and the statement of activities. These statements report financial information for the County as a whole. The primary government and the component units are presented separately within these financial statements with the focus on the primary government. Individual funds are not displayed but the statements distinguish governmental activities, generally supported by taxes and grants and County's general revenues, from business-type activities, generally financed in whole or in part with fees charged to external customers.

The statement of net assets presents the financial position of the governmental activities of the County and its discretely presented component unit at year-end.

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

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees and other charges to users of the County's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. For identifying to which function program revenue pertains, the determining factor for *charges for services* is which function *generates* the revenue. For *grants and contributions*, the determining factor is to which function the revenues are *restricted*.

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

Fund Financial Statements - During the year, the County segregates transactions related to certain County functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund

La Plata County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

financial statements are designed to present financial information of the County at this more detailed level. Fund financial statements are provided for governmental and proprietary funds.

Major individual governmental funds are reported in separate columns.

Fund Accounting - The County uses funds to maintain its financial records during the year. A fund is a fiscal and accounting entity with a self-balancing set of accounts. The County uses three categories of funds: governmental, proprietary and fiduciary.

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

The General Fund – The general fund accounts for all financial resources except those required to be accounted for in another fund. The general fund's fund balance is available to the County for any purpose provided it is expended or transferred according to the general laws of Colorado.

Road and Bridge Fund – State law requires Colorado counties to maintain this individual fund. This fund records costs related to County road and bridge construction and maintenance. By state law, a portion of the road and bridge property tax is allocated to cities and towns for use in their road and street activities.

Social Services Fund – State law requires Colorado counties to maintain this individual fund. This fund accounts for numerous state and federal public welfare programs that the County administers.

Capital Improvement Fund – Pursuant to a 1984 ballot measure that dedicates a portion of sales tax to capital improvement projects, the County established this fund in 1985. The expenditures are limited to continuing capital and major capital improvements determined by the Board of County Commissioners.

In addition, the County reports the following fund types:

Proprietary Funds - Proprietary fund reporting focuses on the determination of operating income, changes in net assets, financial position and cash flows. The County's only proprietary funds are internal service funds.

Internal Service Funds – the County's internal service funds are used to accumulate and account for the County's self-insurance program and vehicle/equipment maintenance and replacement. The two internal service funds are the **Employee Medical Self-Insurance Fund** and the **Capital Equipment Replacement Fund**.

Fiduciary Funds – Fiduciary fund reporting focuses on net assets. The County's fiduciary fund is an agency fund and is used by the La Plata County Treasurer to account for taxes collected for and remitted to other taxing entities.

Discretely Presented Component Unit – the Office of the District Attorney maintains four governmental funds, all reported as major funds. The following are descriptions of these funds:

La Plata County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

General Fund – The general fund accounts for all financial resources except those required to be accounted for in another fund.

Victim's Assistance Fund – This fund accounts for monies received from the State of Colorado and the State Court system to provide direct services and compensatory payments to victims of crime.

Federal Victim's Compensation Fund – This fund accounts for monies from the United States government to provide direct services and compensatory payments to victims of crime.

State Victim's Compensation Fund – This fund accounts for monies from the State of Colorado and the Colorado State Judicial system to provide services such as medical, legal and counseling services to victims of crime.

1-C. Measurement Focus

Government-wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the County are included on the statement of net assets. The statement of activities reports revenues and expenses.

Fund Financial Statements - All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliation with brief explanations to better identify the relationship between the government-wide statements and the governmental fund statements.

Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus on both financial reporting levels. All assets and all liabilities associated with the operation of these funds are included on the statements of net assets. The statements of changes in fund net assets present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the County finances and meets the cash flow needs of its proprietary activities.

1-D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. At the fund reporting level, the governmental funds use the modified accrual basis of accounting. Proprietary funds use the accrual basis of accounting at both reporting levels. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures. The agency fund reports its assets and liabilities on the accrual basis.

Revenues – Exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded when the exchange takes place and in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the County, the phrase “available for exchange transactions” means expected to be received within 60 days of year-end.

La Plata County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

Revenues - Non-exchange Transactions - Non-exchange transactions in which the County receives value without directly giving equal value in return, include sales taxes, property taxes, grants and donations. On an accrual basis, revenue from sales taxes is recognized in the period in which the tax collections are remitted by the collector to the collection agency. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied. (Note 3-C) Delinquent property taxes are considered fully collectible, since they are typically sold to investors if unpaid by the property owner or mortgage holder. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the County must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the County on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions also must be available (i.e., collected within 60 days) before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be susceptible to accrual: property taxes, sales taxes, interest and federal and state grants.

Deferred/Unearned Revenue - Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

On governmental fund financial statements (i.e., on the modified accrual basis), receivables that will not be collected within the available period have been reported as deferred revenue (i.e., they are measurable but not available) rather than as revenue. Property taxes that are due in the subsequent budget year are the largest element of deferred revenue.

Grants and entitlements received before the eligibility requirements are met (e.g., cash advances) also are recorded as deferred revenue.

Deferred revenue is reclassified as “*unearned revenue*” on the government-wide statement of net assets.

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. On the modified accrual basis, expenditures generally are recognized in the accounting period in which the related fund liability is incurred and due, if measurable.

1-E. Assets, Liabilities and Fund Equity

1-E-1 Cash, Cash Equivalents, and Investments

The County maintains a cash and investment pool that is available for use by all funds. Each fund type’s portion of this pool is displayed on statements of net assets or balance sheets as “Equity in treasurer’s cash and investments.”

Equity in Treasurer’s Cash and Investments - The County maintains centralized bank accounts to maximize investment yields. With the exception of certain restricted funds, the County pools all cash on an entity-wide basis for management and investment purposes. Investment earnings are attributed, with few exceptions, to the general fund regardless of the source of the funds. Exceptions are determined by law, intergovernmental agreements, official board action or management recommendation.

For the purposes of cash flow statements, cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the County. Equity in the pool has been treated the same as any other demand deposit or investment with a maturity of three months or less.

Investments are stated at fair value based on quoted market prices. Securities traded on a national exchange are valued at the last quoted sales price. Investments in governmental external investment pools are governed by Part 7

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of Article 75 of the Colorado Revised Statutes and are exempt from registration with the Securities and Exchange Commissioner. The pools operate like a mutual fund with each share valued at \$1. The State Securities Commissioner administers and enforces all State statutes governing the investment pools.

1-E-2 Receivables

All trade and property tax receivables are reported net of an allowance for uncollectibles, where applicable.

1-E-3 Interfund Balances

On the fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/interfund payables." These amounts are eliminated in the governmental and business-type activities columns of the statement of net assets, except for any net residual amounts due between governmental and business-type activities, which are reclassified and presented as internal balances.

1-E-4 Consumable Inventories

On the government-wide financial statements, inventories are presented on an average cost basis and are expensed when used (i.e., the consumption method).

On the fund financial statements, inventories of governmental funds are stated at an average cost basis. The cost of inventory items is recorded as an expenditure in the governmental fund types when consumed.

1-E-5 Restricted Assets

These assets primarily consist of cash being held in trust by the Department of Social Services for individuals totaling \$34,471 and La Plata County jail inmate commissary funds of \$77,922.

1-E-6 Capital Assets

General capital assets are those assets not specifically related to business-type activities. These assets generally result from expenditures in governmental funds. The County reports these assets in the governmental activities column of the government-wide statement of net assets but does not report these assets in the government fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The County maintains a capitalization threshold of five thousand dollars. Improvements to capital assets are capitalized, while the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed.

In 2007, the County hired an independent third party to complete a valuation of the County's infrastructure assets. They have provided the County with the estimated historical cost and accumulated depreciation of infrastructure assets, including such items as bridges, cattleguards, culverts, drainage and irrigation ditches, guardrails, retaining walls, roads and road signs, using County supplied inventories and by backtrending from current replacement cost. All reported capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the County's historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

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Estimated Lives by Asset Class	Governmental Activities	Discretely Presented Component Unit
Buildings	60 Years	---
Improvements	30 Years	---
Machinery and equipment	5 - 30 Years	5-15 Years
Infrastructure	20 - 60 Years	---

At the inception of capital leases at the governmental fund reporting level, expenditures and an “other financing source” of an equal amount are reported at the net present value of future minimum lease payments.

1-E-7 Compensated Absences

The County accrues a liability for compensated absences when the County's obligation relating to employees' rights to receive compensation for future absences is attributable to employees' services already rendered, when the obligation relates to rights that vest or accumulate, when payment of the compensation is probable and when the amount can be reasonably estimated. In accordance with these criteria, the County has accrued a liability for annual leave that has been earned but not taken by County employees.

All compensated absence liabilities include salary-related payments, where applicable.

The total compensated absence liability is reported on the government-wide financial statements. Governmental funds report the compensated absence liability at the fund reporting level only “*when due*.”

Proprietary Funds – Accumulated vested sick pay and vacation pay at December 31, 2009, for employees of the proprietary funds have not been accrued since they would not have a material effect on the financial statements.

1-E-8 Other Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the these funds. Certificates of participation, landfill closure and post-closure care costs and pollution remediation costs are recognized as a liability in the governmental fund financial statements when due.

1-E-9 Fund Equity

Fund equity at the governmental fund financial reporting level is classified as “fund balance.” Fund equity for all other reporting is classified as “net assets.”

Fund Balance – Generally, fund balance represents the difference between the current assets and current liabilities. The County reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent available, spendable resources and therefore are not available for appropriation or expenditure. Unreserved fund balance indicates that portion of fund balance that is available for appropriation in future periods.

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Net Assets - Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net assets are reported as unrestricted. It should be noted that while the "Investment in Joint Venture" is a component of unrestricted net assets, it does not represent available, spendable resources, since the dissolution of the airport joint venture is highly unlikely.

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

1-E-10 Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the County, these revenues are insurance deposits and internal charges for fleet maintenance and repair. Operating expenses are necessary costs incurred to provide the good or service that are the primary activity of each fund.

1-E-11 Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses section in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements (i.e., they are netted). Transfers between funds reported in the governmental activities column are eliminated.

1-E-12 Estimates

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

1-E-13 Comparative Data

Certain comparative data for the prior year have been presented to provide an understanding of the changes in the financial position and operations. This data is not included at the level of detail required for a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the County's financial statements for the year ended December 31, 2008, from which the data was derived. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

La Plata County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

Note 2 - Stewardship, Compliance and Accountability

2-A. Budgetary Information – The governmental fund budgets are adopted on a basis consistent with GAAP. Adopted budgets for internal service funds are presented on a non-GAAP basis. The nature and amount of the adjustments necessary to convert the actual GAAP data to the budgetary basis is included. Colorado State Statutes require the adoption of annual budgets for all funds, including proprietary funds.

The legal level of budgetary control (the level at which the Board of County Commissioners must approve any over expenditures of appropriations or transfers of appropriated amounts) is maintained at the fund level in all funds. For management purposes, line item budgets are grouped into departments, and departments are assigned to a “spending authority”, which is typically an elected official or department head. More than one department may be assigned to a spending authority. Management is able to amend the budget by transferring monies within the individual line items within a spending authority without seeking approval of the Board of County Commissioners. The Board of County Commissioners may, by resolution, transfer any unencumbered appropriation balance or portion thereof from one department, office or agency to another.

All unexpended annual appropriations lapse at year-end. All budgets are presented on a GAAP basis unless otherwise noted.

In accordance with state statute, the Board of County Commissioners may authorize supplemental expenditures during the year, but not in excess of the amount that actual revenues exceed budgeted revenues and unappropriated surplus for that fund. In the General, Road and Bridge and Capital Improvement funds, a budget contingency is appropriated from which funds can be transferred, with Board approval, for unanticipated expenditures. Several supplemental appropriations and budget contingency transfers were adopted during 2009.

Note 3 - Detailed Notes on All Funds

3-A. Deposits and Investments

Deposits – The Colorado Public Deposit Protection Act (CPDPA) requires that all units of local government deposit cash in eligible public depositories. Colorado statutes require that any public depository which accepts and holds public funds maintain, as security for public deposits accepted and held by it that are not insured by federal depository insurance, eligible collateral having a market value, at all times, equal to at least one hundred two percent of the amount of public deposits. Banking institutions are monitored by the State of Colorado Banking Commission and must report monthly on all public deposits held. Pledged collateral must be held in joint custody of the bank and the State of Colorado Banking Commission in accordance with the Public Deposit Protection Act in a safekeeping account held by a third party, usually the Federal Reserve Bank. The pledged collateral cannot be released unless approval is obtained by the banking commission. Savings and Loan institutions are monitored by the State of Colorado Commissioner of Savings and Loan Associations and must report quarterly on all public deposits held. The Colorado State Auditor has determined that there is no custodial credit risk for public deposits collateralized under the PDPA. The County’s formal investment policy provides that all banks and savings banks eligible to provide depository and other banking services must be a member of the FDIC and shall qualify as a depository of public funds as defined by Colorado State Statute.

On October 3, 2008, as part of the Economic Stabilization Act, Congress temporarily increased FDIC insurance from \$100,000 to \$250,000 per depositor.

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At year-end, the carrying amount of the County's deposits was \$4,680,140 and the bank balance was \$5,094,340. Of the bank balance, \$1,042,536 was covered by federal depository insurance and \$4,051,804 was uninsured but collateralized with securities held by a third party in the name of the CPDPA.

The carrying amount of deposits for the Office of the District Attorney of the Sixth Judicial District, a discretely presented component unit was \$421,844 and the bank balance was \$436,292. Of the bank balance, \$250,000 was covered by federal depository insurance and \$186,292 was uninsured but collateralized with securities held by a third party in the name of the CPDPA.

Credit Risk – The County's investment policy is to apply the prudent person rule where investments are made as a prudent person would be expected to act. The County's investment policy limits investments in fixed income securities to U.S. Treasury obligations; Federal instrumentality securities, limited to the following: Federal National Mortgage Association (FNMA), Federal Farm Credit Banks (FFCB), Federal Home Loan Banks (FHLB), and Federal Home Loan Mortgage Corporation (FHLMC); Corporate bonds (rated at least AA-/Aa2), Prime Commercial Paper (rated at least A-1+/P-1/F-1+); Certificates of Deposit; Commercial Paper (rated at least A+/A1/A+), eligible bankers acceptances; repurchase agreements; local government investment pools authorized under C.R.S. 24-75-701 and C.R.S. 30-10-708(4), money market mutual load funds registered under the Investment Company Act of 1940; and non-negotiable certificates of deposit.

As of December 31, 2009, the County's investments in local government investment pools (COLOTRUST) were rated AAA by Standard & Poor's. To obtain financial statements for COLOTRUST, you may visit their website at www.colotrust.com.

Interest rate risk is the risk that fair value losses will arise resulting from increasing interest rates. The County's formal investment policy provides that investments shall be limited to maturities not exceeding five years from the date of purchase. Further, it provides that the County shall maintain at least 25 percent of its total investment portfolio in instruments maturing in 120 days or less.

Concentration of credit risk. The County's formal investment policy places no limit on the amount the County may invest in any one issuer.

Foreign currency risk. The County does not invest in any foreign investments.

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As of December 31, 2009, the County's investments were as follows:

	Weighted Avg Mkt Dur (Yrs)	S&P/ Moody Rating	% of Portfolio	Fair Value/ Carrying Amount
Local government investment pool-ColoTrust Prime	-	AAA/Aaa	33.54	\$ 17,522,324
Local government investment pool-ColoTrust Plus	-	AAA/Aaa	29.60	15,468,152
Money market investment--First American Gov Obl	-	AAAm/none	0.83	431,980
Federal National Mortgage Association (FNMA)	1.04	AAA/Aaa	15.34	8,016,993
Federal Home Loan Bank (FHLB)	2.63	AAA/Aaa	12.81	6,692,860
Federal Home Loan Mortgage Corporation (FHLMC)	0.97	AAA/Aaa	3.83	2,002,794
Federal Farm Credit Bank (FFCB)	2.49	AAA/Aaa	2.07	1,081,471
United States Treasury notes	1.25	AAA/Aaa	0.99	518,301
Corporate--GE Capital	0.33	AA-/Aa2	0.99	517,073
Total			100.00	\$ 52,251,948

Cash & Investment Reconciliation:

Description	Carrying Amounts		Cash and Cash Equivalents
Cash on hand	\$ 129,122	From Statement of Net Assets:	
Deposits	4,680,140	Cash & Cash Deposits	\$ 259,580
Investments	52,251,948	Equity in treasurer's cash and investments	54,149,616
Other Receivable	37,920	Cash held by Trustee	112,393
Interest Receivable	104	Restricted cash and investments	431,980
Total	<u>\$ 57,099,234</u>	From Statement of Fiduciary Assets and Liabilities	<u>2,145,665</u>
		Total	<u>\$ 57,099,234</u>

3-B. Receivables

Receivables at December 31, 2009, consisted of taxes, interest, accounts (billings for user charges) and intergovernmental receivables arising from grants.

Receivables and payables are recorded on the County's financial statements to the extent that the amounts are determined to be material and substantiated not only by supporting documentation, but also by a reasonable, systematic method of determining their existence, completeness, valuation, and in the case of receivables, collectibility.

3-C. Property Taxes

Property taxes attach as an enforceable lien on property as of December 31 and are levied on January 1 of the following year. Taxes are payable either in two installments due on February 28 and June 15, or in full on April 30. The County, through the La Plata County Treasurer, bills and collects its own property taxes as well as property taxes of all other taxing authorities within the County.

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3-D. Capital Assets

Capital asset activity for governmental activities (including internal service funds) for the year ended December 31, 2009, was as follows:

	Balance 1/1/2009	Reclassifications	Additions	Deletions	Balance 12/31/2009
Governmental activities:					
Capital assets not being depreciated:					
Land	\$ 5,752,658	\$ -	\$ 971,647	\$ -	\$ 6,724,305
Construction in progress	15,550,861	(15,365,501)		-	185,360
Total capital assets not being depreciated	21,303,519	(15,365,501)	971,647	-	6,909,665
Depreciable capital assets:					
Buildings	30,335,950	15,365,501	2,045,339		47,746,790
Improvements	8,998,238		22,833		9,021,071
Machinery and equipment	14,254,752		1,755,547	700,530	15,309,769
Infrastructure	74,237,813	-	3,643,251	-	77,881,064
Total depreciable capital assets	127,826,753	15,365,501	7,466,970	700,530	149,958,694
Total capital assets	149,130,272	-	8,438,617	700,530	156,868,359
Accumulated depreciation:					
Buildings	6,294,436		881,387		7,175,823
Improvements	1,178,114		314,752		1,492,866
Machinery and equipment	5,729,129		1,236,448	609,608	6,355,969
Infrastructure	31,951,512	-	2,941,578	-	34,893,090
Total accumulated depreciation	45,153,191	-	5,374,165	609,608	49,917,748
Governmental activities capital assets, net	\$ 103,977,081	\$ -	\$ 3,064,452	\$ 90,922	\$ 106,950,611

Governmental activities depreciation expense

	Total
General government	\$ 617,228
Public safety	669,476
Auxiliary services	400,772
Public works	3,664,405
Health and welfare	22,284
Total governmental activities depreciation expense	\$ 5,374,165

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Notes to the Basic Financial Statements
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Note 3-D. Capital Assets (Continued)

The following are the changes in capital asset activity in discretely presented component units for the year ended December 31, 2009

	Balance 1/1/2009	Additions	Deductions	Balance 12/31/2009
Depreciable capital assets:				
Improvements	\$ 23,334	\$ -	\$ -	\$ 23,334
Machinery and equipment	150,388	-	-	150,388
Less accumulated depreciation	(87,027)	(23,743)	-	(110,770)
Component units capital assets, net	<u>\$ 86,695</u>	<u>\$ (23,743)</u>	<u>\$ -</u>	<u>\$ 62,952</u>

3-E. Interfund Balances and Transfers

Interfund balances at December 31, 2009, consisted of the following amounts and represent charges for services or reimbursable expenses. These remaining balances resulted from the time lag between the dates that (1) interfund goods or services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting period, and (3) payments between funds are made. The County expects to repay all interfund balances within one year.

Payable to:	Payable from:		
	General fund	Social Services Fund	Total
General fund	\$ -	\$ 115,601	\$ 115,601
Non-major governmental funds	130,871	-	130,871
Total	<u>\$ 130,871</u>	<u>\$ 115,601</u>	<u>\$ 246,472</u>

Interfund transfers for the year ended December 31, 2009, consisted of the following:

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Transfer to	Tranfers From:		Total
	General fund	Non-major governmental fund	
General fund	\$ -	\$ 2,239,546	\$ 2,239,546
Road and bridge fund	8,000,000	-	8,000,000
Capital projects fund	1,500,000	-	1,500,000
Non-major governmental funds	2,332,470	10,000	2,342,470
Totals	<u>\$ 11,832,470</u>	<u>\$ 2,249,546</u>	<u>\$ 14,082,016</u>

Transfers are used to report revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to segregate money for anticipated capital projects; to provide additional resources for current operations or debt service; and to return money to the fund from which it was originally provided once a project is completed.

All County transfers either occur on a regular basis or are consistent with the purpose of the fund making the transfer.

3-F. Current Liabilities

DIA Defaults. As part of the County's land use development regulations, developers are required to provide financial security for the cost of installing necessary infrastructure and improvements for their development projects. Once the improvements have been completed and inspected, the financial security is released. In 2009, several large private development projects did not complete the required infrastructure and improvements and the County declared the developer in default and collected the proceeds of the financial security. The monies are being held so that the County can contract to have the infrastructure and improvements installed.

La Plata County, Colorado
Notes to the Basic Financial Statements
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3-G. Long-Term Debt

Changes in Long-term Debt - Changes in the County's long-term obligations consisted of the following for the year ended December 31, 2009:

	Outstanding 1/1/2009	Additions	Reductions	Outstanding 12/31/2009	Amounts Due in One Year
Governmental Activities					
Certificates of Participation	\$ 2,550,000	\$ -	\$ 385,000	\$ 2,165,000	\$ 400,000
Compensated Absences	1,403,064	1,927,860	2,041,200	1,289,724	322,431
Pollution remediation obligations	587,610	3,240,000	302,610	3,525,000	285,000
Landfill closure and postclosure care costs	1,488,775	-	330,406	1,158,369	239,869
Total Governmental Activities	<u>\$ 6,029,449</u>	<u>\$ 5,167,860</u>	<u>\$ 3,059,216</u>	<u>\$ 8,138,093</u>	<u>\$ 1,247,300</u>
Component Unit:					
Compensated absences	<u>\$ 57,655</u>	<u>\$ 66,196</u>	<u>\$ 55,631</u>	<u>\$ 68,220</u>	<u>\$ 17,055</u>

The certificates of participation will be paid in the form of annual base rentals paid by the County's governmental funds. The compensated absences liability will be paid from the fund from which the employees' salaries are paid. The County has filed a lawsuit to recover the costs associated with the pollution remediation from a third party (see Note 3-J below); if the lawsuit is not successful, the pollution remediation costs will be paid for by general revenues. The landfill closure and postclosure care liability is being retired by the landfill closure special revenue fund.

