

# Comprehensive Annual Financial Report



**For the Year Ending December 31, 2015**

**Prepared by La Plata County Finance Department**



## **INTRODUCTORY SECTION**

**La Plata County, Colorado**  
***Comprehensive Annual Financial Report***  
***For The Year Ended December 31, 2015***

**TABLE OF CONTENTS**

**Introductory Section**  
**(Unaudited)**

Table of Contents .....	3-7
Letter of Transmittal .....	8-17
GFOA Certificate of Achievement .....	18
List of County Officials.....	19
Organizational Chart .....	20

**Financial Section**

<b>Report of Independent Certified Public Accountants .....</b>	<b>22-23</b>
<b>Management’s Discussion and Analysis (Unaudited).....</b>	<b>24-36</b>

**Basic Financial Statements**

**Government-wide Financial Statements:**

Statement of Net Position .....	38
Statement of Activities .....	39

**Fund Financial Statements:**

**Governmental Funds:**

Balance Sheet.....	40
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position .....	41
Statement of Revenues, Expenditures and Changes in Fund Balances .....	42
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities .....	43
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – <i>General Fund</i> .....	44
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – <i>Road and Bridge Fund</i> .....	45
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – <i>Social Services Fund</i> .....	46

**La Plata County, Colorado**  
**Comprehensive Annual Financial Report**  
**For The Year Ended December 31, 2015**

**Proprietary Funds:**

Statement of Net Position – Internal Service Funds .....	47
Statement of Revenues, Expenses, and Changes in Fund Net Position – Internal Service Funds.....	48
Statement of Cash Flows – Internal Service Funds .....	49

**Fiduciary Funds:**

Comparative Statement of Fiduciary Assets and Liabilities – Fiduciary Funds .....	50
---	----

Notes to the Basic Financial Statements.....	51-84
--	-------

**Required Supplementary Information**

**Net Pension Liability**

Schedule of County’s Proportionate Share of the Net Pension Liability – PERA SCHDTF Pension Plan.....	87
Schedule of County’s Contributions – PERA SCHDTF Pension Plan.....	88

**Supplementary Information**

**General Fund:**

Comparative Balance Sheet .....	91
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual.....	92-97

**Major Special Revenue Funds:**

Road and Bridge Fund Comparative Balance Sheet .....	99
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual.....	100

Social Services Fund

Comparative Balance Sheet .....	101
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual .....	102

**Nonmajor Special Revenue Funds:**

Combining Balance Sheet .....	104
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances ...	105

**La Plata County, Colorado**  
**Comprehensive Annual Financial Report**  
**For The Year Ended December 31, 2015**

Joint Sales Tax Fund	
Comparative Balance Sheet.....	106
Comparative Schedule of Revenues, Expenditures and Changes in Fund	
Balance - Budget and Actual.....	107
Durango Hills Road Improvement District Fund	
Comparative Balance Sheet.....	108
Comparative Schedule of Revenues, Expenditures and Changes in Fund	
Balance - Budget and Actual.....	109
Palo Verde Public Improvement District #3 Fund	
Comparative Balance Sheet.....	110
Comparative Schedule of Revenues, Expenditures and Changes in Fund	
Balance - Budget and Actual.....	111
Tribal Impact Mitigation	
Comparative Balance Sheet.....	112
Comparative Schedule of Revenues, Expenditures and Changes in Fund	
Balance - Budget and Actual.....	113
Conservation Trust Fund	
Comparative Balance Sheet.....	114
Comparative Schedule of Revenues, Expenditures and Changes in Fund	
Balance - Budget and Actual.....	115
<b>Capital Project Fund:</b>	
Capital Improvement Fund	
Comparative Balance Sheet.....	117
Comparative Schedule of Revenues, Expenditures, and Changes in Fund Balance	
– Budget and Actual .....	118
<b>Proprietary Funds</b>	
<b>Internal Service Funds</b>	
Combining Statement of Net Position .....	120
Combining Statement of Revenues, Expenses and Changes in Fund Net Position .	121
Combining Statement of Cash Flows.....	122
Capital Equipment Replacement Fund	
Comparative Statement of Net Position .....	123
Comparative Statement of Revenues, Expenses and Changes in	
Fund Net Position.....	124
Schedule of Revenues, Expenses, and Changes in