3-H. 2004 La Plata County Finance Authority Certificates of Participation - \$3,985,000 Series 2004 Certificates of Participations, proceeds used to acquire and renovate a downtown Durango office building, the Old Main Post Office (OMPO). Immediately subsequent to the purchase, the Finance Authority entered into a lease-purchase agreement with La Plata County for the OMPO. The OMPO is being used as office space for County and District Attorney staff.

Interest rates on the Certificates of Participation (COPs) range from 2.00% to 3.750%. Funding is to be provided for by base rentals paid by the County to the Authority. Annual debt service requirements to amortize all obligations as of December 31, 2009 follow:

Year	Principal	Interest	Total
2010	\$ 400,000	\$ 69,506	\$ 469,506
2011	415,000	56,103	471,103
2012	430,000	41,575	471,575
2013	450,000	25,837	475,837
2014	470,000	8,813	478,813
	<u>\$ 2,165,000</u>	<u>\$ 201,834</u>	<u>\$ 2,366,834</u>

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3-H. 2004 La Plata County Finance Authority Certificates of Participation (Continued)

A schedule, by years, of future minimum lease payments under the lease agreement, together with the present value of the net minimum lease payments as of December 31, 2009 follows:

<u>Year</u>	<u>Facility Lease</u>
2010	\$ 469,506
2011	471,103
2012	471,575
2013	475,837
2014	478,813
Total minimum lease payments	2,366,834
Less amounts representing interest	201,834
Present value of minimum lease payments	<u>\$ 2,165,000</u>

Because the Finance Authority is considered part of the primary government of the County, the capital assets and long-term obligations arising from the capital lease transaction are not reported in the individual fund statements, but are reported as governmental activities in the government-wide financial statements.

3-I. Compensated Absences

County employees accumulate four hours of sick leave per pay period and eight to eleven hours of annual leave (which includes holiday pay) per pay period, depending on length of service. In the event of retirement or termination, an employee is paid 100% of accumulated annual leave. Upon retirement only, an employee is paid 25% of accumulated sick leave. Career status employees may convert sick leave to annual leave on a four to one ratio after more than 720 hours of sick leave have been accumulated. Annual leave may be carried over from one year to the next, although it may not exceed the annual leave cap amount, which varies from 200 hours to 320 hours, depending upon the number of years of service. County policy allows individuals to receive cash compensation in lieu of leave in some cases. For purposes of reporting compensated absences payable, only accrued annual leave and associated payroll costs have been accrued.

3-J. Pollution Investigation and Remediation

The County owns property (the County jail site) that has been environmentally contaminated by prior owners who may ultimately be held responsible for the costs of mitigating any environmental issues in accordance with State and Federal laws. The County has hired consultants to evaluate the nature and extent of contamination, including the performance of site assessments and site investigations, with the goals of assessing the nature and extent of contamination and designing remediation plans, if necessary. Additionally, the County has hired special environmental legal counsel to assist in the investigation of the nature and extent of contamination and to separately evaluate the potential of cost recovery from private parties and third-party insurers.

Management has estimated that the possibility of future payments relative to pre-cleanup activities at the jail site that are material to the financial statements as being probable, in the amount of \$285,000. Additionally, a consultant hired by the County has developed several alternate remedial/corrective action plans to address environmental contamination of the jail site, ranging from in-situ chemical oxidation of soils exceeding acceptable levels to complete removal of all contaminated soils. The consultant estimates that the cost for implementation of

La Plata County, Colorado
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remedial/corrective actions is likely to have a present value of \$3,240,000, but could be as low as \$2,014,000 or as high as \$6,000,000, depending upon the option selected and the long-term monitoring costs associated with the selected option. Accordingly, the County has recorded a liability in the government wide statements for pre-cleanup activities in the amount of \$285,000 and for remedial/corrective actions in the amount of \$3,240,000.

The estimated total current cost of pollution investigation pre-cleanup and cleanup/remediation activities of \$3,525,000 is based on the amount that would be paid if all of the equipment, facilities, and services required to complete the known pollution investigation and remedial/corrective actions were acquired as of December 31, 2009. However, the actual cost of pollution investigation may be higher or lower due to inflation, changes in technology, or changes in laws and regulations, and if further studies establish that the scope of the required investigation or cleanup is greater than is known at this time. Any future inflation costs and additional costs of investigation and remediation, if any, that might arise from changes in pollution investigation, compliance, and remediation requirements (due to changes in technology or more rigorous regulations, or the need for active remediation for example) may need to be covered by charges to future taxpayers.

In 2008, the County filed a lawsuit (US District Court, District of Colorado, civil action #08-cv-00855-LTB-KMT) against Brown Retail Group, Inc. et al., the former owner of the property, seeking reimbursement of the cost of pre-cleanup investigation, cleanup at the jail site, long-term environmental monitoring and associated legal fees. In 2009, the County expended approximately \$630,000 in litigation costs, and estimates an additional \$750,000 in litigation costs in 2010. These costs are shown as a current expenditure in the General Fund, County Attorney's budget. Per the guidance of GASB-49, these litigation costs are not included as part of the liability accrual for pollution remediation.

The information and estimates in this note (3-J) do not apply to the County's ongoing liability related to closed landfills. Note 3-K (below) includes information related to the County's responsibility for landfill closure and postclosure care costs

Note 3-K. Landfill Closure and Postclosure Care Costs

State and federal laws and regulations require that the County place a final cover on its landfills when closed and perform certain maintenance and monitoring functions at the landfill sites for thirty years after closure. In addition to operating expenditures related to current activities of the landfills, an expense provision and related liability (reported at the government-wide financial reporting level) are being recognized based on the estimated future closure and postclosure care costs that will be incurred near or after the date the landfills no longer accept waste. The estimated liability for landfill closure and postclosure care costs has a balance of \$1,158,369 as of December 31, 2009, which is based on the following assumptions:

Landfill Sites	Estimated Closure and Postclosure Care Costs	Percent Filled	Calculated Liability
Tiffany	\$ 4,500	100%	\$ 4,500
Marvel	4,500	100%	4,500
Gun Club	4,500	100%	4,500
Durango	347,869	100%	347,869
Bayfield	797,000	100%	797,000
Totals	\$ 1,158,369		\$ 1,158,369

La Plata County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

The estimated total current cost of the landfill closure and postclosure care of \$1,158,369 is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfill were acquired as of December 31, 2009. However, the actual cost of closure and postclosure care may be higher or lower due to inflation, changes in technology, or changes in landfill laws and regulations. Any future inflation costs and additional costs that might arise from changes in postclosure requirements (due to changes in technology or more rigorous environmental regulations, for example) may need to be covered by charges to future taxpayers.

The Tiffany, Marvel, Gun Club and Durango landfills were all closed prior to January 11, 1992, and the Bayfield landfill was closed in April 1994. The County is not currently operating, nor does it intend to operate in the future, landfills.

3-L. Conduit Debt

In November of 2001, the County participated in the refunding of the previously issued Recreational Facilities Refunding Revenue Bonds (Durango Ski Corporation Project) Series 1989A and the Taxable Mortgage Revenue Bonds (Purgatory Ski Area Project) Series 1989B for the purpose of financing Purgatory Ski Corporation expansion and development. The proceeds of the bonds were loaned to Durango Mountain Resort Project, Inc. pursuant to a loan agreement. The agreement requires the Project to repay the loan in monthly installments in amounts corresponding to the principal and interest payments as the same become due on the bonds. In February 2010, the bonds were advance refunded by Durango Mountain Resort via issuance of new debt that did not involve La Plata County. As part of the advance refunding, moneys were deposited into the bond fund created pursuant to the indenture and irrevocably pledged to pay the principal of and interest on the bonds on March 12, 2010 in order to defease the bonds in a "full cash defeasance." Accordingly, as of March 12, 2010, the bonds are considered to be fully defeased and will no longer be deemed outstanding. The amount outstanding at 12/31/2009 is \$8,845,000.

In 1991, La Plata County participated in the refunding of the previously issued Southwestern Colorado Single Family Mortgage Participation Revenue Bonds, Series 1979. The 1979 bonds were issued to finance the purchase of certain mortgage loans made by qualified lending institutions in Archuleta, La Plata, Montezuma, Montrose, Ouray and San Miguel Counties to finance residential facilities intended for use as the place of residence by persons of low and moderate income. The 1991 Bonds were issued in the amount of \$7,175,000 and are secured by Mortgage Loans. The bonds were payable in installments due in 2000, 2004 & 2011. The amount outstanding at 12/31/2009 is \$3,780,000.

In 1986, the County participated in the issuance of \$1,900,000 in Amoco Adjustable-Rate Pollution Control Revenue Bonds. The bonds were authorized under federal industrial development revenue bond regulations and were intended to facilitate the acquisition and construction of a salt water disposal system in conjunction with the Ignacio coal degasification facility operated by Amoco. The proceeds of the bonds were loaned to Amoco pursuant to a loan agreement. The agreement requires the Project to repay the loan in installments as principal and interest payments become due. The terms of the agreement provide that the bonds will be paid in 2016.

None of these bonds are a debt, indebtedness, or multiple fiscal year direct or indirect debt or other financial obligation of the County, or charge against its general credit or taxing power. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. The principal amount outstanding for all series of bonds at December 31, 2009 is \$14,525,000.

3-M. Lease Obligations

On November 21, 2005, the County entered into a lease agreement as lessee with Southwest Colorado Mental Health Center, Inc. (SWCMHC) for a one-acre parcel of land in the Three Springs development area. The lease agreement

La Plata County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

was done to facilitate the construction of a mental health facility by the County on property owned by SWCMHC. The County was recipient of an energy impact grant from the State of Colorado to provide construction funding in the amount of \$1,500,000 for the Crossroads Mental Health Center. Total construction cost was approximately \$2,800,000 and the balance of the funding came from fundraising efforts of SWCMHC. Terms of the grant agreement require that the County hold title to the property for 10 years. The term of the ground lease is for 10 years and requires an annual lease payment of \$10. Upon completion of the facility, the County and SWCMHC entered into a facility lease agreement with the County as lessor and SWCMHC as lessee for the term of 10 years and an annual lease payment of \$10. At the conclusion of the facility lease, if SWCMHC remains a tenant in good standing, title to the Crossroads facility will revert to SWCMHC without further compensation. As such, the construction of the Crossroads facility did not meet the County's criteria for capitalization and is not being depreciated.

Lease with Related Party - On February 20, 2009, the County entered into an operating lease with Broken Bands, LLC for rental of 1,395 square feet of office space. Broken Bands, LLC is a privately held limited liability corporation, for which the La Plata County Attorney, an executive-level County employee, is a principal. The lease extends through March 31, 2012 and provides for optional renewals after the initial term. The annual rent is \$35,628 for the initial period of 4/1/2009 through 3/31/2010, \$36,697 for the period of 4/1/2010 through 3/31/2011, and \$37,798 for the period 4/1/2011 through 3/31/2012, for a total of \$110,123. The County is responsible for taxes, maintenance, utilities, and common area maintenance charges.

3-N. Pensions

The County provides pension benefits for its full-time employees through an agent multi-employer public retirement system, the Colorado County Officials and Employee Retirement Association (CCOERA) a defined contribution plan. The Retirement Plan was adopted according to section 401(a) of the Internal Revenue Code, and is also referred to as a Defined Contribution Money Purchase Pension Plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. La Plata County's contributions to the plan are defined by an agreement between CCOERA and La Plata County. Pursuant to the terms of the agreement, employees are required to participate from date of hire, and the employee and employer contribution percentages are equal and vary based upon length of service from 5% to 8%. The County's contributions for each employee (and interest allocated to the employee's account) are fully vested after five years of continuous plan participation. The participants in this plan are offered various investment options through the plan and are allowed to invest all monies in their account, at their own discretion, among the options. Contributions for, and interest forfeited by, employees who leave employment before five years of service are used to reduce current contribution requirements. Ten year historical trend information about the plan is available in a separately issued financial report available through CCOERA at www.ccoera.org.

The County's total payroll in calendar 2009 was \$20,410,853. The County's contributions to CCOERA were calculated using the CCOERA eligible payroll amount of \$19,068,678. Both the County and the covered employees made the required contributions, amounting to \$1,178,397 from the County and \$1,178,397 from employees, or \$2,356,794 total.

Employees of the District Attorney's office are also enrolled in CCOERA, with the exception of the District Attorney himself, who is a participant in the State's Public Employee's Retirement Association (PERA). The amount of CCOERA covered payroll for the District Attorney's office was \$1,155,960, and the employees and District Attorney's office both made the required contributions of \$64,228, or \$128,456 in total. The amount of the District Attorney's office contribution to PERA was \$12,324 and \$7,613 was contributed by the District Attorney via payroll deduction.

La Plata County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

3- O. Fund Balances

The County records reserves to indicate that a portion of the fund balance is legally segregated for a specific future use. Following is a list of significant reserves used by the County and a description of each:

Reserve for Inventory - used to segregate that portion of fund balance represented by inventories of consumable supplies and materials.

Reserve for Emergencies - a reserve for declared emergencies. On November 3, 1992, Colorado voters approved an amendment to the State Constitution known as the Taxpayer's Bill of Rights (TABOR). The amendment is a tax limitation, revenue and spending limitation and a debt limitation. This amendment requires that the County reserve a certain percentage of its fiscal year spending, as defined in the amendment, for declared emergencies. Emergency, as defined in the amendment, excludes economic conditions, revenue shortfalls or salary or fringe benefits increases. For 2009, the amount of fiscal year spending to be reserved is three percent of non-federal revenues. Unused reserves carry over to subsequent years. The County carries its emergency reserve, as required and defined in TABOR, in the special revenue fund "emergency reserve fund."

Reserve for Program Purposes - used to segregate that portion of fund balance restricted specifically for lawful purposes of the particular fund.

Reserve for Road Improvements – the County collects road impact fees as part of the development approval process. State law requires that these funds be segregated and used solely to offset the costs of that development. The road impact fees are deposited into the Road and Bridge fund, tracked by improvement area, and are reported as a reservation of the fund balance. The reservation of fund balance is also adjusted by interest allocation.

Reserve for Capital Improvements - used to segregate that portion of fund balance restricted for acquisition of capital improvements.

Reserve Debt Service - used to segregate a portion of fund balance for debt service resources legally restricted to the payment of long-term debt principal and interest amounts maturing in future years.

Note 4 - Risk Management

Medical Claims - In 1984, the County began a self-insurance program for medical claims. The purpose of the program is to pay medical claims of County employees and their covered dependents and minimize annual medical insurance costs to the County. The claims are funded through payroll withholdings from employees and County matching funds. The County contracts with Anthem/Blue Cross and Delta Dental for third-party administration services for medical and dental plans, respectively. Medical claims exceeding \$65,000 per covered individual or 120% of the annual contributions for the group are covered by stop loss coverage provided through Anthem. The County does not report excess insurance risks as liabilities unless it is probable that those risks will not be covered by the excess insurance. There were no material changes in insurance coverage, and there were no settlements in excess of insurance coverage for the last three fiscal years.

The claims liability of \$348,544 reported in the employee medical self insurance fund represents the amount due to the County's third party administrators at 12/31/2009 for the 2009 claims year.

County Workers' Compensation Pool - The County is exposed to various risks of loss related to injuries of employees while on the job. In 1985, the County joined together with other Counties in the State of Colorado to form the County Workers' Compensation Pool (CWCP), a public entity risk pool currently operating as a common risk management and insurance program for member counties. The County pays an annual contribution to CWCP for its workers' compensation insurance coverage. The intergovernmental agreement of formation of CWCP provides that

La Plata County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

the pool will be financially self-sustaining through member contributions and additional assessments, if necessary, and the Pool will purchase excess insurance through commercial companies for members' claims in excess of a specified self-insured retention, which is determined each policy year.

Colorado Counties Casualty and Property Pool - The County is exposed to various risks of loss related to liability, property and casualty losses. In 1986 the County joined together with other counties in the State of Colorado to form the Colorado Counties Casualty and Property Pool (CAPP), a public entity risk pool currently operating as a common risk management and insurance program for member counties. The County pays an annual contribution to CAPP for its liability, property and casualty insurance coverage. The intergovernmental agreement of formation of CAPP provides that the pool will be financially self-sustaining through member contributions and additional assessments, if necessary, and the Pool will purchase excess insurance through commercial companies for members' claims in excess of a specified self-insured retention, which is determined each policy year.

For both the CWCP and CAPP pools, losses incurred in excess of loss funds and amounts recoverable from excess insurance are direct liabilities of the participating members. Both pools have indicated the amount of any excess losses would be billed to members in proportion to their contributions in the year such excess occurs. There also exists the potential for return of contributions should the results of pool operations result in surpluses in excess of those required by State law and the bylaws of the pools. Any refunds of excess contributions are used to reduce the current year contribution. As such, the contributions to both pools have been reported as expenditures or expenses. Separately issued financial reports for both pools are available by contacting the administrative agent, County Technical Services, Inc. at their headquarters in Denver, Colorado or at www.ctsi.org. There were no material reductions in insurance coverages provided to La Plata County, nor were there any settlements on behalf of La Plata County in excess of insurance coverage for the last three fiscal years.

Note 5 - Contingent Liabilities

Grant Programs - The County has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designee. The primary programs include Community Development Block Grants, Colorado Department of Human Services programs, and Colorado Department of Local Affairs grants. These audits could result in a request for reimbursement to the grantor agency for costs disallowed under terms of the grant. Based on prior experience, the County believes such disallowances, if any, will be immaterial.

An audit in accordance with the Federal Single Audit Act of 1984 was conducted for the calendar year 2009, but state agencies may still examine individual state programs. Pending the resolution of the findings and questioned costs of such audits, the amount, if any, of disallowed expenditures cannot be determined.

LaPlata County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

Energy Impact Assistance Funds/Gaming Funds - The County has entered into contracts with the Colorado Department of Local Affairs for the expenditure of Energy and Mineral Impact Assistance grant funds (EIAF) and for the expenditure of Local Government Gaming Impact Funds (LGIF). A summary of these commitments is presented below:

Grant	Period	Grant Funds	County Funds	Description
EIAF #5884	09/21/2007--09/30/2009	\$ 500,000	\$ 581,000	R&B Equipment and Improvements
EIAF #5967	12/27/2007--12/31/2009	500,000	650,000	CR 141 Bridge/Intersection Improvements
EIAF #6463	03/26/2009--06/30/2012	703,000	147,500	New Energy Communities
EIAF #6602	06/23/2009--11/30/2010	400,000	703,000	CR 527 Bridge Replacement
EIAF #6629	08/05/2009--10/31/2010	195,000	260,000	Planning--Courthouse Facilities
EIAF #6630	08/05/2009--10/31/2010	130,000	130,000	Planning--State Land Board Property
EIAF #6859	01/01/2010--12/31/2011	35,000	49,158	Administrative intern
LGIF #08-601	12/31/2008--12/31/2010	300,000	300,000	CR 309 Intersection Improvements
Totals		<u>2,763,000</u>	<u>2,820,658</u>	

Legal Issues -- The County was a defendant in several lawsuits at December 31, 2009. In the opinion of the County attorney and County management, the outcome of these contingencies will not have a material effect on the financial position of the County.

Contractual Commitments - The County has entered into certain long-term contracts with various parties in order to provide services to residents of the County. A summary of those significant contracts follows:

Humane Society Operations – In 1993 the County and the La Plata County Humane Society entered into an agreement in which the Humane Society provides animal control services in the County and the County contributes toward the costs of services provided. The agreement provides for ongoing renewals and requires a year advance notice to cancel. For 2009, the amount of funding provided pursuant to the agreement was \$170,656.

Insurance Pools – As indicated above, the County is a member of the Colorado Counties Worker's Compensation Pool and Colorado Counties Casualty and Property Pool for purposes of insurance coverage. These pools have a legal obligation for claims against their members to the extent that funds are available in its annually established loss fund and amounts are available from insurance providers under excess specific and aggregate insurance contracts. Losses incurred in excess of loss funds and amounts recoverable from excess insurance contracts are direct liabilities of their participating members. Ultimate liability to the County resulting from claims not covered by these insurance pools is not presently determinable.

Commitment to Purchase Property – The County has entered into real estate purchase agreements for the purchase of two properties located in downtown Durango, across the street from the current County Courthouse. The contracted purchase price for property "A" is \$950,000 and the anticipated closing date is March 11, 2011. The County has placed \$19,000 in earnest payment in escrow, and the balance of \$931,000 will be paid at closing. The contracted purchase price for property "B" is \$417,000 and the anticipated closing date is December 18, 2011. The County has placed \$8,340 in escrow, and the balance of \$408,660 will be paid at closing. The County intends to use both properties to expand County facilities.

Note 6 - Joint Venture

The County is a participant with the City of Durango (the City) in a joint venture to operate the Durango-La Plata County Airport. Pursuant to an intergovernmental agreement, the Airport Commission was created. The commission consists of six members, three of which are appointed by the Board of County Commissioners. The airport manager is employed by the concurrent action of the City Council and the Board of County Commissioners. The County and the City each have a 50 percent interest in all airport property. Per a 2002 agreement, fiscal administration of the airport was delegated to the City.

LaPlata County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

The County's equity interest in the Durango-La Plata County Airport was \$17,046,240 at December 31, 2009. Complete financial statements for the airport operations can be found in the joint venture's separately issued financial statements for the year ended December 31, 2009, and may be obtained by contacting the management of the Durango-La Plata County Airport at 1000 Airport Road, Durango, Colorado, 81303 or via telephone at 970-247-8143.

Note 7 - Tax, Spending and Debt Limitations

In 1992 Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments. The Amendment, also known as TABOR (Taxpayers Bill of Rights), is complex and subject to judicial interpretation. The County believes it is in compliance with the requirements of the amendment. However, the County has made certain interpretations of the amendment's language in order to determine its compliance. The Colorado Revised Statutes, 29-1-301, also include an annual property tax growth limitation of 5.5%.

At the November 5, 2002 general election, the voters authorized the County to collect and retain all revenues received during the period beginning January 1, 2003 and extending forward through perpetuity which exceed both the TABOR amendment and C.R.S. 29-1-301.

Note 8 - Schedule of Expenditures of Federal Awards

The County, pursuant to the requirements of the Single Audit Act Amendments of 1996 and the US Office of Management and Budget Circular A-133, prepares a "Schedule of Expenditures of Federal Awards". This schedule is prepared on a basis inconsistent with the County's financial statements. Specifically, the "Schedule of Expenditures of Federal Awards" includes health and welfare payments made through the mechanism of Electronic Benefit Transactions (EBT), whereas the financial statements exclude these EBT transactions. Additionally, the financial statements differentiate between the County (primary government) and its discretely reported components units (the reporting entity), while the "Schedule of Expenditures of Federal Awards" consolidates all expenditures of federal awards within the reporting entity. Although in most cases federal awards are received on a reimbursement basis, in a few specific cases funds may be received and held in reserve for future allowable program expenditures.

La Plata awards some federal funds to subgrantees, as shown below:

CFDA & Program	Subgrantee	Amount Awarded
14.219—Community Development Block Grant	Region 9 Economic Development District	\$932,823

La Plata County, Colorado
Combining Balance Sheet - by Fund Type
Nonmajor Governmental Funds
December 31, 2009

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Total Nonmajor Governmental Funds
Assets			
Equity in treasurer's cash and investments	\$ 2,897,385	\$ 20,755	\$ 2,918,140
Cash held by Trustee	-	431,980	431,980
Receivables:			
Property taxes	72,443	-	72,443
Interfund	130,871	-	130,871
Total Assets	3,100,699	452,735	3,553,434
Liabilities and Fund Balances			
Liabilities			
Accounts payable	41,442	-	41,442
Deferred revenues	72,443	-	72,443
Total Liabilities	113,885	-	113,885
Fund Balances			
Reserved for:			
Emergencies	2,000,000	-	2,000,000
Debt service	-	452,735	452,735
Unreserved, undesignated	986,814	-	986,814
Total Fund Balances	2,986,814	452,735	3,439,549
Total Liabilities and Fund Balances	\$ 3,100,699	\$ 452,735	\$ 3,553,434

La Plata County, Colorado
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - by Fund Type
Nonmajor Governmental Funds
For the Year Ended December 31, 2009

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Total Nonmajor Governmental Funds
Revenues			
Property taxes	\$ 74,375	\$ -	\$ 74,375
Investment earnings	6,426	283	6,709
Miscellaneous	2,475	-	2,475
Total Revenues	83,276	283	83,559
Expenditures			
Current:			
General government	52,720	-	52,720
Public works	204,006	-	204,006
Debt Service:			
Principal retirement	-	385,000	385,000
Interest and fiscal charges	-	81,681	81,681
Agent fees	-	1,750	1,750
Total Expenditures	256,726	468,431	725,157
Excess (Deficiency) of Revenues Over (Under) Expenditures	(173,450)	(468,148)	(641,598)
Other Financing Sources (Uses)			
Transfers in	1,876,470	466,000	2,342,470
Transfers out	(2,249,546)	-	(2,249,546)
Total Other Financing Sources (Uses)	(373,076)	466,000	92,924
Net Change in Fund Balances	(546,526)	(2,148)	(548,674)
Fund Balances Beginning of Year	3,533,340	454,883	3,988,223
Fund Balances End of Year	\$ 2,986,814	\$ 452,735	\$ 3,439,549

GENERAL FUND

The General Fund is the general operating fund of the County which accounts for all financial resources that are not properly accounted for in other funds. Ordinary operations of the County such as public safety, county administration and other activities financed from taxes and general revenues are reflected in this fund.

La Plata County, Colorado
General Fund
Comparative Balance Sheet
December 31, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Assets		
Cash and cash deposits	\$ 258,080	\$ 255,809
Equity in treasurer's cash and investments	28,686,311	24,050,290
Restricted cash and investments	77,922	68,104
Receivables:		
Accounts	204,247	195,999
Property taxes	26,180,829	22,207,233
Deposits	2,000	2,000
Intergovernmental	1,848,357	2,055,026
Component unit	300,000	300,000
Interfund	115,601	-
Inventory	<u>77,164</u>	<u>48,079</u>
Total Assets	<u><u>\$ 57,750,511</u></u>	<u><u>\$ 49,182,540</u></u>
Liabilities and Fund Balances		
Liabilities		
Accounts payable	\$ 463,861	\$ 495,265
Accrued salaries and benefits	568,618	485,545
Intergovernmental payable	372,317	425,735
Interfund payable	130,871	143,058
Deposits payable	133,833	19,579
Deferred revenue	26,180,829	22,207,233
Liabilities payable from restricted assets	<u>77,922</u>	<u>68,104</u>
Total Liabilities	<u>27,928,251</u>	<u>23,844,519</u>
Fund Balances		
Reserved for:		
Inventory	77,164	48,079
Public trustee	23,727	23,457
Prisoner commissary	-	18,416
Law enforcement	248,285	246,214
Conservation trust	1,187,711	1,050,343
Unreserved, undesignated	<u>28,285,373</u>	<u>23,951,512</u>
Total Fund Balances	<u>29,822,260</u>	<u>25,338,021</u>
Total Liabilities and Fund Balances	<u><u>\$ 57,750,511</u></u>	<u><u>\$ 49,182,540</u></u>

La Plata County, Colorado
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended December 31, 2009
(With Comparative Actual Amounts for Year Ended December 31, 2008)

	2009					2008 Actual				
	Budget			Variance						
	As Adopted	Final	Actual	Favorable (Unfavorable)						
Revenues:										
Taxes										
General property & delinquent taxes	\$	22,562,927	\$	22,562,927	\$	22,568,533	\$	5,606	\$	21,943,811
Specific ownership		1,750,000		1,750,000		1,699,275		(50,725)		1,825,274
Sales tax		13,549,900		13,549,900		12,264,867		(1,285,033)		13,639,998
Cable franchise fees		80,000		80,000		97,888		17,888		92,042
Lodger's tax		182,000		182,000		168,180		(13,820)		189,262
Total Taxes		38,124,827		38,124,827		36,798,743		(1,326,084)		37,690,387
Intergovernmental Revenue										
Federal Revenue:										
Senior Services-Older American Act		133,279		133,279		240,147		106,868		134,113
Senior Services-USDA		15,000		15,000		9,831		(5,169)		21,306
Payment In Lieu of Taxes		850,000		850,000		899,716		49,716		877,851
HIDTA grant		245,153		245,153		244,852		(301)		226,119
Bulletproof vest grant		4,000		4,000		15,326		11,326		
State Criminal Alien Assistance		-		-		13,596		13,596		7,740
Other miscellaneous federal grants		-		-		-		-		623
Southern Ute Payment in Lieu of Taxes		50,000		50,000		689,968		639,968		577,970
State Revenues:										
Office of Emergency Management		24,000		24,000		51,910		27,910		42,300
Lottery Funds		250,000		250,000		271,199		21,199		286,938
Community Services Block Grant-for Sr. Svcs		5,000		5,000		5,000		-		5,000
Community Development Block Grant		400,000		1,093,628		932,823		(160,805)		272,231
Cigarette taxes		24,000		24,000		34,180		10,180		35,787
Search and rescue monies		5,000		5,000		6,511		1,511		11,991
Mineral severance tax		750,000		750,000		1,912,340		1,162,340		372,301
Mineral leasing		-		-		441,235		441,235		99,941
DOW Impact assistance		-		-		836		836		3,660
Local Government Limited Gaming grants		395,000		395,000		374,146		(20,854)		350,000
Energy Impact Assistance grants		749,500		749,500		130,750		(618,750)		15,000
Great Outdoors Colorado grants		-		-		-		-		37,250
Beanpole (MNT) grant		-		-		-		-		11,985
Veteran's Services		1,200		1,200		1,200		-		1,200
Predator Control Reimbursement		2,000		2,000		2,112		112		2,210
Planning Department Grant		46,896		46,896		43,544		(3,352)		40,869
Local Government Revenue:										
Local match for senior services		9,300		9,300		-		(9,300)		-
Local government contributions for senior services		59,952		59,952		89,681		29,729		135,078
Council on Aging		-		-		-		-		685
Total Intergovernmental Revenue		4,019,280		4,712,908		6,410,903		1,697,995		3,570,148
Licenses and Permits										
Liquor licenses		7,500		7,500		7,846		346		7,983
Building permits		600,000		600,000		426,213		(173,787)		656,058
Total Licenses and Permits		607,500		607,500		434,059		(173,441)		664,041

(Continued)

La Plata County, Colorado
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended December 31, 2009
(With Comparative Actual Amounts for Year Ended December 31, 2008)

	2009				2008 Actual
	Budget		Actual	Variance Favorable (Unfavorable)	
	As Adopted	Final			
Charges for Services					
Treasurer's fees	\$ 660,250	\$ 660,250	\$ 778,013	\$ 117,763	\$ 705,779
Clerk and recorder's fees	1,012,000	1,012,000	1,096,166	84,166	1,078,039
Public trustee's fees	90,000	90,000	120,503	30,503	88,023
Planning fees	50,000	50,000	34,975	(15,025)	56,600
Oil and gas fees	200,000	200,000	87,750	(112,250)	340,350
Assessor's fees	4,000	4,000	8,624	4,624	31,076
Sheriff's fees	61,000	61,000	99,406	38,406	84,166
Law enforcement assistance fund	6,000	6,000	5,848	(152)	7,272
Other security services	10,000	10,000	17,505	7,505	62,375
Jail room & board	200,000	200,000	371,054	171,054	298,415
Jail bond fees	10,000	10,000	8,815	(1,185)	9,205
Other Jail charges	15,000	15,000	7,047	(7,953)	13,044
Booking fees	42,000	42,000	42,751	751	40,475
Prisoner transportation	15,000	15,000	12,005	(2,995)	11,389
Useful public service program	42,000	42,000	40,200	(1,800)	53,834
Work release/Community service	45,000	45,000	16,675	(28,325)	36,359
Alternatives to incarceration	150,000	150,000	118,119	(31,881)	139,352
Senior meal donations-Durango	65,000	65,000	75,100	10,100	73,203
Senior meal donations-Bayfield	6,000	6,000	15,091	9,091	4,629
Senior home chore/other revenue	5,000	5,000	5,440	440	6,746
Senior transportation income	18,000	18,000	19,707	1,707	15,998
Senior center activities	6,000	6,000	7,131	1,131	5,656
Senior center rentals	1,400	1,400	1,768	368	1,583
Senior services-other	-	-	5,063	5,063	104,135
Surveyor's fees	12,000	12,000	12,165	165	11,485
Indirect cost allocation reimbursement	96,000	96,000	189,536	93,536	93,204
GIS Services reimbursements	4,000	4,000	5,171	1,171	4,575
Election Reimbursements	-	-	26,747	26,747	64,627
Inmate medical/phone reimbursements	85,000	85,000	66,700	(18,300)	85,808
Maps/code book sales & sign fees	2,500	2,500	404	(2,096)	3,360
CDPHE Air Quality Monitoring Contract	-	-	7,202	7,202	-
Total Charges for Services	2,913,150	2,913,150	3,302,681	389,531	3,530,762
Investment earnings	1,000,000	1,000,000	500,171	(499,829)	1,760,280
Miscellaneous Revenue					
Building rentals	141,131	141,131	151,133	10,002	145,354
Fairgrounds rentals	65,500	65,500	84,169	18,669	76,884
Forfeitures	25,000	25,000	64,082	39,082	47,061
Senior services-United Way	21,000	21,000	7,335	(13,665)	38,661
Senior services-ColoTrust Healthy Aging Initiative	68,589	68,589	61,354	(7,235)	-
Other miscellaneous grants	-	-	-	-	22,646
Hazardous waste fees and cost share	46,000	46,000	32,551	(13,449)	44,739
Vehicle inspection fees	35,000	35,000	34,465	(535)	39,925
Prisoner commissary collections	25,000	25,000	19,911	(5,089)	39,798
Photocopies	1,000	1,000	2,231	1,231	5,446
Telephone/postage refunds	-	-	2,785	2,785	5,520
Parking/Traffic fines	-	-	350	350	1,125
Animal control fines	3,000	3,000	3,535	535	3,504
Insurance refunds	1,000	1,000	42,793	41,793	43,995
Other refunds	15,000	15,000	43,821	28,821	45,345
Developer Cost Reimbursements	-	-	41,639	41,639	-
Other miscellaneous revenues	1,500	1,500	101,524	100,024	40,949
Total Miscellaneous Revenue	448,720	448,720	693,678	244,958	600,952
Total Revenue	47,113,477	47,807,105	48,140,235	333,130	47,816,570

La Plata County, Colorado
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended December 31, 2009
(With Comparative Actual Amounts for Year Ended December 31, 2008)

	2009				
	Budget			Variance Favorable (Unfavorable)	2008 Actual
	As Adopted	Final	Actual		
Expenditures:					
Current					
General Government					
Board of County Commissioners					
Personnel Expenditures	\$ 380,699	\$ 381,349	\$ 376,691	\$ 4,658	\$ 283,310
Operating Expenditures	85,565	85,565	61,255	24,310	279,210
	466,264	466,914	437,946	28,968	562,520
County Clerk and Recorder-Operations					
Personnel Expenditures	765,529	765,529	744,238	21,291	710,294
Operating Expenditures	347,904	376,694	267,857	108,837	372,181
	1,113,433	1,142,223	1,012,095	130,128	1,082,475
County Clerk and Recorder-Elections					
Personnel Expenditures	117,238	117,238	82,841	34,397	219,461
Operating Expenditures	125,000	125,000	70,514	54,486	193,465
	242,238	242,238	153,355	88,883	412,926
County Treasurer					
Personnel Expenditures	309,238	309,238	304,631	4,607	286,989
Operating Expenditures	165,295	176,505	156,177	20,328	143,260
	474,533	485,743	460,808	24,935	430,249
Public Trustee's Office					
Personnel Expenditures	15,732	15,732	15,287	445	15,562
Operating Expenditures	7,725	7,725	5,224	2,501	5,432
	23,457	23,457	20,511	2,946	20,994
County Assessor					
Personnel Expenditures	1,161,157	1,161,157	1,110,714	50,443	1,071,430
Operating Expenditures	197,863	197,863	142,385	55,478	281,582
	1,359,020	1,359,020	1,253,099	105,921	1,353,012
County Surveyor					
Personnel Expenditures	12,585	12,585	12,327	258	11,612
Operating Expenditures	5,000	5,000	870	4,130	3,252
	17,585	17,585	13,197	4,388	14,864
Administrative Offices					
Personnel Expenditures	445,022	444,372	441,200	3,172	391,680
Operating Expenditures	245,036	245,036	59,717	185,319	140,051
	690,058	689,408	500,917	188,491	531,731
Construction Management					
Personnel Expenditures	94,744	94,744	17,844	76,900	95,371
Operating Expenditures	16,200	16,200	775	15,425	8,908
	110,944	110,944	18,619	92,325	104,279
County Attorney's Office					
Personnel Expenditures	628,249	628,249	450,965	177,284	-
Operating Expenditures	734,600	1,089,600	1,227,663	(138,063)	646,853
	1,362,849	1,717,849	1,678,628	39,221	646,853
Geographic Information Services					
Personnel Expenditures	534,133	534,133	535,248	(1,115)	504,127
Operating Expenditures	53,550	53,550	30,505	23,045	30,800
	587,683	587,683	565,753	21,930	534,927
Finance					
Personnel Expenditures	384,974	359,974	302,229	57,745	255,964
Operating Expenditures	193,884	218,884	203,727	15,157	138,579
	578,858	578,858	505,956	72,902	394,543
Information Services					
Personnel Expenditures	818,535	818,535	732,250	86,285	715,935
Operating Expenditures	525,441	525,441	351,808	173,633	389,142
	1,343,976	1,343,976	1,084,058	259,918	1,105,077

La Plata County, Colorado
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended December 31, 2009
(With Comparative Actual Amounts for Year Ended December 31, 2008)

	2009				
	Budget			Variance Favorable (Unfavorable)	2008 Actual
	As Adopted	Final	Actual		
General Government (Continued)					
Procurement/Warehouse					
Personnel Expenditures	\$ 238,949	\$ 238,949	\$ 237,675	\$ 1,274	\$ 224,499
Operating Expenditures	42,761	42,761	34,419	8,342	40,890
	281,710	281,710	272,094	9,616	265,389
Building Maintenance					
Personnel Expenditures	495,944	495,944	499,640	(3,696)	461,836
Operating Expenditures	280,075	280,075	250,618	29,457	250,295
	776,019	776,019	750,258	25,761	712,131
Building Maintenance-OMPO					
Personnel Expenditures	-	-	-	-	-
Operating Expenditures	81,500	81,500	69,225	12,275	78,120
	81,500	81,500	69,225	12,275	78,120
Central Services					
Personnel Expenditures	-	-	-	-	(1,814)
Operating Expenditures	156,768	156,768	106,163	50,605	108,748
	156,768	156,768	106,163	50,605	106,934
Human Resources					
Personnel Expenditures	484,623	484,623	412,966	71,657	338,930
Operating Expenditures	130,135	130,135	64,070	66,065	99,529
	614,758	614,758	477,036	137,722	438,459
Risk Management					
Personnel Expenditures	347,594	390,594	390,493	101	288,915
Operating Expenditures	617,404	617,404	597,975	19,429	431,884
	964,998	1,007,998	988,468	19,530	720,799
Sustainability Office					
Personnel Expenditures	102,641	105,641	108,310	(2,669)	-
Operating Expenditures	275,004	272,004	100,453	171,551	-
	377,645	377,645	208,763	168,882	-
Budget Contingency/Reserves	1,493,430	826,794	-	826,794	-
Total General Government	13,117,726	12,889,090	10,576,949	2,312,141	9,516,282
Public Safety					
Sheriff-Patrol					
Personnel Expenditures	2,446,632	2,446,632	2,389,983	56,649	2,315,088
Operating Expenditures	1,209,701	1,213,701	1,050,884	162,817	1,074,531
	3,656,333	3,660,333	3,440,867	219,466	3,389,619
Sheriff-Detentions					
Personnel Expenditures	3,799,810	3,799,810	3,636,199	163,611	3,028,200
Operating Expenditures	1,406,254	1,406,254	1,210,080	196,174	1,272,431
	5,206,064	5,206,064	4,846,279	359,785	4,300,631
Sheriff-Special Services					
Personnel Expenditures	1,435,299	1,435,299	1,417,444	17,855	1,346,204
Operating Expenditures	352,730	352,730	294,530	58,200	273,389
	1,788,029	1,788,029	1,711,974	76,055	1,619,593
Sheriff-Special Investigations					
Personnel Expenditures	404,230	404,230	391,151	13,079	379,176
Operating Expenditures	382,996	382,996	296,841	86,155	332,059
	787,226	787,226	687,992	99,234	711,235
Sheriff-Criminal Investigations					
Personnel Expenditures	833,022	833,022	812,742	20,280	805,570
Operating Expenditures	180,776	180,776	133,888	46,888	166,553
	1,013,798	1,013,798	946,630	67,168	972,123
Alternatives to Incarceration					
Personnel Expenditures	387,900	387,900	398,844	(10,944)	364,132
Operating Expenditures	239,986	239,986	219,067	20,919	218,224
	627,886	627,886	617,911	9,975	582,356

(Continued)

La Plata County, Colorado
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended December 31, 2009
(With Comparative Actual Amounts for Year Ended December 31, 2008)

	2009				
	Budget			Variance Favorable (Unfavorable)	2008 Actual
	As Adopted	Final	Actual		
Public Safety (Continued)					
County Coroner					
Personnel Expenditures	\$ 90,164	\$ 92,664	\$ 89,242	\$ 3,422	\$ 97,764
Operating Expenditures	66,359	66,359	61,579	4,780	52,061
	156,523	159,023	150,821	8,202	149,825
Building Inspection Department					
Personnel Expenditures	833,986	833,986	683,002	150,984	659,384
Operating Expenditures	140,405	140,405	86,946	53,459	127,441
	974,391	974,391	769,948	204,443	786,825
Emergency Management Office					
Personnel Expenditures	108,340	108,340	111,328	(2,988)	75,994
Operating Expenditures	71,200	71,200	36,251	34,949	38,919
	179,540	179,540	147,579	31,961	114,913
Weed and Rodent Control					
Operating Expenditures	43,000	43,000	43,017	(17)	42,235
Pmt to Component Unit - District Attorney	1,378,197	1,378,197	1,260,367	117,830	1,264,254
Total Public Safety	15,810,987	15,817,487	14,623,385	1,194,102	13,933,609
Auxiliary Services					
Fairgrounds					
Personnel Expenditures	511,456	511,456	479,627	31,829	458,021
Operating Expenditures	373,604	373,604	308,194	65,410	336,990
	885,060	885,060	787,821	97,239	795,011
Extension Office					
Personnel Expenditures	74,421	74,421	55,959	18,462	67,978
Operating Expenditures	47,383	47,383	27,043	20,340	44,038
	121,804	121,804	83,002	38,802	112,016
Weed Control					
Personnel Expenditures	100,712	100,712	100,337	375	83,393
Operating Expenditures	74,015	74,015	58,806	15,209	37,193
	174,727	174,727	159,143	15,584	120,586
Planning Department					
Personnel Expenditures	1,309,703	1,309,703	1,232,894	76,809	1,032,549
Operating Expenditures	701,268	701,268	444,619	256,649	401,463
	2,010,971	2,010,971	1,677,513	333,458	1,434,012
Senior Services					
Personnel Expenditures	452,295	425,119	439,606	(14,487)	400,707
Operating Expenditures	300,901	300,901	289,618	11,283	268,603
Capital Expenditures	100,204	100,204	77,810	22,394	128,443
	853,400	826,224	807,034	19,190	797,753
Senior Services - non Joint Sales Tax Supported					
Personnel Expenditures	17,278	44,454	39,646	4,808	14,591
Operating Expenditures	85,990	85,990	48,040	37,950	67,612
	103,268	130,444	87,686	42,758	82,203
Children, Youth and Families Master Plan					
Personnel Expenditures	-	-	-	-	9,102
Operating Expenditures	-	-	-	-	28,265
	-	-	-	-	37,367
Veterans Services					
Personnel Expenditures	62,324	62,324	60,200	2,124	51,092
Operating Expenditures	13,250	13,250	8,817	4,433	5,378
	75,574	75,574	69,017	6,557	56,470
Total Auxiliary Services	4,224,804	4,224,804	3,671,216	553,588	3,435,418

La Plata County, Colorado
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended December 31, 2009
(With Comparative Actual Amounts for Year Ended December 31, 2008)

	2009				
	Budget			Variance	2008
	As Adopted	Final	Actual	Favorable (Unfavorable)	Actual
Public Works					
Total Public Works	\$ -	\$ -	\$ -		\$ 211,033
Community Programs					
Public Service Agencies					
Durango Public Library	942,864	942,864	835,780	107,084	740,692
Lodger's tax to DATO	182,000	182,000	168,087	13,913	189,262
Other Public Service Agencies	2,644,684	2,866,820	2,230,472	636,348	2,172,635
Total Public Service Agencies	3,769,548	3,991,684	3,234,339	757,345	3,102,589
Payments to Other Governments					
To City of Durango-joint recreation	100,000	100,000	100,000	-	100,000
To City of Durango-joint sales tax projects	1,031,444	1,031,444	924,360	107,084	826,692
Total payments to other governments	1,131,444	1,131,444	1,024,360	107,084	926,692
Pass through of grants received					
of CDBG funds	400,000	1,093,628	932,823	160,805	272,482
of GOCO funds	-	-	-	-	40,000
Total pass throughs	400,000	1,093,628	932,823	160,805	312,482
Total Community Programs	5,300,992	6,216,756	5,191,522	1,025,234	4,341,763
Total Expenditures	38,454,509	39,148,137	34,063,072	5,085,065	31,438,105
Excess of Revenues Over Expenditures	8,658,968	8,658,968	14,077,163	5,418,195	16,378,465
Other Financing Sources (Uses)					
Transfers in-joint sales tax fund	2,541,916	2,541,916	2,239,546	(302,370)	2,007,364
Transfers out-Road and Bridge fund	(8,000,000)	(8,000,000)	(8,000,000)	-	(5,000,000)
Transfers out-joint sales tax	(2,001,998)	(2,001,998)	(1,816,470)	185,528	(2,015,306)
Transfers out-emergency reserve fund	-	-	-	-	(715,000)
Transfers out-finance authority debt service fund	(466,000)	(466,000)	(466,000)	-	(466,000)
Transfers out-capital improvement	(1,500,000)	(1,500,000)	(1,500,000)	-	(3,000,000)
Transfers out-landfill closure	(50,000)	(50,000)	(50,000)	-	(50,000)
Total Other Financing Sources (Uses)	(9,476,082)	(9,476,082)	(9,592,924)	(116,842)	(9,238,942)
Net Change in Fund Balances	(817,114)	(817,114)	4,484,239	5,301,353	7,139,523
Fund Balance Beginning of Year			25,338,021		18,198,498
Fund Balance End of Year			29,822,260		25,338,021

(Continued)

SPECIAL REVENUE FUNDS

Special Revenue Funds account for taxes or other earmarked revenue of the County which finance specified activities as required by law or administrative action.

Major Special Revenue Funds:

Road and Bridge Fund:

Colorado counties are required by State law to maintain a Road and Bridge Fund. The Road and Bridge Fund records costs related to County road and bridge construction and maintenance.

Social Services Fund:

Colorado counties are required by State law to maintain a Social Services Fund. The Social Services Fund accounts for many federal and state public welfare programs administered by the County.

Non-Major Special Revenue Funds:

Joint Sales Tax Fund:

The Joint Sales Tax Fund receives 14.775% of all sales taxes received by the County. These receipts are the result of the Joint Funding agreement between the County and the City of Durango. Resources of this fund are used to provide funding for projects considered to be of mutual benefit to both entities.

Emergency Reserve Fund:

On November 3, 1992, Colorado voters approved an amendment to the State Constitution known as the Taxpayer's Bill of Rights or Amendment 1. The amendment is a tax, revenue, spending and debt limitation. In addition, the amendment requires that the County establish a separate reserve fund to cover expenditures for declared emergencies. It requires that the County reserve 3% of its fiscal year spending for such emergencies.

Local Improvement Districts Fund:

Taxpayers living in certain subdivisions within the County have elected to assess themselves a extra property tax to fund certain road maintenance/improvements. The Board of County Commissioners serves as the Board of Directors of these local improvement districts. This fund accounts for the revenues and expenditures associated with these districts.

Landfill Closure Fund:

There are four former landfill sites in La Plata County for which the County has ongoing responsibility for long-term maintenance, closure and monitoring costs. The activity in this fund represents the County liability for the continuing closure and postclosure care costs.

La Plata County, Colorado
Road and Bridge Fund
Comparative Balance Sheet
December 31, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Assets		
Cash	\$ 1,100	\$ 1,100
Equity in treasurer's cash and investments	10,220,911	5,997,107
Receivables:		
Accounts	19,896	43,402
Property taxes	2,506,270	2,109,598
Intergovernmental	1,853,548	1,758,185
Inventory	<u>310,513</u>	<u>335,069</u>
Total Assets	<u><u>\$ 14,912,238</u></u>	<u><u>\$ 10,244,461</u></u>
Liabilities and Fund Balances		
Liabilities		
Accounts payable	\$ 925,290	\$ 446,173
Accrued salaries and wages	88,624	98,794
Contracts payable	101,057	123,392
Intergovernmental payable	19,607	14,925
Deferred revenues	<u>2,506,270</u>	<u>2,109,598</u>
Total Liabilities	<u>3,640,848</u>	<u>2,792,882</u>
Fund Balances		
Reserved for:		
Inventory	310,513	335,069
Road improvements	2,150,579	4,177,853
Forest Reserves Title III Expenditures	57,676	57,676
Unreserved, undesignated	<u>8,752,622</u>	<u>2,880,981</u>
Total Fund Balances	<u>11,271,390</u>	<u>7,451,579</u>
Total Liabilities and Fund Balances	<u><u>\$ 14,912,238</u></u>	<u><u>\$ 10,244,461</u></u>

La Plata County, Colorado
Road and Bridge Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended December 31, 2009
(With Comparative Actual Amounts for Year Ended December 31, 2008)

	2009				
	Budget As Adopted	Budget Final	Actual	Variance Favorable (Unfavorable)	2008 Actual
Revenues					
Property taxes	\$ 2,124,711	\$ 2,124,711	\$ 2,114,123	\$ (10,588)	\$ 2,219,952
Intergovernmental	4,514,113	4,514,113	4,554,110	39,997	4,121,982
Licenses and permits	60,000	60,000	86,341	26,341	267,910
Miscellaneous	729,405	1,367,041	813,467	(553,574)	1,219,208
Total Revenues	<u>7,428,229</u>	<u>8,065,865</u>	<u>7,568,041</u>	<u>(497,824)</u>	<u>7,829,052</u>
Expenditures					
Current:					
Public Works					
Maintenance of condition/snow & ice removal	8,370,112	8,370,112	6,747,732	1,622,380	6,822,940
Engineering	1,459,817	1,459,817	1,053,473	406,344	1,064,165
General administration				-	649,585
Budget contingency	734,602	634,602	-	634,602	-
Capital Outlay	<u>7,250,500</u>	<u>7,988,136</u>	<u>3,947,025</u>	<u>4,041,111</u>	<u>4,153,123</u>
Total Expenditures	<u>17,815,031</u>	<u>18,452,667</u>	<u>11,748,230</u>	<u>6,704,437</u>	<u>12,689,813</u>
Deficiency of Revenues (Under) Expenditures	<u>(10,386,802)</u>	<u>(10,386,802)</u>	<u>(4,180,189)</u>	<u>6,206,613</u>	<u>(4,860,761)</u>
Other Financing Sources					
Transfers in--General Fund	<u>8,000,000</u>	<u>8,000,000</u>	<u>8,000,000</u>	<u>-</u>	<u>5,000,000</u>
Total Other Financing Sources (Uses)	<u>8,000,000</u>	<u>8,000,000</u>	<u>8,000,000</u>	<u>-</u>	<u>5,000,000</u>
Net Change in Fund Balances	<u>\$ (2,386,802)</u>	<u>\$ (2,386,802)</u>	<u>3,819,811</u>	<u>\$ 6,206,613</u>	<u>139,239</u>
Fund Balances Beginning of Year			<u>7,451,579</u>		<u>7,312,340</u>
Fund Balances End of Year			<u>\$ 11,271,390</u>		<u>\$ 7,451,579</u>

La Plata County, Colorado
Social Services Fund
Comparative Balance Sheet
December 31, 2009 and 2008

	2009	2008
Assets		
Cash	\$ 400	\$ 400
Equity in treasurer's cash and investments	2,281,787	2,075,959
Restricted cash	34,471	51,572
Receivables:		
Accounts	43,456	2,338
Property taxes	1,339,678	1,129,081
Intergovernmental	288,868	278,915
Total Assets	\$ 3,988,660	\$ 3,538,265
Liabilities and Fund Balances		
Liabilities		
Accounts payable	\$ 57,686	\$ 223,517
Liabilities payable from restricted assets	34,471	51,572
Interfund payable	115,601	-
Intergovernmental payable	71,864	71,864
Deferred revenues	1,339,678	1,129,081
Total Liabilities	1,619,300	1,476,034
Fund Balances		
Unreserved, undesignated	2,369,360	2,062,231
Total Liabilities and Fund Balances	\$ 3,988,660	\$ 3,538,265

La Plata County, Colorado
Social Service Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended December 31, 2009
(With Comparative Actual Amounts for Year Ended December 31, 2008)

	2009				
	Budget As Adopted	Budget Final	Actual	Variance Favorable (Unfavorable)	2008
Revenues					
Property taxes	\$ 1,234,019	\$ 1,234,019	\$ 1,268,774	\$ 34,755	\$ 1,211,044
Intergovernmental	6,666,359	6,666,359	4,292,408	(2,373,951)	3,675,759
Miscellaneous	-	-	300,605	300,605	312,726
Total Revenues	<u>7,900,378</u>	<u>7,900,378</u>	<u>5,861,787</u>	<u>(2,038,591)</u>	<u>5,199,529</u>
Expenditures					
Current:					
Health and welfare	7,925,232	7,925,232	5,532,693	2,392,539	4,829,459
Capital Outlay		-	21,965	(21,965)	-
Total Expenditures	<u>7,925,232</u>	<u>7,925,232</u>	<u>5,554,658</u>	<u>2,370,574</u>	<u>4,829,459</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(24,854)</u>	<u>(24,854)</u>	<u>307,129</u>	<u>331,983</u>	<u>370,070</u>
Net Change in Fund Balances	<u>\$ (24,854)</u>	<u>\$ (24,854)</u>	<u>307,129</u>	<u>\$ 331,983</u>	<u>370,070</u>
Fund Balances Beginning of Year			<u>2,062,231</u>		<u>1,692,161</u>
Fund Balances End of Year			<u>\$ 2,369,360</u>		<u>\$ 2,062,231</u>

La Plata County, Colorado
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2009

	Joint Sales Tax	Emergency Reserve	Local Improvement Districts	Landfill Closure	Total Nonmajor Special Revenue Funds
Assets					
Equity in treasurer's cash and investments	\$ 374,750	\$ 2,000,000	\$ 100,323	\$ 422,312	\$ 2,897,385
Receivables:					
Property taxes	-		72,443	-	72,443
Interfund	130,871	-	-	-	130,871
Total Assets	\$ 505,621	\$ 2,000,000	\$ 172,766	\$ 422,312	\$ 3,100,699
Liabilities and Fund Balances					
Liabilities					
Accounts payable	\$ 2,618	\$ -	\$ 9,202	\$ 29,622	\$ 41,442
Deferred revenues	-	-	72,443	-	72,443
Total Liabilities	2,618	-	81,645	29,622	113,885
Fund Balances					
Reserved for emergencies	-	2,000,000	-	-	2,000,000
Unreserved, undesignated	503,003	-	91,121	392,690	986,814
Total Fund Balances	503,003	2,000,000	91,121	392,690	2,986,814
Total Liabilities and Fund Balances	\$ 505,621	\$ 2,000,000	\$ 172,766	\$ 422,312	\$ 3,100,699

La Plata County, Colorado
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2009

	Joint Sales Tax	Emergency Reserve	Local Improvement Districts	Landfill Closure	Total Nonmajor Special Revenue Funds
Revenues					
Property taxes	\$ -	\$ -	\$ 74,375	\$ -	\$ 74,375
Investment earnings	3,208	-	-	3,218	6,426
Miscellaneous	-	-	2,475	-	2,475
Total Revenues	3,208	-	76,850	3,218	83,276
Expenditures					
Current:					
General government	52,720	-	-	-	52,720
Public works	-	-	56,312	147,694	204,006
Total Expenditures	52,720	-	56,312	147,694	256,726
Excess (Deficiency) of Revenues Over (Under) Expenditures	(49,512)	-	20,538	(144,476)	(173,450)
Other Financing Sources (Uses)					
Transfers in	1,816,470	-	-	60,000	1,876,470
Transfers out	(2,249,546)	-	-	-	(2,249,546)
Total Other Financing Sources (Uses)	(433,076)	-	-	60,000	(373,076)
Net Change in Fund Balances	(482,588)	-	20,538	(84,476)	(546,526)
Fund Balances Beginning of Year	985,591	2,000,000	70,583	477,166	3,533,340
Fund Balances End of Year	\$ 503,003	\$ 2,000,000	\$ 91,121	\$ 392,690	\$ 2,986,814

La Plata County, Colorado
Joint Sales Tax Fund
Comparative Balance Sheet
December 31, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Assets		
Equity in treasurer's cash and investments	\$ 374,750	\$ 845,065
Interfund receivable	<u>130,871</u>	<u>143,058</u>
Total Assets	<u><u>\$ 505,621</u></u>	<u><u>\$ 988,123</u></u>
Liabilities and Fund Balances		
Liabilities		
Accounts payable	<u>\$ 2,618</u>	<u>\$ 2,532</u>
Fund Balances		
Unreserved, undesignated	<u>503,003</u>	<u>985,591</u>
Total Liabilities and Fund Balances	<u><u>\$ 505,621</u></u>	<u><u>\$ 988,123</u></u>

La Plata County, Colorado
Joint Sales Tax Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2009
(With Comparative Actual Amounts for the Year Ended December 31, 2008)

	2009				
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	2008 Actual
Revenues					
Investment income	\$ 5,000	\$ 5,000	\$ 3,208	\$ (1,792)	\$ 21,639
Expenditures					
Current, General Government:	58,290	58,290	52,720	5,570	58,550
Total Expenditures	58,290	58,290	52,720	5,570	58,550
Excess (Deficiency) of Revenues Over (Under) Expenditures	(53,290)	(53,290)	(49,512)	3,778	(36,911)
Other Financing Sources (Uses)					
Transfers in	2,001,998	2,001,998	1,816,470	(185,528)	2,015,306
Transfers out	(2,551,916)	(2,551,916)	(2,249,546)	302,370	(2,017,364)
Total Other Financing Sources (Uses)	(549,918)	(549,918)	(433,076)	116,842	(2,058)
Net Change in Fund Balances	<u>\$ (603,208)</u>	<u>\$ (603,208)</u>	(482,588)	<u>\$ 120,620</u>	(38,969)
Fund Balances Beginning of Year			985,591		1,024,560
Fund Balances End of Year			<u>\$ 503,003</u>		<u>\$ 985,591</u>

La Plata County, Colorado
Emergency Reserve Fund
Comparative Balance Sheet
December 31, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Assets		
Equity in treasurer's cash and investments	<u>\$ 2,000,000</u>	<u>\$ 2,000,000</u>
Fund Balances		
Reserved for emergencies	<u>\$ 2,000,000</u>	<u>\$ 2,000,000</u>

La Plata County, Colorado
Emergency Reserve Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2009
(With Comparative Actual Amounts for the Year Ended December 31, 2008)

	2009				2008 Actual
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	
Revenues	\$ -	\$ -	\$ -	\$ -	\$ -
Expenditures	-	-	-	-	-
Other Financing Sources (Uses)					
Transfers in	-	-	-	-	715,000
Total Other Financing Sources (Uses)	-	-	-	-	715,000
Net Change in Fund Balances	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>	715,000
Fund Balances Beginning of Year			2,000,000		1,285,000
Fund Balances End of Year			<u>\$ 2,000,000</u>		<u>\$ 2,000,000</u>

La Plata County, Colorado
Local Improvement District Fund
Comparative Balance Sheet
December 31, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Assets		
Equity in treasurer's cash and investments	\$ 100,323	\$ 74,299
Property taxes receivable	<u>72,443</u>	<u>68,991</u>
Total Assets	<u><u>\$ 172,766</u></u>	<u><u>\$ 143,290</u></u>
Liabilities and Fund Balances		
Liabilities		
Accounts payable	\$ 9,202	\$ 3,716
Deferred revenues	<u>72,443</u>	<u>68,991</u>
Total Liabilities	81,645	72,707
Fund Balances		
Unreserved, undesignated	<u>91,121</u>	<u>70,583</u>
Total Liabilities and Fund Balances	<u><u>\$ 172,766</u></u>	<u><u>\$ 143,290</u></u>

La Plata County, Colorado
Local Improvement District Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2009
(With Comparative Actual Amounts for the Year Ended December 31, 2008)

	2009				
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	2008 Actual
Revenues					
Property taxes	\$ 73,491	\$ 73,491	\$ 74,375	\$ 884	\$ 71,339
Miscellaneous	2,500	2,500	2,475	(25)	4,949
Total Revenues	<u>75,991</u>	<u>75,991</u>	<u>76,850</u>	<u>859</u>	<u>76,288</u>
Expenditures					
Current:					
Public works	<u>63,500</u>	<u>63,500</u>	<u>56,312</u>	<u>7,188</u>	<u>63,047</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 12,491</u>	<u>\$ 12,491</u>	<u>20,538</u>	<u>\$ 8,047</u>	<u>13,241</u>
Fund Balances Beginning of Year			<u>70,583</u>		<u>57,342</u>
Fund Balances End of Year			<u>\$ 91,121</u>		<u>\$ 70,583</u>

La Plata County, Colorado
Landfill Closure Fund
Comparative Balance Sheet
December 31, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Assets		
Equity in treasurer's cash and investments	\$ 422,312	\$ 483,317
Total Assets	<u>\$ 422,312</u>	<u>\$ 483,317</u>
Liabilities and Fund Balances		
Liabilities		
Accounts payable	\$ 29,622	\$ 6,151
Fund Balances		
Unreserved, undesignated	392,690	477,166
Total Liabilities and Fund Balances	<u>\$ 422,312</u>	<u>\$ 483,317</u>

La Plata County, Colorado
Landfill Closure Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2009
(With Comparative Actual Amounts for the Year Ended December 31, 2008)

	2009				
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	2008 Actual
Revenues					
Investment income	\$ 7,000	\$ 7,000	\$ 3,218	\$ (3,782)	\$ 17,370
Expenditures					
Current:					
Public works	310,000	310,000	147,694	162,306	163,732
Excess (Deficiency) of Revenues Over (Under) Expenditures	(303,000)	(303,000)	(144,476)	158,524	(146,362)
Other Financing Sources (Uses)					
Transfers in	60,000	60,000	60,000	-	60,000
Net Change in Fund Balances	<u>\$ (243,000)</u>	<u>\$ (243,000)</u>	(84,476)	<u>\$ 158,524</u>	(86,362)
Fund Balances Beginning of Year			477,166		563,528
Fund Balances End of Year			<u>\$ 392,690</u>		<u>\$ 477,166</u>

CAPITAL PROJECTS FUND

Capital Projects Funds are used to account for the acquisition and construction of major capital equipment and facilities other than those finance by proprietary funds and trust funds.

Capital Improvement Fund:

The Capital Improvement Fund was established in 1985 to provide for continuing capital improvements required by the County. This fund receives at least \$1,500,000 of sales taxes from the General Fund. Expenditures are limited to continuing capital and major capital improvements as determined by the Board of County Commissioners.

La Plata County, Colorado
Capital Improvement Fund
Comparative Balance Sheet
December 31, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Assets		
Equity in treasurer's cash and investments	\$ 4,255,500	\$ 6,918,702
Receivables:		
Accounts	100,530	34,097
Intergovernmental	587,959	323,652
Deposits receivable	<u>27,340</u>	<u>90,272</u>
Total Assets	<u><u>\$ 4,971,329</u></u>	<u><u>\$ 7,366,723</u></u>
Liabilities and Fund Balances		
Liabilities		
Accounts payable	\$ 51,192	\$ 1,118,137
Contracts payable	117,669	808,425
Deferred revenue	<u>150,000</u>	<u>-</u>
Total Liabilities	318,861	1,926,562
Fund Balances		
Reserved for capital improvements	<u>4,652,468</u>	<u>5,440,161</u>
Total Liabilities and Fund Balances	<u><u>\$ 4,971,329</u></u>	<u><u>\$ 7,366,723</u></u>

La Plata County, Colorado
Capital Improvement Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2009
(With Comparative Actual Amounts for the Year Ended December 31, 2008)

	2009				
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	2008 Actual
Revenues					
Intergovernmental	2,046,680	2,046,680	1,280,690	(765,990)	2,629,479
Expenditures					
Capital Outlay	5,937,576	7,737,576	3,568,383	4,169,193	15,276,201
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,890,896)	(5,690,896)	(2,287,693)	3,403,203	(12,646,722)
Other Financing Sources (Uses)					
Transfers in					
From general fund	1,500,000	1,500,000	1,500,000	-	3,000,000
Total Other Financing Sources (Uses)	1,500,000	1,500,000	1,500,000	-	3,000,000
Net Change in Fund Balances	<u>\$ (2,390,896)</u>	<u>\$ (4,190,896)</u>	(787,693)	<u>\$ 3,403,203</u>	(9,646,722)
Fund Balances Beginning of Year			5,440,161		15,086,883
Fund Balances End of Year			<u>\$ 4,652,468</u>		<u>\$ 5,440,161</u>

Debt Service Fund

The Finance Authority Debt Service Fund accumulates monies for payment of the 2004 Certificates of Participation (COPs) issued in 2004 for the purchase of the Old Main Professional building. Resources are provided for payment of interest and principal on this issue through a lease-purchase agreement with the General Fund.

La Plata County, Colorado
Finance Authority Debt Service Fund
Comparative Balance Sheet
December 31, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Assets		
Equity in treasurer's cash and investments	\$ 20,755	\$ 23,186
Cash held by Trustee	<u>431,980</u>	<u>431,697</u>
Total Assets	<u><u>\$ 452,735</u></u>	<u><u>\$ 454,883</u></u>
Fund Balances		
Reserved for debt service	<u><u>\$ 452,735</u></u>	<u><u>\$ 454,883</u></u>

La Plata County, Colorado
Finance Authority Debt Service Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2009
(With Comparative Actual Amounts for the Year Ended December 31, 2008)

	2009				
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	2008 Actual
Revenues					
Investment earnings	\$ 20,000	\$ 20,000	\$ 283	\$ (19,717)	\$ 9,723
Expenditures					
Debt Service:					
Principal retirement	385,000	385,000	385,000	-	375,000
Interest and fiscal charges	81,681	81,681	81,681	-	92,612
Agent fees	1,750	1,750	1,750	-	1,750
Total Expenditures	468,431	468,431	468,431	-	469,362
Excess (Deficiency) of Revenues Over (Under) Expenditures	(448,431)	(448,431)	(468,148)	(19,717)	(459,639)
Other Financing Sources					
Transfers in-County General	466,000	466,000	466,000	-	466,000
Net Change in Fund Balances	<u>\$ 17,569</u>	<u>\$ 17,569</u>	(2,148)	<u>\$ (19,717)</u>	6,361
Fund Balances Beginning of Year			454,883		448,522
Fund Balances End of Year			<u>\$ 452,735</u>		<u>\$ 454,883</u>

PROPRIETARY FUNDS

INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.

Capital Equipment Replacement Fund:

This fund consolidates the purchase, maintenance, repair and disposal of the County's vehicles and heavy equipment into one location. Vehicles and equipment are rented to the using County departments.

Employee Health Insurance Fund:

This fund is used to accumulate funds to pay medical and dental claims for employees and covered dependents through insurance premiums billed to other County departments and from contributions from the employees themselves.

La Plata County, Colorado
Internal Service Funds
Combining Statement of Net Assets
December 31, 2009

	Capital Equipment Replacement Fund	Employee Medical Self Insurance Fund	Total
Assets			
Current Assets:			
Equity in treasurer's cash and investments	\$ 3,100,735	\$ 2,686,232	\$ 5,786,967
Accounts receivable	4,574	-	4,574
Inventory	128,522	-	128,522
Total Current Assets	3,233,831	2,686,232	5,920,063
Noncurrent Assets:			
Capital Assets:			
Depreciable capital assets, net	7,066,099	-	7,066,099
Total Assets	10,299,930	2,686,232	12,986,162
Liabilities			
Current Liabilities:			
Accrued payroll	82,467	-	82,467
Accounts payable	16,714	-	16,714
Accrued claims payable	-	348,546	348,546
Total Current Liabilities	99,181	348,546	447,727
Net Assets			
Invested in capital assets	7,066,099	-	7,066,099
Unrestricted	3,134,650	2,337,686	5,472,336
Total Net Assets	\$ 10,200,749	\$ 2,337,686	\$ 12,538,435

La Plata County, Colorado
Internal Service Funds
Combining Statement of Revenues,
Expenses and Changes in Fund Net Assets
For the Year Ended December 31, 2009

	Capital Equipment Replacement Fund	Employee Medical Self Insurance Fund	Total
Operating Revenues			
Charges for services	\$ 2,688,024	\$ -	\$ 2,688,024
Insurance deposits	-	2,422,062	2,422,062
Total Operating Revenues	2,688,024	2,422,062	5,110,086
Operating Expenses			
Equipment maintenance	1,017,855	-	1,017,855
Depreciation	886,631	-	886,631
Medical claims	-	2,656,372	2,656,372
Total Operating Expenses	1,904,486	2,656,372	4,560,858
Operating Income (Loss)	783,538	(234,310)	549,228
Non-Operating Revenues			
Gain (loss) on sale of capital assets	44,483	-	44,483
Investment earnings	-	7,844	7,844
Total Non-Operating Revenues (Expenses)	44,483	7,844	52,327
Change in Net Assets	828,021	(226,466)	601,555
Net Assets Beginning of Year	9,372,728	2,564,152	11,936,880
Net Assets End of Year	\$ 10,200,749	\$ 2,337,686	\$ 12,538,435

La Plata County, Colorado
Internal Service Funds
Combining Statement of Cash Flows
For the Year Ended December 31, 2009

	Capital Equipment Replacement Fund	Employee Medical Self Insurance Fund	Total
Increase (Decrease) in Cash and Cash Equivalents			
Cash Flows from Operating Activities			
Cash received from customers	\$ 2,690,198	\$ 2,422,062	\$ 5,112,260
Cash payments for goods and services	(1,011,153)	-	(1,011,153)
Cash payments for claims		(2,672,176)	(2,672,176)
Net Cash Provided by Operating Activities	<u>1,679,045</u>	<u>(250,114)</u>	<u>1,428,931</u>
Cash Flows from Capital and Related Financing Activities			
Cash sales of capital assets	131,795	-	131,795
Payments for capital acquisitions	(939,276)	-	(939,276)
Net Cash Used in Capital and Related Financing Activities	<u>(807,481)</u>	<u>-</u>	<u>(807,481)</u>
Cash Flows from Investing Activities			
Investment earnings	-	7,844	7,844
Net Increase (Decrease) in Cash and Cash Equivalents	871,564	(242,270)	629,294
Cash and Cash Equivalents Beginning of Year	<u>2,229,171</u>	<u>2,928,502</u>	<u>5,157,673</u>
Cash and Cash Equivalents End of Year	<u><u>\$ 3,100,735</u></u>	<u><u>\$ 2,686,232</u></u>	<u><u>\$ 5,786,967</u></u>
 Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities			
Operating Income (Loss)	\$ 783,538	\$ (234,310)	\$ 549,228
Adjustments:			
Depreciation	886,631	-	886,631
(Increase) Decrease in Assets:			
Accounts receivable	2,174	-	2,174
Inventory	(37,056)	-	(37,056)
Increase (Decrease) in Liabilities:			
Accounts payable	(24,114)	-	(24,114)
Accrued incurred/unreported claims		(15,804)	(15,804)
Accrued wages	67,872	-	67,872
Net Cash Provided by Operating Activities	<u><u>\$ 1,679,045</u></u>	<u><u>\$ (250,114)</u></u>	<u><u>\$ 1,428,931</u></u>

La Plata County, Colorado
Capital Equipment Replacement Fund
Comparative Statement of Net Assets
December 31, 2009 and 2008

	2009	2008
Assets		
Current Assets:		
Equity in treasurer's cash and investments	\$ 3,100,735	\$ 2,229,171
Accounts receivable	4,574	6,748
Inventory	128,522	91,466
Total Current Assets	3,233,831	2,327,385
Noncurrent Assets:		
Capital Assets:		
Depreciable capital assets, net	7,066,099	7,100,766
Total Assets	\$ 10,299,930	\$ 9,428,151
Liabilities		
Current Liabilities:		
Accrued payroll	\$ 82,467	\$ 14,595
Accounts payable	16,714	40,828
Total Current Liabilities	99,181	55,423
Net Assets		
Invested in capital assets	7,066,099	7,100,766
Unrestricted	3,134,650	2,271,962
Total Net Assets	\$ 10,200,749	\$ 9,372,728

La Plata County, Colorado
Capital Equipment Replacement Fund
Comparative Statement of Revenues,
Expenses and Changes in Fund Net Assets
For the Years Ended December 31, 2009 and 2008

	2009	2008
Operating Revenues		
Charges for services	\$ 2,688,024	\$ 2,732,625
Operating Expenses		
Equipment maintenance	1,017,855	966,635
Depreciation	886,631	843,070
Total Operating Expenses	1,904,486	1,809,705
Operating Income (Loss)	783,538	922,920
Non-Operating Revenues		
Gain (loss) on sale of capital assets	44,483	(54,794)
Capital grant	-	271,357
Investment earnings	-	45,851
Total Non-Operating Revenues (Expenses)	44,483	262,414
Loss before Contributions	828,021	1,185,334
Contributions-capital assets, net of accumulated depreciation	-	110,041
Change in Net Assets	828,021	1,295,375
Net Assets Beginning of Year	9,372,728	8,077,353
Net Assets End of Year	\$ 10,200,749	\$ 9,372,728

La Plata County, Colorado
Capital Equipment Replacement Fund
Schedule of Revenues and Expenditures
Budget and Actual - (Non-GAAP Budgetary Basis)
For the Year Ended December 31, 2009

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues				
Charges for services	\$ 2,703,525	\$ 2,710,000	\$ 2,688,024	\$ (21,976)
Sales of capital assets	200,000	200,000	131,795	(68,205)
Total Revenues	<u>2,903,525</u>	<u>2,910,000</u>	<u>2,819,819</u>	<u>(90,181)</u>
Expenditures				
Equipment maintenance	1,151,838	1,151,838	1,017,855	133,983
Capital Outlay	1,302,162	1,308,637	939,276	369,361
Total Expenditures	<u>2,454,000</u>	<u>2,460,475</u>	<u>1,957,131</u>	<u>503,344</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>449,525</u>	<u>449,525</u>	<u>862,688</u>	<u>413,163</u>
Net change in Fund Balances	<u>\$ 449,525</u>	<u>\$ 449,525</u>	<u>862,688</u>	<u>\$ 413,163</u>
Reconciliation to GAAP Net Income:				
Less: Capital assets, disposed net of accumulated depreciation			(87,312)	
Add capital expenditures capitalized			939,276	
Less depreciation expense			<u>(886,631)</u>	
Change in Net Assets			<u>\$ 828,021</u>	

La Plata County, Colorado
Employee Medical Self Insurance Fund
Comparative Statement of Net Assets
December 31, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Assets		
Current Assets:		
Equity in treasurer's cash and investments	\$ 2,686,232	\$ 2,928,502
Total Current Assets	<u>\$ 2,686,232</u>	<u>\$ 2,928,502</u>
 Liabilities		
Current Liabilities:		
Accrued claims payable	\$ 348,546	\$ 364,350
 Net Assets		
Unrestricted	<u>\$ 2,337,686</u>	<u>\$ 2,564,152</u>

La Plata County, Colorado
Employee Medical Self Insurance Fund
Comparative Statement of Revenues,
Expenses and Changes in Fund Net Assets
For the Years Ended December 31, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Operating Revenues		
Insurance deposits	\$ 2,422,062	\$ 1,988,173
Operating Expenses		
Medical claims	<u>2,656,372</u>	<u>2,259,822</u>
Operating Income (Loss)	<u>(234,310)</u>	<u>(271,649)</u>
Non-Operating Revenues		
Investment earnings	<u>7,844</u>	<u>72,504</u>
Change in Net Assets	(226,466)	(199,145)
Net Assets Beginning of Year	<u>2,564,152</u>	<u>2,763,297</u>
Net Assets End of Year	<u><u>\$ 2,337,686</u></u>	<u><u>\$ 2,564,152</u></u>

La Plata County, Colorado
Employee Medical Self Insurance Fund
Schedule of Revenues, Expenses and
Changes in Net Assets - Budget and Actual
For the Year Ended December 31, 2009

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Operating Revenues				
Insurance deposits	\$ 2,115,000	\$ 2,115,000	\$ 2,422,062	\$ 307,062
Operating Expenses				
Medical claims	2,575,000	3,250,000	2,656,372	593,628
Operating Income (Loss)	(460,000)	(1,135,000)	(234,310)	900,690
Non-Operating Revenues				
Investment earnings	75,000	75,000	7,844	(67,156)
Change in Net Assets	<u>\$ (385,000)</u>	<u>\$ (1,060,000)</u>	(226,466)	<u>\$ 833,534</u>
Net Assets Beginning of Year			2,564,152	
Net Assets End of Year			<u>\$ 2,337,686</u>	

TRUST AND AGENCY FUNDS

Trust funds are used to account for assets held by the government in a trustee capacity. Agency funds are used to account for assets held by the government as an agent for individuals, private organizations, other governments and/or other funds.

General Agency Fund:

This fund is used to account for the property taxes collected for and remitted to other taxing entities by the La Plata County Treasurer.

La Plata County, Colorado
General Agency Fund
Statement of Changes in Fiduciary Assets and Liabilities
For The Year Ended December 31, 2009

	Balance January 1, 2009	Additions	Deductions	Balance December 31, 2009
Assets				
Equity in treasurer's cash and investments	\$ 1,880,295	\$ 88,676,958	\$ 88,411,588	\$ 2,145,665
Liabilities				
Accounts payable	\$ 60,279	\$ 12,651,300	\$ 12,595,226	\$ 116,353
Due to component unit	298,617	1,682,887	1,731,855	249,649
Deposits held for others	1,521,399	74,342,771	74,084,507	1,779,663
Total Liabilities	\$ 1,880,295	\$ 88,676,958	\$ 88,411,588	\$ 2,145,665

Discretely Presented Component Units

Discretely presented component units are those entities that are legally separate from the primary government (the County) but for which the elected officials of the County are financially accountable, or where the nature and significance of their relationship with the County would cause the County's statements to be misleading or incomplete if they were excluded.

Office of the District Attorney, Sixth Judicial District:

The office of the District Attorney of the Sixth Judicial District provides prosecutorial and other public safety services to the citizens of La Plata, Archuleta, and San Juan Counties. The office is governed by a separately elected District Attorney.

Sixth Judicial District Attorney
Balance Sheet
Governmental Funds
December 31, 2009

	General	Victim's Assistance	Federal Victim's Compensation	State Victim's Compensation	Total Governmental Funds
Assets					
Cash Deposits	\$ 103,543	\$ 132,196	\$ 1	\$ 186,104	\$ 421,844
Due from primary government	249,649	-	-	-	249,649
Receivables:					
Accounts	7,620	-	-	-	7,620
Intergovernmental	145,452	-	-	-	145,452
Total Assets	\$ 506,264	\$ 132,196	\$ 1	\$ 186,104	\$ 824,565
Liabilities and Fund Balances					
Liabilities					
Accounts payable	\$ 4,444	\$ -	\$ -	\$ -	\$ 4,444
Accrued salaries and benefits	52,495	-	-	-	52,495
Due to primary government	300,000	-	-	-	300,000
Total Liabilities	356,939	-	-	-	356,939
Fund Balances					
Reserved for emergencies	72,000	-	-	-	72,000
Unreserved, undesignated reported in:					
General fund	77,325	-	-	-	77,325
Special revenue funds	-	132,196	1	186,104	318,301
Total Fund Balances	149,325	132,196	1	186,104	467,626
Total Liabilities and Fund Balances	\$ 506,264	\$ 132,196	\$ 1	\$ 186,104	\$ 824,565
Governmental Fund Balance					\$ 467,626
Amounts reported for governmental activities in the statement of net assets are different because:					
Capital assets used in governmental activities are not financial resources and therefore not reported in the funds					62,952
Compensated absences are not due and payable in the current period and therefore not reported in the funds					(68,220)
Net assets of governmental activities					<u>\$ 462,358</u>

Sixth Judicial District Attorney
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2009

	<u>General</u>	<u>Victim's Assistance</u>	<u>Federal Victim's Compensation</u>	<u>State Victim's Compensation</u>	<u>Total Governmental Funds</u>
Revenues					
Intergovernmental	\$ 479,984	\$ 239,366	\$ 95,000	\$ 172,957	\$ 987,307
Intergovernmental - County	1,260,367	-	-	-	1,260,367
Miscellaneous	55,220	1,962	12,502	69,458	139,142
Total Revenues	<u>1,795,571</u>	<u>241,328</u>	<u>107,502</u>	<u>242,415</u>	<u>2,386,816</u>
Expenditures					
Current:					
Public safety	1,852,725	214,749	107,999	121,684	2,297,157
Total Expenditures	<u>1,852,725</u>	<u>214,749</u>	<u>107,999</u>	<u>121,684</u>	<u>2,297,157</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(57,154)</u>	<u>26,579</u>	<u>(497)</u>	<u>120,731</u>	<u>89,659</u>
Other Financing Sources (Uses)					
Transfers in	58,021	-	-	-	58,021
Transfers out	-	(35,467)	-	(22,554)	(58,021)
Total Other Financing Sources (Uses)	<u>58,021</u>	<u>(35,467)</u>	<u>-</u>	<u>(22,554)</u>	<u>-</u>
Net Change in Fund Balances	867	(8,888)	(497)	98,177	89,659
Fund Balances Beginning of Year	<u>148,458</u>	<u>141,084</u>	<u>498</u>	<u>87,927</u>	<u>377,967</u>
Fund Balances End of Year	<u>\$ 149,325</u>	<u>\$ 132,196</u>	<u>\$ 1</u>	<u>\$ 186,104</u>	<u>\$ 467,626</u>
Net change in fund balances					\$ 89,659
Amounts reported for governmental activities in the statement of activities are different because:					
Governmental funds report capital outlays as expenditures but they are capitalized at the government-wide financial reporting level:					
Depreciation expense				\$ (23,743)	
Capital outlay				\$ -	\$ (23,743)
Governmental fund do not report compensated absences at the fund financial reporting level but they are reported at the government-wide financial reporting level.					
Liability @ 12/31/09				\$ (68,220)	
Liability @ 12/31/08				\$ 57,655	\$ (10,565)
Change in net assets at the government-wide financial reporting level					<u>\$ 55,351</u>

Sixth Judicial District Attorney
Governmental funds (General) with adopted budget
Schedule of Revenues, Expenses and
Changes in Net Assets - Budget and Actual
For the Year Ended December 31, 2009

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues				
Intergovernmental	\$ 475,047	\$ 475,047	\$ 479,984	\$ 4,937
Intergovernmental - County	1,378,197	1,378,197	1,260,367	(117,830)
Miscellaneous	36,500	36,500	55,220	18,720
Total Revenues	1,889,744	1,889,744	1,795,571	(94,173)
Expenditures				
Current:				
Public safety	1,932,528	1,932,528	1,852,725	79,803
Total Expenditures	1,932,528	1,932,528	1,852,725	79,803
Excess (Deficiency) of Revenues Over (Under) Expenditures	(42,784)	(42,784)	(57,154)	(14,370)
Other Financing Sources (Uses)				
Transfers in	42,784	42,784	58,021	15,237
Total Other Financing Sources (Uses)	42,784	42,784	58,021	15,237
Net Change in Fund Balances	\$ -	\$ -	867	\$ 867
Fund Balances Beginning of Year			148,458	
Fund Balances End of Year			\$ 149,325	

SPECIAL REPORTS SECTION

La Plata County, Colorado
Social Services Fund
Schedule of EBT Authorizations, Warrant Expenditures and Total Expenditures
For the Year Ended December 31, 2009

Program	County EBT Authorizations	County Share of Authorizations	Expenditures By County Warrant	Total Authorizations & Expenditures By By County Warrant	Total Expenditures
Colorado Works	\$ 286,731	\$ 74,388	\$ 772,215	\$ 1,058,946	\$ 846,603
Child Care	386,020	57,080	208,296	594,316	265,376
Child Welfare	928,993	163,454	1,478,732	2,407,725	1,642,186
County Administration	-	-	1,023,946	1,023,946	1,023,946
Core Services	523,341	55,640	580,156	1,103,497	635,796
Child Support Administration	-	-	442,622	442,622	442,622
LEAP	590,573	-	31,746	622,319	31,746
AND	152,096	28,914	-	152,096	28,914
Old Age Pension	231,877	87	26,561	258,438	26,648
Food Assistance Fraud	-	-	29,890	29,890	29,890
Food Assistance	4,299,896	-	-	4,299,896	-
Food Assistance Job Search	-	-	49,028	49,028	49,028
Title XX	-	-	5,006	5,006	5,006
CHAFFEE	10,182	-	37,689	47,871	37,689
General Assistance	-	-	36,359	36,359	36,359
HB 1414 IV-E Eligibility	4,668	-	5,265	9,933	5,265
CHP+	-	-	241	241	241
Adoption Incentive Grant	-	-	2,068	2,068	2,068
Title IV-B Sup Part 2 (PSSF)	34,776	-	-	34,776	-
PSSF		-	121,544	121,544	121,544
Totals	<u>\$ 7,449,153</u>	<u>\$ 379,563</u>	<u>\$ 4,851,364</u>	<u>\$ 12,300,517</u>	<u>\$ 5,230,927</u>

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

LOCAL HIGHWAY FINANCE REPORT		City or County:
		County
		YEAR ENDING : December 2009
This Information From The Records Of: County of La Plata, Coloradc		Prepared By: Karla Distel Phone: (970)382-6306

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

ITEM	AMOUNT
A. Receipts from local sources:	
1. Local highway-user taxes	
a. Motor Fuel (from Item I.A.5.)	
b. Motor Vehicle (from Item I.B.5.)	
c. Total (a.+b.)	
2. General fund appropriations	8,000,000
3. Other local imposts (from page 2)	2,771,693
4. Miscellaneous local receipts (from page 2)	277,237
5. Transfers from toll facilities	
6. Proceeds of sale of bonds and notes:	
a. Bonds - Original Issues	
b. Bonds - Refunding Issues	
c. Notes	
d. Total (a. + b. + c.)	0
7. Total (1 through 6)	11,048,930
B. Private Contributions (So Ute Indian Tribe)	65,534
C. Receipts from State government (from page 2)	4,423,551
D. Receipts from Federal Government (from page 2)	30,025
E. Total receipts (A.7 + B + C + D)	15,568,040

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway disbursements:	
1. Capital outlay (from page 2)	5,000,498
2. Maintenance:	5,398,185
3. Road and street services:	
a. Traffic control operations	
b. Snow and ice removal	1,349,546
c. Other	
d. Total (a. through c.)	1,349,546
4. General administration & miscellaneous	0
5. Highway law enforcement and safety	
6. Total (1 through 5)	11,748,229
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	0
2. Notes:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	0
3. Total (1.c + 2.c)	0
C. Payments to State for highways	
D. Payments to toll facilities	
E. Total disbursements (A.6 + B.3 + C + D)	11,748,229

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)				0
1. Bonds (Refunding Portion)				
B. Notes (Total)				0

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	7,451,579	15,568,040	11,748,229	11,271,390	(0)

Notes and Comments:

Private Contributions on Page 1 represent payments in lieu of taxes from Southern Ute Indian Tribe
Maintenance and snow removal costs are consolidated into a single cost center in our system--we estimate 20% for snow removal

LOCAL HIGHWAY FINANCE REPORT		STATE:	
		Colorado	
		YEAR ENDING (mm/yy): December 2009	
II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments	1,952,603	a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees	571,229	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses	86,341	f. Charges for Services	
5. Specific Ownership &/or Other	161,520	g. Other Misc. Receipts	277,237
6. Total (1. through 5.)	819,090	h. Other	0
c. Total (a. + b.)	2,771,693		
ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	2,560,559	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	10,306
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	174,736	d. Federal Transit Admin	
d. Other EIAF/LGGF	1,206,068	e. U.S. Corps of Engineers	
e. Other Bridge Funds/Enhancement	482,188	f. Other Federal	19,720
f. Total (a. through e.)	1,862,992	g. Total (a. through f.)	30,025
4. Total (1. + 2. + 3.f)	4,423,551	3. Total (1. + 2.g)	
			(Carry forward to page 1)
III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL			
	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs		192,933	192,933
b. Engineering Costs		1,053,473	1,053,473
c. Construction:			
(1). New Facilities		813,026	813,026
(2). Capacity Improvements		2,801,650	2,801,650
(3). System Preservation		28,665	28,665
(4). System Enhancement & Operation		110,750	110,750
(5). Total Construction (1) + (2) + (3) + (4)	0	3,754,091	3,754,091
+ 1.c.5)	0	5,000,498	5,000,498
			(Carry forward to page 1)
Notes and Comments:			

STATISTICAL SECTION

Statistical Section

This part of the La Plata County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements and note disclosures says about the County's overall financial health.

Contents

Tables

Financial Trends

These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time 1-2

Revenue Capacity

These schedules contain information to help the reader assess the factors affecting the County's ability to generate its property and sales taxes 3-4

Debt Capacity

These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future 5-6

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place and to help make comparisons over time and with other governments 7-8

Operating Information

These schedules contain information about the County's operations and resources to help the reader understand how the County's financial performance relates to the services the County provides and the activities it performs 9-10

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The County implemented GASB Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year.

La Plata County, Colorado
Government-wide Net Assets by Component
December 31, 2003-2009
(accrual basis of accounting)

	December 31, 2003	December 31, 2004	December 31, 2005	December 31, 2006	December 31, 2007	December 31, 2008	December 31, 2009
Governmental Activities							
Invested in capital assets, net of related debt	\$ 27,295,951	\$ 36,815,975	\$ 45,072,293	\$ 76,413,335	\$ 85,872,184	\$ 101,427,081	\$ 104,785,611
Restricted for:							
Capital projects	9,474,624	7,891,609	7,900,944	11,759,657	15,086,883	5,440,161	4,652,468
Emergencies	1,120,000	1,120,000	1,185,000	1,185,000	1,285,000	2,000,000	2,000,000
Debt Service	36,319	433,756	534,060	425,143	448,522	454,883	452,735
Specific projects and programs	7,369,315	9,036,905	9,410,170	10,192,051	9,674,145	5,573,959	3,667,978
Unrestricted	18,372,228	17,006,881	21,485,803	25,924,833	33,051,259	44,754,552	57,321,536
Subtotal Governmental Activities Net Assets	\$ 63,668,437	\$ 72,305,126	85,588,270	\$ 125,900,019	\$ 145,417,993	\$ 159,650,636	\$ 172,880,328
Subtotal Business-type Activities Net assets	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -
Primary Government							
Invested in capital assets, net of related debt	\$ 27,295,951	\$ 36,815,975	\$ 45,072,293	\$ 76,413,335	\$ 85,872,184	\$ 101,427,081	\$ 104,785,611
Restricted	18,000,258	18,482,270	19,030,174	23,561,851	26,494,550	13,469,003	10,773,181
Unrestricted	18,372,228	17,006,881	21,485,803	25,924,833	33,051,259	44,754,552	57,321,536
Total primary government net assets	\$ 63,668,437	\$ 72,305,126	85,588,270	\$ 125,900,019	\$ 145,417,993	\$ 159,650,636	\$ 172,880,328

Notes: The County began to report accrual information when it implemented GASB Statement No. 34 in fiscal year 2003.

Accounting standards require that net assets be reported in three components in the financial statements: invested in capital assets, net of related debt; restricted; and unrestricted. Net assets are considered restricted only when (1) an external party, such as the State of Colorado or the federal government, places a restriction on how the resources may be used, or (2) enabling legislation is enacted by the County.

La Plata County, Colorado
Government-wide Changes in Net Assets
Fiscal Years 2003-2009
(accrual basis of accounting)

	<u>Fiscal Year 2003</u>	<u>Fiscal Year 2004</u>	<u>Fiscal Year 2005</u>	<u>Fiscal Year 2006</u>	<u>Fiscal Year 2007</u>	<u>Fiscal Year 2008</u>	<u>Fiscal Year 2009</u>
Expenses							
Governmental Activities							
General government	\$ 7,754,452	\$ 6,973,916	\$ 7,985,491	\$ 8,776,033	\$ 9,310,267	\$ 10,081,860	\$ 11,324,542
Public safety	10,227,758	10,363,443	11,205,953	12,529,335	13,408,383	13,909,083	14,921,662
Auxiliary services	2,547,884	4,295,664	4,570,764	4,703,319	4,796,460	3,693,219	3,925,467
Public works	7,998,659	2,301,220	2,740,837	3,055,270	3,290,009	12,532,719	13,329,071
Health and welfare	4,471,450	7,692,460	8,407,331	11,240,436	11,690,024	4,896,385	5,551,746
Community programs	2,522,640	2,680,824	3,322,796	6,106,905	4,044,371	4,341,763	5,191,522
Interest on long-term debt	103,912	120,222	180,491	136,007	104,989	91,633	81,935
Total Governmental Activities	<u>35,626,755</u>	<u>34,427,749</u>	<u>38,413,663</u>	<u>46,547,305</u>	<u>46,644,503</u>	<u>49,546,662</u>	<u>54,325,945</u>
Business-type Activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Primary Government Expenses	<u>\$ 35,626,755</u>	<u>\$ 34,427,749</u>	<u>\$ 38,413,663</u>	<u>\$ 46,547,305</u>	<u>\$ 46,644,503</u>	<u>\$ 49,546,662</u>	<u>\$ 54,325,945</u>
Program Revenues							
Governmental Activities							
Charges for Services							
General government	\$ 2,717,321	\$ 1,926,114	\$ 2,025,210	\$ 2,895,256	\$ 3,122,679	\$ 2,742,547	\$ 2,820,023
Public safety	1,008,565	567,003	612,358	688,195	709,336	845,054	813,731
Auxiliary services	269,514	266,798	204,018	487,274	477,721	620,385	264,190
Public works	192,447	125,387	47,106	81,678	270,851	267,910	86,341
Total Charges for Services	<u>4,187,847</u>	<u>2,885,302</u>	<u>2,888,692</u>	<u>4,152,403</u>	<u>4,580,587</u>	<u>4,475,896</u>	<u>3,984,285</u>
Operating Grants and Contributions	8,335,012	8,558,442	12,056,298	12,390,828	11,291,178	10,280,747	18,162,203
Capital Grants and Contributions	5,427,383	3,533,185	1,773,879	4,392,191	3,905,903	4,026,680	2,828,191
Total Governmental Activities Program Revenues	<u>17,950,242</u>	<u>14,976,929</u>	<u>16,718,869</u>	<u>20,935,422</u>	<u>19,777,668</u>	<u>18,783,323</u>	<u>24,974,679</u>
Total Business-type Activities Program Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Primary Government Program Revenues	<u>\$ 17,950,242</u>	<u>\$ 14,976,929</u>	<u>\$ 16,718,869</u>	<u>\$ 20,935,422</u>	<u>\$ 19,777,668</u>	<u>\$ 18,783,323</u>	<u>\$ 24,974,679</u>
Net (Expense) Revenue							
Governmental activities	\$ (17,676,513)	\$ (19,450,820)	\$ (21,694,794)	\$ (25,611,883)	\$ (26,866,835)	\$ (30,763,339)	\$ (29,351,266)
Business activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Primary Government	<u>\$ (17,676,513)</u>	<u>\$ (19,450,820)</u>	<u>\$ (21,694,794)</u>	<u>\$ (25,611,883)</u>	<u>\$ (26,866,835)</u>	<u>\$ (30,763,339)</u>	<u>\$ (29,351,266)</u>

La Plata County, Colorado
Government-wide Changes in Net Assets
Fiscal Years 2003-2009
(accrual basis of accounting)

	<u>Fiscal Year 2003</u>	<u>Fiscal Year 2004</u>	<u>Fiscal Year 2005</u>	<u>Fiscal Year 2006</u>	<u>Fiscal Year 2007</u>	<u>Fiscal Year 2008</u>	<u>Fiscal Year 2009</u>
General revenues and other changes in net assets							
Governmental Activities:							
Taxes							
Property taxes levied for general purposes	\$ 16,450,626	\$ 14,421,821	\$ 19,938,128	\$ 23,038,002	\$ 27,340,954	\$ 27,363,462	\$ 27,822,967
Sales taxes	10,044,453	11,099,303	11,558,412	12,874,145	13,536,799	13,639,998	12,264,867
Other taxes	1,296,970	150,766	166,360	176,662	178,160	189,262	168,180
Investment earnings	629,156	495,828	1,045,081	2,106,064	3,175,953	1,927,368	514,724
Gain (loss) on disposition of capital assets	-	(152,835)	-	17,057	6,592	(261,944)	-
Miscellaneous	1,148,909	2,135,485	2,269,958	3,390,749	2,146,353	2,137,836	1,810,220
Transfer from (to) business-type activities	18,211	-	-	-	-	-	-
Subtotal Governmental Activities	<u>29,588,325</u>	<u>28,150,368</u>	<u>34,977,939</u>	<u>41,602,679</u>	<u>46,384,811</u>	<u>44,995,982</u>	<u>42,580,958</u>
Subtotal Business-type Activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Primary Government	<u>\$ 29,588,325</u>	<u>\$ 28,150,368</u>	<u>\$ 34,977,939</u>	<u>\$ 41,602,679</u>	<u>\$ 46,384,811</u>	<u>\$ 44,995,982</u>	<u>\$ 42,580,958</u>
 Changes in Net Assets							
Governmental activities	\$ 11,911,809	\$ 8,108,553	\$ 13,283,145	\$ 15,990,796	\$ 19,517,976	\$ 14,232,643	\$ 13,229,692
Business-type activities	(18,211)	-	-	-	-	-	-
Total Primary Government	<u>\$ 11,893,598</u>	<u>\$ 8,108,553</u>	<u>\$ 13,283,145</u>	<u>\$ 15,990,796</u>	<u>\$ 19,517,976</u>	<u>\$ 14,232,643</u>	<u>\$ 13,229,692</u>

Notes: The County began to report accrual information when it implemented GASB Statement No. 34 in fiscal year 2003.

La Plata County, Colorado
General Governmental Revenues by Source
Last Ten Fiscal Years
(modified accrual basis of accounting)

Source	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Taxes	\$ 20,681,820	\$ 21,291,071	\$ 26,218,122	\$ 27,792,046	\$ 25,671,890	\$ 31,662,899	\$ 36,088,807	\$ 41,055,912	\$ 41,192,722	\$ 40,256,015
Intergovernmental	9,705,122	9,027,409	11,910,774	10,900,996	12,091,627	12,627,050	15,979,354	12,735,290	13,997,368	16,538,111
Licenses and permits	653,986	746,136	761,470	743,950	995,007	1,023,634	817,770	1,142,078	931,951	520,400
Charges for services	2,368,210	2,515,871	2,647,593	2,998,528	2,824,970	2,854,458	3,290,254	3,393,629	3,530,762	3,302,681
Fines and forfeitures	4,292	3,963	2,792	8,605	4,919	6,888	2,518	-	-	-
Miscellaneous	3,162,912	2,797,167	2,070,870	2,260,049	1,615,915	2,175,017	5,337,037	5,126,793	3,946,848	2,317,105
Total revenues	<u>\$ 36,576,342</u>	<u>\$ 36,381,617</u>	<u>\$ 43,611,621</u>	<u>\$ 44,704,174</u>	<u>\$ 43,204,328</u>	<u>\$ 50,349,946</u>	<u>\$ 61,515,740</u>	<u>\$ 63,453,702</u>	<u>\$ 63,599,650</u>	<u>\$ 62,934,312</u>
% change from prior year	<u>14.8%</u>	<u>-0.5%</u>	<u>19.9%</u>	<u>2.5%</u>	<u>-3.4%</u>	<u>16.5%</u>	<u>22.2%</u>	<u>3.2%</u>	<u>0.2%</u>	<u>-1.0%</u>

La Plata County, Colorado
General Governmental Expenditures by Function
Last Ten Fiscal Years
(Unaudited)
(modified accrual basis of accounting)

Function	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Current:										
General government	\$ 4,825,909	\$ 5,334,617	\$ 7,279,623	\$ 7,148,375	\$ 6,879,830	\$ 7,569,024	\$ 8,494,853	\$ 8,918,391	\$ 9,574,832	\$ 10,629,669
Public safety	5,616,273	6,571,347	7,833,806	9,154,633	10,491,246	11,146,554	12,247,107	13,308,782	13,933,609	14,623,385
Public works	5,000,812	6,605,027	6,040,436	6,321,849	6,300,583	2,445,015	2,739,962	3,025,521	3,306,975	3,593,406
Health and welfare	4,153,871	4,124,878	4,453,787	4,541,852	4,436,225	6,982,368	7,861,675	8,981,938	8,974,502	8,005,211
Auxiliary services	1,583,143	2,062,207	2,372,646	2,417,688	2,165,385	4,652,802	4,731,187	4,759,169	4,829,459	5,532,693
Community Programs	2,100,038	2,238,100	3,049,666	2,522,640	2,680,824	3,322,796	6,106,905	4,044,371	4,341,763	5,191,522
Total Current	<u>23,280,046</u>	<u>26,936,176</u>	<u>31,029,964</u>	<u>32,107,037</u>	<u>32,954,093</u>	<u>36,118,559</u>	<u>42,181,689</u>	<u>43,038,172</u>	<u>44,961,140</u>	<u>47,575,886</u>
% Change From Prior Year	<u>17.5%</u>	<u>15.7%</u>	<u>15.2%</u>	<u>3.5%</u>	<u>2.6%</u>	<u>9.6%</u>	<u>16.8%</u>	<u>2.0%</u>	<u>4.5%</u>	<u>5.8%</u>
Capital Outlay	9,863,624	6,642,809	6,534,194	10,874,580	15,993,081	9,030,115	9,755,183	12,798,486	19,557,767	7,615,183
% Change From Prior Year	<u>13.8%</u>	<u>-32.7%</u>	<u>-1.6%</u>	<u>66.4%</u>	<u>47.1%</u>	<u>-43.5%</u>	<u>8.0%</u>	<u>31.2%</u>	<u>52.8%</u>	<u>-61.1%</u>
Debt Service										
Principal	1,268,498 ¹	485,000	510,000	535,000	560,000	930,000 ²	970,000 ³	360,000	375,000	385,000
Interest	128,498	159,226	130,625	107,675	124,405	173,959	139,172	102,089	92,612	81,681
Agent fees	745	250	250	250	250	2,000	2,000	1,750	1,750	1,750
Total Debt Service	<u>1,397,741</u>	<u>644,476</u>	<u>640,875</u>	<u>642,925</u>	<u>684,655</u>	<u>1,105,959</u>	<u>1,111,172</u>	<u>463,839</u>	<u>469,362</u>	<u>468,431</u>
% Change From Prior Year	<u>39.1%</u>	<u>-53.9%</u>	<u>-0.6%</u>	<u>0.3%</u>	<u>6.5%</u>	<u>61.5%</u>	<u>0.5%</u>	<u>-58.3%</u>	<u>1.2%</u>	<u>-0.2%</u>
Total Expenditures	<u>\$ 34,541,411</u>	<u>\$ 34,223,461</u>	<u>\$ 38,205,033</u>	<u>\$ 43,624,542</u>	<u>\$ 49,631,829</u>	<u>\$ 46,254,633</u>	<u>\$ 53,048,044</u>	<u>\$ 56,300,497</u>	<u>\$ 64,988,269</u>	<u>\$ 55,659,500</u>
% Change From Prior Year	<u>17.2%</u>	<u>-0.9%</u>	<u>11.6%</u>	<u>14.2%</u>	<u>13.8%</u>	<u>-6.8%</u>	<u>14.7%</u>	<u>6.1%</u>	<u>15.4%</u>	<u>-14.4%</u>
Debt Service as a Percentage of Total Non-capital Expenditures	<u>5.7%</u>	<u>2.3%</u>	<u>2.0%</u>	<u>2.0%</u>	<u>2.0%</u>	<u>3.0%</u>	<u>2.6%</u>	<u>1.1%</u>	<u>1.0%</u>	<u>1.0%</u>

Notes:

¹⁾ Refinancing of 1986 Sales Tax Revenue bonds²⁾ First year of debt service on 2004 Certificates of Purchase, Old Main Professional Building³⁾ Final year of debt service on 2000 Sales Tax Revenue Bonds

La Plata County, Colorado
Governmental Fund - Fund Balances
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General Fund										
Reserved	\$ 134,763	\$ 186,583	\$ 520,554	\$ 1,376,847	\$ 1,439,011	\$ 1,479,821	\$ 1,503,670	\$ 1,355,569	\$ 1,386,509	\$ 1,536,887
Unreserved	6,706,010	7,170,566	8,340,333	8,288,753	5,990,174	8,699,792	12,778,086	16,842,929	23,951,512	28,285,373
Subtotal General Fund	<u>6,840,773</u>	<u>7,357,149</u>	<u>8,860,887</u>	<u>9,665,600</u>	<u>7,429,185</u>	<u>10,179,613</u>	<u>14,281,756</u>	<u>18,198,498</u>	<u>25,338,021</u>	<u>29,822,260</u>
General Fund Percentage Change	<u>14.3%</u>	<u>7.5%</u>	<u>20.4%</u>	<u>9.1%</u>	<u>-23.1%</u>	<u>37.0%</u>	<u>40.3%</u>	<u>27.4%</u>	<u>39.2%</u>	<u>17.7%</u>
All Other Governmental Funds										
Reserved	6,090,763	8,228,886	11,090,759	11,808,459	10,299,261	11,237,184	16,906,983	20,987,489	12,920,525	9,623,971
Unreserved										
Special Revenue Funds	<u>9,332,020</u>	<u>8,004,456</u>	<u>7,979,630</u>	<u>7,029,286</u>	<u>8,974,152</u>	<u>8,547,189</u>	<u>7,263,442</u>	<u>6,482,847</u>	<u>6,021,669</u>	<u>12,108,796</u>
Subtotal All Other Governmental Funds	<u>15,422,783</u>	<u>16,233,342</u>	<u>19,070,389</u>	<u>18,837,745</u>	<u>19,273,413</u>	<u>19,784,373</u>	<u>24,170,425</u>	<u>27,470,336</u>	<u>18,942,194</u>	<u>21,732,767</u>
Total Governmental Funds										
Reserved	6,225,526	8,415,469	11,611,313	13,185,306	11,738,272	12,717,005	17,985,510	22,343,058	13,852,151	11,160,858
Unreserved	16,038,030	15,175,022	16,319,963	15,318,039	14,964,326	17,246,981	20,466,671	23,325,776	30,428,064	40,394,169
Total Governmental Funds	<u>\$ 22,263,556</u>	<u>\$ 23,590,491</u>	<u>\$ 27,931,276</u>	<u>\$ 28,503,345</u>	<u>\$ 26,702,598</u>	<u>\$ 29,963,986</u>	<u>\$ 38,452,181</u>	<u>\$ 45,668,834</u>	<u>\$ 44,280,215</u>	<u>\$ 51,555,027</u>
All Governmental Funds Percentage Change	<u>6.7%</u>	<u>6.0%</u>	<u>18.4%</u>	<u>2.0%</u>	<u>-6.3%</u>	<u>12.2%</u>	<u>28.3%</u>	<u>18.8%</u>	<u>-3.0%</u>	<u>16.4%</u>

La Plata County, Colorado
General Governmental Tax Revenues by Source
Last Ten Fiscal Years
(modified accrual basis of accounting)

Fiscal Year	Property	Specific Ownership	Sales	Cable Franchise	Lodging	Total
2000	\$ 9,963,904	\$ 1,046,908	\$ 9,403,815	\$ -	\$ 267,193	\$ 20,681,820
2001	10,295,241	1,217,695	9,538,472	-	239,663	21,291,071
2002	14,884,093	1,513,981	9,675,960	-	144,088	26,218,122
2003	16,006,175	1,589,119	10,044,453	-	152,299	27,792,046
2004	13,045,165	1,363,951	11,099,303	-	163,471	25,671,890
2005	18,178,374	1,771,618	11,558,412	-	154,495	31,662,899
2006	21,093,729	1,948,479	12,874,145	-	172,454	36,088,807
2007	25,008,568	2,248,409	13,536,799	59,011	203,125	41,055,912
2008	25,022,449	2,246,097	13,639,998	94,916	189,262	41,192,722
2009	25,928,320	1,799,726	12,264,867	95,015	168,087	40,256,015
Percentage Change In Dollars Over 10 Years						
	160.2%	71.9%	30.4%	61.0%	-37.1%	94.6%

¹ As hotel properties are annexed into the City of Durango, the County lodging tax is no longer collected.

La Plata County, Colorado
Property Tax Levies and Collections
Tax years 1999-2008
Fiscal years 1999-2009

Tax Year	Fiscal Year Collected	Total Tax Levy ¹	Current Tax Collection	% of Levy Collected	Delinquent Tax Collections ²	Total Tax Collections	% of Total Tax Collection To Levy
1999	2000	\$ 9,927,453	\$ 9,910,397	99.83%	\$ 53,507	\$ 9,963,904	100.37%
2000	2001	10,339,617	10,324,889	99.86%	(29,648)	10,295,241	99.57%
2001	2002	14,871,466	14,851,806	99.87%	5,292	14,884,093	100.08%
2002	2003	15,976,500	15,958,581	99.89%	47,595	16,006,175	100.19%
2003	2004	13,002,400	12,959,129	99.67%	48,043	13,045,165	100.33%
2004	2005	18,193,503	18,178,915	99.92%	(541)	18,178,374	99.92%
2005	2006	21,157,511	21,097,564	99.72%	(3,835)	21,093,729	99.70%
2006	2007	25,568,291	25,612,223	100.17%	(603,655)	25,008,568	97.81%
2007	2008	25,153,611	25,093,768	99.76%	(71,319)	25,022,449	99.48%
2008	2009	25,846,078	25,601,281	99.05%	327,039	25,928,320	100.32%

(1) Includes General, Road and Bridge, and Social Services Funds, as well as Local Improvement District funds.

(2) Delinquent taxes are reported in the year collected, not in the year levied. When negative, represents an abatement of prior year taxes.

Notes: The recommended format for this table includes the amount of levy collected in subsequent years and the total amounts and percentage collected to date. The La Plata County Treasurer is unable to provide this information, however, only a statistically insignificant amount of unabated taxes are ultimately uncollected.

La Plata County, Colorado
Assessed Value and Estimated Actual Value of Taxable Property

Assessment Year	Fiscal Year	Vacant Property	Residential Property	Commercial Property	Industrial Property	Agricultural Property	Natural Resources	Oil & Gas	Other	Total Assessed	Residential Assessment Rate	Estimated Actual Value	Ratio of Assessed Value to Total Est. Actual Value	Oil and Gas As % of Total	La Plata County only Mill Levy
1999	2000	\$ 97,505	\$ 251,186	\$ 187,023	\$ 30,677	\$ 11,561	\$ 2,774	\$ 527,451	\$ 54,965	1,163,142	9.74%	\$ 4,507,592	25.8%	45.3%	8.500
2000	2001	91,175	263,852	189,262	36,325	11,876	3,041	554,476	61,247	1,211,254	9.74%	4,697,557	25.8%	45.8%	8.500
2001	2002	102,290	279,953	216,354	37,037	11,859	2,953	1,032,568	61,301	1,744,315	9.15%	5,728,618	30.4%	59.2%	8.500
2002	2003	98,945	296,609	218,164	41,603	12,199	2,917	1,146,165	57,525	1,874,127	9.15%	6,038,955	31.0%	61.2%	8.500
2003	2004	121,616	316,552	236,548	43,050	12,267	2,649	728,491	62,786	1,523,959	7.96%	6,460,780	23.6%	47.8%	8.500
2004	2005	121,040	333,398	240,521	42,219	12,473	2,614	1,321,390	60,580	2,134,235	7.96%	7,351,843	29.0%	61.9%	8.500
2005	2006	164,537	408,600	280,577	46,065	12,750	2,783	1,510,431	57,342	2,483,085	7.96%	8,804,386	28.2%	60.8%	8.500
2006	2007	165,544	436,296	289,643	50,881	13,002	3,765	1,982,319	66,595	3,008,045	7.96%	9,779,128	30.8%	65.9%	8.500
2007	2008	230,111	546,744	369,900	46,304	12,666	4,909	1,597,384	77,977	2,885,995	7.96%	11,252,387	25.6%	55.3%	8.693 ¹
2008	2009	217,035	588,523	386,761	50,875	12,767	4,440	1,637,188	120,404	3,017,991	7.96%	11,996,576	25.2%	54.2%	8.564 ¹

Source: La Plata County Assessor's Abstract

¹One-time mill levy to recoup abated taxes, does not require voter approval.

Notes: La Plata County reassesses property every other year on average. State law adjusts the residential assessment percentage each year, while the assessment percentage for oil & gas (87.5%) and all other properties (29%) has remained consistent. Estimated actual taxable value is calculated by dividing taxable assessed value by these percentages.

(in thousands of \$)

La Plata County, Colorado
Property Tax Rates
Direct and Overlapping Governments
2000-2009

Collection Year:		<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
La Plata County	mill	8.500	8.500	8.500	8.500	8.500	8.500	8.500	8.500	8.693	8.564
	tax \$	9,886,710	10,295,660	14,826,677	15,930,085	12,953,647	18,140,996	21,106,223	25,568,291	25,087,956	25,846,078
<i>Municipalities:</i>											
City of Durango	mill	2.507	2.507	2.507	2.507	2.507	2.507	2.507	2.507	2.507	2.507
	tax \$	516,184	587,480	651,163	683,120	746,788	774,172	949,080	972,396	1,248,819	1,279,024
Town of Bayfield	mill	5.964	5.964	5.950	5.169	5.950	5.950	5.950	5.950	5.950	5.950
	tax \$	72,114	72,778	77,784	80,975	108,161	131,330	157,513	212,115	245,627	240,482
Town of Ignacio	mill	3.370	3.370	3.370	3.370	3.370	3.337	3.192	3.084	2.978	2.918
	tax \$	15,399	15,707	16,066	15,928	15,900	16,342	16,906	16,404	19,335	20,460
<i>School Districts:</i>											
Durango 9R	mill	21.500	21.052	15.394	17.307	21.553	16.617	16.347	14.556	15.189	14.765
	tax \$	20,428,405	20,839,916	21,275,601	25,131,881	25,722,113	26,337,033	29,954,630	30,424,187	30,269,840	29,957,375
Bayfield 10R	mill	38.766	39.326	28.847	25.974	28.100	22.764	19.429	16.450	16.450	16.364
	tax \$	4,609,886	4,620,310	4,850,340	5,052,127	4,343,404	5,541,416	5,456,837	6,168,019	6,142,706	6,249,134
Ignacio 11JT	mill	17.429	15.958	8.825	7.598	7.598	4.183	6.217	4.246	4.463	4.032
	tax \$	1,643,467	1,657,096	1,712,965	1,728,532	1,336,895	1,279,416	2,299,053	2,305,286	2,319,418	2,448,082
<i>Special Districts:</i>											
Animas Fire Protection- Bonded Indebtedness	mill	1.828	1.700	1.230	1.024	1.160	0.692	0.631	0.526	0.486	0.480
	tax \$	576,339	594,782	569,446	527,429	537,020	439,630	506,154	491,804	451,821	452,671
Animas Fire Protection	mill	4.344	4.539	4.112	3.996	5.069	5.069	5.069	5.207	5.232	5.119
	tax \$	1,291,488	1,395,101	1,701,189	1,859,997	2,072,739	2,941,314	3,449,902	4,196,518	3,978,531	3,913,896
Animas La Plata Water Conservancy	mill	0.348	0.362	0.319	0.290	0.281	0.286	0.249	0.254	0.219	0.226
	tax \$	139,193	148,507	144,336	135,257	141,825	152,234	160,308	170,545	180,518	191,763
Animas Mosquito Control	mill	0.550	0.550	0.550	0.550	0.990	0.990	0.990	0.990	0.990	0.990
	tax \$	177,660	181,716	200,845	206,500	403,036	419,328	508,366	521,894	646,004	655,768
Aspen Trails Metro	mill	0.000	0.000	0.000	0.000	0.000	18.650	14.224	13.989	11.777	10.659
	tax \$	-	-	-	-	-	21,623	24,835	25,083	28,178	31,144
Durango Conference Center Business Improvement Center	mill	1.476	0.000	0.000	0.000	1.500	1.500	1.500	1.500	1.500	1.500
	tax \$	119,160	-	-	-	143,457	141,636	150,619	150,021	199,861	203,037

La Plata County, Colorado
Property Tax Rates
Direct and Overlapping Governments
2000-2009

Collection Year:		<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Durango Fire Protection	mill	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	tax \$	-	-	-	-	-	-	-	-	-	-
Durango Hills Local Improvement	mill	19.019	20.379	18.525	20.379	18.404	18.573	15.731	16.538	16.369	17.241
	tax \$	40,743	43,956	41,007	45,610	48,753	50,405	51,288	54,304	65,655	68,991
Durango West Metropolitan I	mill	71.820	71.280	55.140	57.840	48.100	47.200	38.800	22.400	17.960	17.960
	tax \$	141,973	142,982	135,672	144,173	137,935	140,033	136,218	79,322	79,703	79,921
Durango West Metropolitan II	mill	31.483	30.314	28.769	27.695	25.120	25.410	21.822	20.977	17.403	17.469
	tax \$	211,096	209,747	210,036	204,501	203,450	208,378	210,544	200,708	205,902	207,581
Edgemont Ranch Metropolitan	mill	5.874	5.874	5.874	5.874	5.874	5.874	14.402	12.963	10.892	10.469
	tax \$	19,358	20,135	21,339	25,222	29,934	33,666	128,260	148,516	210,138	234,836
Elbert Creek Water & Sanitation	mill	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	tax \$	-	-	-	-	-	-	-	-	-	-
El Rancho Florida Metropolitan	mill	12.156	8.672	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	tax \$	26,611	19,009	-	-	-	-	-	-	-	-
Florida Mosquito Control	mill	0.700	0.700	0.700	0.700	0.700	0.700	0.700	0.700	0.700	0.700
	tax \$	116,542	130,470	195,340	226,077	174,119	282,197	360,275	447,073	391,103	389,324
Florida Water Conservancy	mill	0.280	0.270	0.201	0.185	0.185	0.119	0.099	0.086	0.086	0.086
	tax \$	37,788	40,410	43,421	46,370	38,829	40,609	43,691	47,064	42,772	43,231
Forest Lakes Metropolitan	mill	35.524	35.524	35.524	35.524	35.524	35.524	35.524	35.524	35.524	35.524
	tax \$	287,928	297,521	306,189	316,982	354,184	378,762	583,157	606,152	827,775	835,635
Fort Lewis Fire Protection	mill	5.526	4.768	5.900	5.900	5.900	5.900	5.900	5.900	5.900	5.900
	tax \$	113,312	119,636	156,715	157,544	163,299	165,150	191,814	204,462	253,809	269,048
Hermosa Cliffs Fire Protection	mill	10.897	10.863	10.650	10.650	9.979	9.524	8.961	8.643	8.243	8.075
	tax \$	351,009	346,130	375,538	381,149	412,564	449,080	544,099	602,874	743,893	796,464
Hermosa Sanitation	mill	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	tax \$	-	-	-	-	-	-	-	-	-	-

La Plata County, Colorado
Property Tax Rates
Direct and Overlapping Governments
2000-2009

Collection Year:		<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Ignacio-Allison-Oxford Cemetary mill		0.244	0.244	0.244	0.244	0.244	0.244	0.244	0.244	0.244	0.244
tax \$		14,987	16,329	28,850	34,635	26,852	50,474	60,738	91,782	88,517	104,681
Ignacio Community Library	mill	0.343	0.927	0.560	1.000	1.000	1.000	1.500	1.500	1.500	1.500
tax \$		32,266	96,261	108,698	227,498	175,954	305,861	554,702	814,397	779,549	910,745
La Plata Archuleta Water	mill	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
tax \$		-	-	-	-	-	-	-	-	-	-
La Plata Water Conservancy	mill	0.285	0.295	0.295	0.295	0.295	0.295	0.295	0.295	0.295	0.295
tax \$		5,472	6,509	6,623	6,705	6,856	7,148	8,245	8,817	10,848	11,477
Loma Linda Sanitation	mill	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
tax \$		-	-	-	-	-	-	-	-	-	-
Los Pinos Fire Protection	mill	3.378	3.036	3.721	3.521	3.520	3.520	3.520	3.520	3.520	3.520
tax \$		475,447	504,365	1,235,110	1,288,621	1,028,022	1,693,744	1,962,154	2,738,232	2,493,126	2,732,576
Los Pinos Fire/Mt. Allison	mill	0.000	0.000	0.000	0.000	1.500	1.500	1.500	1.500	1.500	1.500
tax\$		-	-	-	-	19,214	31,512	35,061	56,885	65,239	68,657
Pine River Cemetary	mill	0.273	0.273	0.203	0.186	0.186	0.123	0.112	0.091	0.091	0.091
tax \$		32,464	32,074	34,132	36,178	28,750	29,942	31,456	34,121	33,981	34,751
Pine River Library	mill	2.500	2.500	2.500	2.500	2.500	2.500	2.500	2.500	2.500	2.500
tax \$		297,289	293,719	420,351	486,268	386,424	608,572	702,151	937,389	933,542	954,708
Purgatory Metropolitan	mill	26.572	27.313	27.313	27.313	27.313	27.313	27.313	27.313	27.313	27.313
tax \$		207,263	225,579	234,196	237,727	271,678	330,853	399,506	403,027	625,166	688,863
Purgatory Metropolitan Subdistric mill		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	15.000
tax \$		-	-	-	-	-	-	-	-	-	184,944
Rafter J Fire Protection	mill	4.436	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
tax \$		33,987	-	-	-	-	-	-	-	-	-
South Durango Sanitation	mill	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
tax \$		-	-	-	-	-	-	-	-	-	-

La Plata County, Colorado
Property Tax Rates
Direct and Overlapping Governments
2000-2009

Collection Year:		<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
South Durango Water	mill	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	tax \$	-	-	-	-	-	-	-	-	-	-
SW Colorado TV Translator	mill	0.777	0.777	0.777	0.777	0.777	0.777	0.777	0.777	0.777	0.777
	tax \$	15,601	17,867	18,260	18,468	18,738	19,483	22,445	23,944	29,427	31,079
SW Water Conservancy	mill	0.314	0.324	0.260	0.260	0.305	0.254	0.225	0.205	0.207	0.216
	tax \$	365,227	392,446	453,521	487,273	464,807	542,096	558,694	616,647	597,401	651,886
Tamarron Metro	mill	0.000	0.000	0.000	0.000	0.000	40.000	40.000	50.000	50.000	50.000
	tax \$	-	-	-	-	-	205,006	339,136	694,766	717,886	892,058
Three Springs Metro #1	mill	0.000	0.000	0.000	0.000	0.000	0.000	0.000	35.000	35.000	35.000
	tax \$	-	-	-	-	-	-	-	136,969	358,953	499,689
Three Springs Metro #2	mill	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	35.000	35.000
	tax \$	-	-	-	-	-	-	-	-	409	436
Three Springs Metro #3	mill	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	tax \$	-	-	-	-	-	-	-	-	-	-
Upper Pine River Fire Protection	mill	4.950	4.950	4.950	4.950	4.950	6.739	6.507	6.132	6.132	6.132
	tax \$	642,375	638,510	931,564	1,073,995	858,753	1,835,561	2,035,186	2,524,470	2,511,689	2,543,406
Total tax to be collected		<u>\$ 42,944,743</u>	<u>\$ 44,002,708</u>	<u>\$ 50,982,974</u>	<u>\$ 56,796,827</u>	<u>\$ 53,374,100</u>	<u>\$ 63,745,002</u>	<u>\$ 73,699,246</u>	<u>\$ 82,694,484</u>	<u>\$ 82,885,097</u>	<u>\$ 84,723,901</u>

Source: La Plata County Assessor's Abstract

La Plata County, Colorado
Principal Property Taxpayers
Current Year and Nine Years Ago

Taxpayer	Type of Business	2009			2000		
		2008 Assessed Valuation	Rank	Percentage of Total Assessed Valuation	1999 Assessed Valuation	Rank	Percentage of Total Assessed Valuation
BP America (formerly Amoco)	Energy	\$ 922,686,750	1	30.57%	\$ 195,148,930	1	16.78%
Samson Resources	Energy	197,217,200	2	6.53%			
XTO Energy Company	Energy	91,615,790	3	3.04%			
Conoco Phillips Company	Energy	89,950,250	4	2.98%			
Red Cedar	Energy	88,351,250	5	2.93%			
Four Star Oil & Gas Co	Energy	67,154,930	6	2.23%			
Burlington Resources Oil & Gas	Energy	65,989,360	7	2.19%	26,003,220	5	2.24%
Red Willow Production Company	Energy	62,089,020	8	2.06%	46,449,080	4	3.99%
Chevron Texaco	Energy	34,389,170	9	1.14%			
Williams Gas Processing	Energy	28,010,820	10	0.93%	16,326,130	8	1.40%
Vastar Resources, Inc	Energy	-		0.00%	123,697,580	2	10.63%
Hart Canyon LTD	Energy	-		0.00%	58,845,810	3	5.06%
La Plata Electric	Utility	-		0.00%	18,200,800	7	1.56%
Enervest	Energy	-		0.00%	11,976,250	9	1.03%
S G Interest I LTD	Energy	-		0.00%	18,734,950	6	1.61%
White Aspen/Cedar Ridge	Energy	-		0.00%	11,845,540	10	1.02%
Total Assessed Valuation for 10 largest taxpayers		<u>\$ 1,647,454,540</u>		<u>54.59%</u>	<u>\$ 527,228,290</u>		<u>45.33%</u>
Total Assessed Valuation for all taxpayers		<u>\$ 3,017,991,395</u>		<u>100.00%</u>	<u>\$ 1,163,142,350</u>		<u>100.00%</u>

Source: La Plata County Assessor's Office

La Plata County, Colorado
Direct and Overlapping Sales Tax Rates
Last Ten Fiscal Years

Fiscal Year	County Direct Rate	State of Colorado
2000	2.0%	3.0%
2001	2.0%	2.9%
2002	2.0%	2.9%
2003	2.0%	2.9%
2004	2.0%	2.9%
2005	2.0%	2.9%
2006	2.0%	2.9%
2007	2.0%	2.9%
2008	2.0%	2.9%
2009	2.0%	2.9%

La Plata County, Colorado
Principal Sales Tax Remitters
Current Year and Nine Years Ago

Taxpayer - Type of Business	2009			2001		
	2009 Sales Tax Collected	Rank	Percentage of Total Taxes Collected	2001 Sales Tax Collected	Rank	Percentage of Total Taxes Collected
Retail-General Merchandise	\$ 1,262,979	1	10.30%	\$ 1,007,521	1	10.37%
Public Utility	541,257	2	4.41%	317,260	3	3.27%
Retail-Food Store	420,769	3	3.43%	385,090	2	3.96%
Retail-Building Supplies	367,382	4	3.00%			
Retail-Food Store	341,908	5	2.79%	247,455	4	2.55%
Retail-Food Store	237,286	6	1.93%	192,249	5	1.98%
Retail-Auto Dealer	223,750	7	1.82%	138,858	10	1.43%
Public Utility	196,901	8	1.61%	172,143	6	1.77%
Public Utility	161,797	9	1.32%			
Retail-Auto Dealer	156,776	10	1.28%			
Public Utility				152,440	7	1.57%
Retail-General Merchandise				151,042	9	1.55%
Retail-Building Supplies				145,565		1.50%
Total Sales Taxes Collected by 10 Largest Businesses	<u>\$ 3,910,804</u>		31.89%	<u>\$ 2,909,623</u>		29.95%
Total Sales Taxes Collected by All Businesses	<u>\$ 12,264,871</u>		100.00%	<u>\$ 9,715,464</u>		100.00%

Source: Colorado State Department of Revenue

Notes: The required format of this table includes data from the current year and nine years ago (2000), however 2001 is the earliest year for which this data is available.

The names of the sales tax payers are confidential pursuant to State law, so the business classification has been substituted.

The amount shown represents only the portion of sales collected that is retained by La Plata County (74.45% of total collections)

La Plata County, Colorado
Ratios of Outstanding Debt by Type
2000-2009

Fiscal Year	General Obligation	Sales Tax Revenue	Certificates of Participation	Total	Per Capita Personal Income	Population	Debt Per Capita	Percentage of Personal Income	Percentage of Actual Taxable Value of Property
2000	\$ -	\$ 3,290,000	1 \$ -	\$ 3,290,000	\$ 26,517	43,941	\$ 74.87	0.28%	0.07%
2001	-	2,805,000	-	2,805,000	28,013	45,614	61.49	0.22%	0.06%
2002	-	2,295,000	-	2,295,000	29,127	46,281	49.59	0.17%	0.04%
2003	-	1,760,000	-	1,760,000	29,807	46,790	37.61	0.13%	0.03%
2004	-	1,200,000	3,985,000	5,185,000	31,860	47,173	109.91	0.34%	0.08%
2005	-	615,000	3,640,000	4,255,000	33,207	48,019	88.61	0.27%	0.06%
2006	-	-	3,285,000	3,285,000	36,493	48,752	67.38	0.18%	0.03%
2007	-	-	2,925,000	2,925,000	38,263	49,758	58.78	0.15%	0.03%
2008	-	-	2,550,000	2,550,000	38,263 ²	50,735	52.31	0.14%	0.02%
2009	-	-	2,165,000	2,165,000	38,263 ²	51,272	42.23	0.11%	0.02%

Notes:

- (1) 1992 Sales Tax revenue bonds refinanced in 2000, with principal reduction.
- (2) 2008 & 2009 percentages calculated using 2007 personal income data, which is the most recent available.

La Plata County, Colorado
Computation of Legal Debt Margin
Last Ten Fiscal Years

	Fiscal Year									
Assessment Year	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Fiscal/Budget Year	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Assessed Value	\$ 1,163,142,000	\$ 1,211,254,000	\$ 1,744,315,000	\$ 1,874,127,000	\$ 1,523,959,000	\$ 2,134,235,000	\$ 2,483,085,000	\$ 3,008,045,050	\$ 2,885,995,180	\$ 2,200,000,000
Actual Value	\$ 4,507,592,158	\$ 4,697,556,871	\$ 5,728,618,170	\$ 6,038,955,410	\$ 6,460,779,545	\$ 7,351,842,603	\$ 8,804,386,479	\$ 9,779,128,089	\$ 11,252,386,999	\$ 11,996,576,121
Legal Debt Margin:										
Debt limitation - 1.5% of total assessed value	\$ 17,447,130	\$ 18,168,810	\$ 26,164,725	\$ 28,111,905						
Debt limitation - 3% of total actual value					193,823,386	220,555,278	264,131,594	293,373,843	337,571,610	359,897,284
Debt applicable to limitation:										
Total debt	\$ 3,290,000	\$ 2,805,000	\$ 2,295,000	\$ 1,760,000	\$ 5,185,000	\$ 4,255,000	\$ 3,285,000	\$ 2,925,000	\$ 2,550,000	\$ 2,165,000
Less: Certificates of participation	-	-	-	-	3,985,000	3,640,000	3,285,000	2,925,000	2,550,000	2,165,000
Total debt applicable to debt limitation	3,290,000	2,805,000	2,295,000	1,760,000	1,200,000	615,000	-	-	-	-
Legal debt margin	\$ 14,157,130	\$ 15,363,810	\$ 23,869,725	\$ 26,351,905	\$ 192,623,386	\$ 219,940,278	\$ 264,131,594	\$ 293,373,843	\$ 337,571,610	\$ 359,897,284

Notes: Per Colorado Revised Statute 30-26-301(3), the aggregate amount of indebtedness for the County cannot exceed 1.5% of total assessed value for years 1998-2003, and cannot exceed 3% of total actual value for years 2004 forward

La Plata County, Colorado
Sales Tax Revenue Bonds Coverage
2000-2009

<u>Fiscal</u> <u>Year</u>	<u>Gross Sales</u> <u>Tax Revenue</u>	<u>Revenue Available</u> <u>for Debt Service</u> ¹	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Coverage</u>
2000	9,403,815	6,514,401	1,268,498 ²	128,498	1,396,996	4.7
2001	9,538,472	6,629,163	485,000	159,226	644,226	10.3
2002	9,675,960	6,746,337	510,000	130,625	640,625	10.5
2003	10,044,453	7,060,385	535,000	107,675	642,675	11.0
2004	11,099,304	7,959,382	560,000	83,600	643,600	12.4
2005	11,558,412	8,350,657	585,000	57,000	642,000	13.0
2006	12,874,145	9,471,990	615,000	29,213	644,213	14.7
2007 ³	13,536,798	N/A	N/A	N/A	N/A	N/A
2008	13,639,998	N/A	N/A	N/A	N/A	N/A
2009	12,264,867	N/A	N/A	N/A	N/A	N/A

(1) Gross revenue less required transfers per bond indenture and intergovernmental agreements.

(2) 1992 Sales Tax revenue bonds refinanced in 2000, with principal reduction.

(3) 1992 Sales Tax revenue bonds fully paid off in 2006

La Plata County, Colorado
Demographic and Economic Statistics
Last Ten Calendar Years

Fiscal			Per Capita	Unemployment		K-12 School	Higher Education
Year	Population	Personal Income ¹	Personal Income	Rate	Median Age	Enrollment ²	Enrollment ³
2000	43,941	\$ 1,210,379	26,517	3.8	35.7	6,790	4,278
2001	45,614	1,280,289	28,013	3.7	35.9	6,978	4,441
2002	46,281	1,298,736	29,127	4.4	36.1	6,898	3,961
2003	46,790	1,345,867	29,807	4.7	36.4	6,621	4,182
2004	47,173	1,483,804	31,860	3.6	36.7	6,636	4,190
2005	48,019	1,596,772	33,807	3.9	36.9	6,628	3,946
2006	48,752	1,782,000	36,493	3.4	37.4	6,704	3,907
2007	49,758	1,894,805	38,263	2.8	38	6,989	3,935
2008	50,735	Unavailable	Unavailable	3.9	38.2	6,737	3,746
2009	51,272	Unavailable	Unavailable	5.5	38.7	6,788	3,685

Notes:

(1) in thousands of dollars

(2) K-12 School enrollment includes Bayfield 10JTR, Durango 9R, and the Ignacio 11JT school district enrollments.

(3) Higher Education Enrollment is for Fort Lewis College

Sources:

CO Department of Local Affairs

Bureau of Economic Analysis

CO Department of Labor & Employment

Bayfield, Durango, & Ignacio School Districts

Fort Lewis College

La Plata County, Colorado
Principal Employers
Current and Nine Years Ago

<u>Employer</u>	<u>Type of Business</u>	<u>Estimate 2008</u>		<u>Estimate 2000</u>	
		<u>Employees</u> <u>FT & PT</u>	<u>Percentage</u> <u>of total County</u> <u>Employment</u>	<u>Employees</u>	<u>Percentage</u> <u>of total County</u> <u>Employment</u>
Southern Ute Indian Tribe	Government	854	2.77%	433	1.66%
Durango School District 9-R	Education	824	2.67%	563	2.16%
Mercy Medical Center	Health	719	2.33%	728	2.79%
Fort Lewis College	Education	687	2.23%	629	2.41%
City of Durango	Government	501	1.63%	214	0.82%
La Plata County	Government	406	1.32%	380	1.46%
Wal-Mart	Retail	395	1.28%	449	1.72%
Durango Mountain Resort	Recreation	295	0.96%	376	1.44%
Mercury Payment Systems	Finance	222	0.72%	N/A	
San Juan Basin Health	Government	208	0.67%	207	0.79%
Bayfield School District 11-JT	Education	208	0.67%	N/A	
Flint Energy Services	Energy	201	0.65%	N/A	
Sky Ute Lodge and Casino	Recreation	N/A		365	1.40%
Total Principal Employers		5,520	15.14%	4,344	16.66%
Total County Employment		30,827	100.00%	26,071	100.00%

*** 2009 Figures Not Available

Sources:

Region 9 Economic Development District of SW Colorado

La Plata County, Colorado
Full-time Equivalent County Employees by Function/Program
Fiscal Years 2000 - 2009

Department	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	% Change
Commissioners	4.1	4.1	4.1	4.1	4.1	3.9	4.1	4.1	5.1	5.1	0.4%
Clerk/Elections	18.0	16.6	19.3	16.7	18.4	16.7	19.4	16.6	18.8	16.9	-10.2%
Treasurer/Trustee	5.7	5.7	5.5	5.5	5.4	5.4	5.4	5.1	5.0	5.0	0.0%
Assessor	18.4	17.8	18.3	18.8	19.2	19.2	20.6	20.5	20.5	20.2	-1.2%
Administration	4.0	4.0	4.0	3.3	4.5	4.3	5.3	4.2	5.2	5.2	-0.4%
Attorney	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	6.0	
Facilities & Grounds	6.0	7.0	7.0	7.0	8.0	9.0	10.0	10.0	10.0	10.0	0.0%
Finance	5.0	5.0	5.0	5.3	5.0	5.0	5.0	4.0	4.0	5.0	25.0%
Information Services	4.5	6.0	8.5	8.5	8.5	8.5	8.5	10.0	10.0	10.0	0.0%
Procurement	4.0	4.0	4.0	4.2	4.0	4.1	4.1	3.8	3.8	4.0	6.1%
GIS	6.5	7.0	7.0	7.0	7.0	8.0	8.0	8.0	8.0	7.0	-12.5%
Human Resources/Risk Mgt	2.1	4.1	4.3	4.1	4.3	4.1	4.1	4.1	4.1	4.1	0.7%
County Surveyor	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.0%
Construction Management	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.2	1.3	0.0	-100.0%
Sustainability Office	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0	1.0	0.0%
General Government Total	79.3	81.3	87.0	84.5	88.4	88.1	94.5	91.7	96.8	99.6	2.9%
Building Inspection / OEM	9.0	10.3	10.7	12.0	12.0	12.5	11.8	11.8	14.0	14.0	0.0%
Criminal Investigations	0.0	0.0	7.3	7.4	7.6	8.6	8.6	9.9	10.9	10.7	-2.1%
Special Investigations	11.5	12.4	5.0	6.0	6.4	6.7	6.6	5.8	5.8	5.6	-3.3%
Special Services	19.6	21.3	21.0	21.8	21.5	23.5	22.5	24.1	23.2	22.4	-3.3%
Public Safety	30.3	30.2	30.2	29.7	30.4	31.1	34.9	34.9	34.9	34.1	-2.3%
Alternative to Incarceration	1.0	3.0	4.2	4.2	4.2	3.6	4.9	5.3	5.5	5.3	-2.6%
Detentions	42.7	41.0	40.5	43.5	41.9	45.6	46.6	49.6	60.6	62.2	2.6%
Coroner	0.5	0.6	0.6	1.3	1.3	1.3	1.3	2.1	1.6	1.5	-3.2%
District Attorney	19.0	20.1	22.1	22.1	21.8	23.8	24.3	25.1	25.1	25.1	0.0%
Public Safety Total	133.6	138.9	141.6	147.9	147.1	156.8	161.5	168.6	181.5	180.9	-0.3%
Road & Bridge, Eng.	58.1	64.5	65.8	67.5	67.0	52.4	53.4	51.9	52.6	53.7	2.0%
Public Works Total	58.1	64.5	65.8	67.5	67.0	52.4	53.4	51.9	52.6	53.7	2.0%
CERF	0.0	0.0	0.0	0.0	0.0	8.5	9.5	10.1	9.1	9.1	0.0%
Internal Service Funds	0.0	0.0	0.0	0.0	0.0	8.5	9.5	10.1	9.1	9.1	0.0%
Human Services	49.1	50.3	54.1	54.0	53.6	57.0	58.5	58.4	59.4	58.8	-1.1%
Health & Welfare Total	49.1	50.3	54.1	54.0	53.6	57.0	58.5	58.4	59.4	58.8	-1.1%

La Plata County, Colorado
Full-time Equivalent County Employees by Function/Program
Fiscal Years 2000 - 2009

Department	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	% Change
Extension Office	4.9	3.9	4.9	4.0	3.0	3.0	3.7	1.8	2.4	2.4	0.0%
Weed	2.1	2.1	2.1	2.0	1.4	1.8	1.8	1.5	1.7	1.7	-1.8%
Fairgrounds	8.2	9.7	9.7	9.6	10.1	10.4	10.3	10.8	10.6	10.6	-0.1%
Senior Center Ops & Act	0.0	2.0	2.5	2.5	2.5	3.0	0.0	0.0	0.0	0.0	0.0%
Community Dev. Svcs.	9.4	10.7	10.5	10.6	10.7	14.1	15.3	17.2	18.3	18.3	0.0%
Riverbend Youth	8.5	8.8	8.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Senior Services	3.3	3.8	5.0	5.3	5.5	5.5	9.2	7.7	8.4	8.7	3.7%
Veterans' Services Office	0.0	0.0	0.4	0.6	0.8	1.0	1.0	1.0	1.0	1.1	9.0%
Auxiliary Services	36.4	41.1	43.9	34.6	34.0	38.9	41.3	40.0	42.4	42.8	0.8%
Grand Total	356.5	376.0	392.4	388.6	390.1	401.6	418.6	420.6	441.9	444.9	0.7%

Source: La Plata County Annual Budget

Notes: Numbers include regular employees, temporaries, and overtime costs.

La Plata County, Colorado
Operating Indicators by Function/Program
Fiscal Years 2000 - 2009

<u>Function/Program</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
General Government										
<u>Clerk & Recorder</u>										
# Vehicle Transactions Processed	85,384	88,002	92,353	93,216	95,336	121,218	96,000	98,829	98,951	89,672
# Titles Issued (69% printed by staff)	18,727	19,400	21,804	19,117	19,631	20,146	20,600	23,230	19,083	14,472
# documents recorded	18,272	25,000	26,866	27,434	24,406	24,904	25,000	20,874	18,969	19,550
# of registered voters	34,245	33,000	35,051	32,600	36,160	36,160	36,000	33,658	37,615	37,185
# of votes cast	22,821	10,000	22,423	10,287	31,718	13,265	24,000	1,485	28,117	4,644
# of marriage licenses issued	619	630	562	540	512	550	550	526	528	515
<u>Treasurer</u>										
Receipts processed	53,723	53,957	57,597	56,699	56,500	57,000	58,000	36,913	37,980	37,740
<u>Assessor</u>										
# of parcels appraised	37,800	38,900	39,600	59,128	58,949	60,100	61,000	Unavailable	46,293	Unavailable
Assessed value (in thousands)	1,163,142	1,211,254	1,744,314	1,523,858	2,134,234	2,487,511	2,500,000	Unavailable	3,017,991	Unavailable
<u>Geographic Information Services</u>										
# of recorded documents processed	4,908	4,850	4,897	8,500	5,881	5,790	6,000	5,429	4,024	1,196
# of rural addresses assigned	428	550	358	400	800	800	850	481	314	191
Public Safety										
<u>Building Inspection</u>										
# of permits issued	1,201	1,183	1,190	1,122	1,064	1,001	1,050	951	781	601
# of inspections completed	5,580	5,500	5,620	5,724	5,620	4,974	5,000	4,662	4,651	3,553
<u>Emergency Management</u>										
Search & Rescue Missions	38	36	36	32	33	36	38	Unavailable	37	14
<u>Sheriff - Public Safety</u>										
# of incidents investigated	26,172	24,690	21,069	18,662	20,522	20,000	21,000	Unavailable	25,530	3,552
# of arrests	642	690	739	672	679	900	950	Unavailable	946	Unavailable
# of citations	n/a	n/a	213	123	27	150	200	Unavailable	223	Unavailable
<u>Alternative to Incarceration</u>										
# of inmates under Day Reporting Supervision	15	39	112	99	88	140	125	88	93	89
# of inmates in Community Custody program	n/a	na/	n/a	25	93	125	140	178	185	145
Pretrial management								245	255	222
<u>Detentions</u>										
Total # of inmates booked into facility	2,740	2,850	3,049	2,734	2,769	2,995	3,200	3,087	2,900	Unavailable
average daily inmate population	113	115	118	166	144	175	180	186	181	Unavailable

La Plata County, Colorado
Operating Indicators by Function/Program
Fiscal Years 2000 - 2009

<u>Function/Program</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Public Works										
<u>Maintenance Support</u>										
gallons of dust palliative applied	804,286	750,000	86,500	875,000	1,103,545	975,605	1,100,000	1,000,000	1,200,000	1,098,307
tons of road base hauled and placed	120,000	130,000	150,000	125,000	124,585	132,080	125,000	120,000	120,000	101,608
# of gallons of highway paint used	n/a	n/a	12,690	12,690	12,600	12,500	12,500	12,500	12,750	12,500
<u>Convenience Center</u>										
Customers served - Bayfield	2,811	2,856	3,217	2,954	2,599	2,800	2,800	2,841	2,506	2,116
Customers served - Marvel	704	659	843	799	716	750	750	713	699	550
Health & Welfare										
<u>Human Services</u>										
Child Welfare - # of assessments opened	254	245	284	274	261	260	270	303	283	172
Adult Protective Services - # of investigations	110	96	215	128	135	100	100	90	89	101
Child Support - \$ of payments collected	\$2,604,165	\$2,550,000	\$2,926,697	\$3,004,853	\$3,079,623	\$3,150,737	\$3,160,000	\$3,044,044	\$3,570,909	\$3,147,432
Community Programs										
Conservation Trust Funds	\$98,387	\$761,949	\$131,000	\$170,100	\$150,447	\$178,250	\$238,000	\$204,000	\$234,250	\$150,000
Public Service Agency Funds	\$1,367,939	\$1,425,084	\$1,461,921	\$1,662,944	\$1,657,274	\$2,490,696	\$4,650,264	\$2,379,166	\$3,113,539	\$3,155,684
Auxiliary Services										
<u>Senior Services</u>										
# of meals provided	20,821	21,400	28,000	36,394	37,204	37,750	38,800	39,899	41,549	43,010
# of transportation rides provided	n/a	956	2,028	4,237	4,612	4,646	5,000	6,474	5,571	6,114
<u>Veterans Services</u>										
Compensation Claims	n/a	n/a	47	50	n/a	n/a	n/a	168	57	144
<u>Weed Management</u>										
# of miles treated for noxious weeds (2002 was a drought year, very few weeds)	1,206	1,206	250*	1,206	1,206	1,206	1,206	1,309	680	675
<u>Fairgrounds</u>										
small group bookings (less than 500 participants)	1,500	1,500	1,500	1,500	1,970	1,728	1,800	Unavailable	2,548	3,347
large bookings (more than 500 participants)	90	90	120	90	57	64	65	Unavailable	74	31
<u>Community Development</u>										
Major projects reviewed	75	75	72	79	101	85	95	119	91	55
Oil & Gas (Major & Minor)	73	87	76	100	83	85	90	232	230	82
Minor/Administrative Projects reviewed	86	80	70	69	52	90	90	106	134	80
Internal Service Funds										
<u>Capital Equipment Replacement Fund</u> (prior to 2005, vehicles were in R & B Fleet division)										
Vehicles maintained (self propelled mobile units)	177	194	194	194	201	220	230	233	237	243

La Plata County, Colorado
Capital Asset Statistics by Function/Program
Fiscal Years 1999 - 2008

		2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General Government											
Clerk	Number of business locations	3	3	3	3	3	3	3	3	3	3
Facilities & Grounds	Facilities maintained	4	4	4	4	4	5	7	17	17	17
Procurement	Warehouses operated	1	1	1	1	1	1	1	1	1	1
Public Safety											
Detentions	Jail bed capacity	129	140	140	140	194	194	197	197	197	293
Public Works											
	Miles of Roadways maintained	687.03	667.43	679.25	659.69	658.44	659.15	654.68	654.68	658	658
	Bridges	52	52	52	52	53	53	53	53	53	53
Internal Service Funds											
CERF	Number of fleet vehicles maintained	177	194	194	194	201	220	230	233	237	243

Notes: No capital asset indicators are available for the health and welfare function.

SINGLE AUDIT SECTION



BONDI & Co. LLC

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Board of County Commissioners
La Plata County
Durango, Colorado

**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**

We have audited the financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of La Plata County, Colorado (County), as of and for the year ended December 31, 2009, which collectively comprise the County's basic financial statements, and have issued our report thereon dated May 12, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County's internal control over financial reporting as a basis for designing our auditing procedures 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 over financial reporting. 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 entity's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Board of County Commissioners
La Plata County

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of the County in a separate letter dated April 30, 2010.

This report is intended solely for the information and use of the County Commissioners, management, federal awarding agencies, and pass-through entities, and is not intended to be, and should not be, used by anyone other than these specified parties.

May 12, 2010


BONDI & Co. LLC



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Board of County Commissioners
La Plata County
Durango, Colorado

**Report on Compliance With Requirements Applicable to Each Major Program and on
Internal Control Over Compliance in Accordance With OMB Circular A-133**

Compliance

We have audited the compliance of La Plata County, Colorado (County), with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 2009. The County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the County's compliance with those requirements.

In our opinion, the County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2009.

Board of County Commissioners
La Plata County

Internal Control Over Compliance

The management of the County is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or 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.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the County Commissioners, management, federal awarding agencies, and pass-through entities, and is not intended to be, and should not be, used by anyone other than these specified parties.

May 12, 2010


BONDI & Co. LLC

La Plata County, Colorado
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2009

<u>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Expenditures</u>
Passed through the Colorado Department of Human Services			
Food Assistance EBT	10.551		\$ 4,240,492
Food Assistance Administration	10.561		254,937
TEFAP-Administration	10.568		36,523
TANF-Commodities Received	10.569		73,610
Total Department of Agriculture			<u>4,605,562</u>
Department of Health and Human Services			
Passed through the Area Agency on Aging			
Title III-Special Programs for Aging-Supportive Services (C)	93.044		56,327
Title III-Special Programs for Aging-Congregate Meals	93.045		81,870
Title III-Special Programs for Aging-Home Delivered Meals	93.045		91,308
Title III-Special Programs for Aging-Blizzard Boxes	93.045		2,152
Nutrition Service Incentive Program (NSIP)	93.053		9,831
Title III-Special Programs for Aging-Congregate Meals (ARRA)	93.045		28,071
Title III-Special Programs for Aging-Home Delivered Meals (ARRA)	93.045		13,842
Passed through Housing Solutions for the Southwest			
Community Food and Nutrition Program	93.571		5,000
Passed through the Colorado Department of Human Services			
Family Preservation	93.556		128,665
Family Preservation	93.556		34,776
TANF	93.558		907,866
TANF (Co Works Participation Share)	93.558		38,417
Title IV-D, IV-D Administration	93.563		346,348
LEAP	93.568		597,378
CCDF Discretion	93.575		61,994
CCDF	93.596		321,367
Title IV-B, Child Welfare	93.645		18,166
Title IV-E, IV-E Foster Care	93.658		442,558
Title IV-E Adoption	93.659		129,754
Title XX, Block Grant	93.667		267,748
Title IV-E Independent Living	93.674		47,871
CCDF - ARRA	93.713		50,665
Title XIX, Medicaid	93.778		<u>213,423</u>
Passed through the Colorado Department of Regulatory Agencies			
Passed through Division of Insurance			
Senior Medicare Fraud Patrol Program	93.048		<u>9,750</u>
Total Department of Health and Human Services			<u>3,905,147</u>
Department of Interior, Bureau of Reclamation			
Utility Relocation (CR 211 Realignment)	15.BBD 02-FC-40-6250		<u>19,720</u>

(Continued next page)

La Plata County, Colorado
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2009

<u>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Expenditures</u>
Department of Homeland Security			
Federal Emergency Management Agency			
Passed through the Area Agency on Aging			
Emergency Food and Shelter Program	97.024		4,091
Passed through the Colorado Department of Local Affairs			
Emergency Management Performance Grant	97.042	9EM09L34	51,910
Total Department of Homeland Security			56,001
Department of Housing and Urban Development			
Passed through the Colorado Department of Local Affairs			
Community Development Block Grant-Region 9 Revolving Loan Fund	14.219	F8CDB98791	932,823
Total Department of Housing and Urban Development			932,823
Department of Transportation			
Passed through the Colorado Department of Transportation			
Federal Enhancement Funds (ARRA)	20.205	09 HA5 00051	220,342
Federal Enhancement Funds	20.205	09 HA5 00051	57,067
Total Department of Transportation			277,409
Department of Justice			
Office of Justice Programs			
Bulletproof Vest Partnership Grant	16.607		15,326
State Criminal Alien Assistance Program	16.606		13,596
Passed through the Colorado Department of Public Safety			
BJA-Byrne Mem JAG Act (ARRA) 2009-SU-B9-0020	16.803	29JR-02-7-1	9,845
Sixth Judicial District-Crime Victim's Compensation	16.576		95,000
Total Department of Justice			133,767
Other Federal Assistance			
Office of National Drug Control Policy, Dept of Treasury, Dept of Justice			
HIDTA Funding	07.9999	I6PRMP585	1,007
HIDTA Funding	07.9999	I7PRMP585	42,299
HIDTA Funding	07.9999	I8PRMP585	43,505
HIDTA Funding	07.9999	G09RM0023A	152,041
Payments in Lieu of Taxes	15.226		899,716
Secure Rural Schools and Community Self Determination Act	10.665		300,848
Total Other Federal Assistance			1,439,416
Total Federal Assistance			\$ 11,369,845

Notes to Schedule:

The Schedule of Expenditures of Federal Awards includes the federal grant activity of La Plata County Colorado and the Sixth Judicial District. The information is presented in accordance with the requirements of Office of Management and Budget Circular A-133. Expenditures have been recognized using the modified accrual basis of accounting.

Some amounts presented may differ from amounts reported in, or used in the preparation of the financial statements.

LA PLATA COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended December 31, 2009

Section I – Summary of Auditors’ Results

Financial Statements

Type of auditors’ report issued:		Unqualified	
Internal control over financial reporting:			
Material weakness(es) identified?	_____ yes	_____ <input checked="" type="checkbox"/> no	
Significant deficiency(ies) identified?	_____ yes	_____ <input checked="" type="checkbox"/> none reported	
Noncompliance material to financial statements noted?	_____ yes	_____ <input checked="" type="checkbox"/> no	

Federal Awards

Internal control over major programs:		Unqualified	
Material weakness(es) identified?	_____ yes	_____ <input checked="" type="checkbox"/> no	
Significant deficiency(ies) identified?	_____ yes	_____ <input checked="" type="checkbox"/> none reported	

Type of auditors’ report issued on compliance for major programs:		Unqualified	
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133?	_____ yes	_____ <input checked="" type="checkbox"/> no	

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
10.551	Food Assistance EBT
10.561	Food Assistance
14.219	Community Development Block Grant, Region 9 Revolving Loan Fund, ARRA funds
20.205	Federal Enhancement Funds, including ARRA funds
93.575	Child Care and Development Block Grant
93.596	Child Care Mandatory and Matching Funds of the Child Care and Development Fund
93.713	Child Care and Development Block Grant, including ARRA funds
93.778	Title XIX, Medicaid

Dollar threshold used to distinguish between Type A and Type B programs:	\$314,104
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Auditee qualified as low-risk auditee?	_____ <input checked="" type="checkbox"/> yes	_____ no
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LA PLATA COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)
For the Year Ended December 31, 2009

Section II – Financial Statement Findings

There were no findings or questioned costs that are required to be reported.

Section III – Federal Award Findings and Questioned Costs

There were no findings or questioned costs that are required to be reported.

Section IV – Prior Year Financial Statement Findings

There were no prior year findings that were required to be reported.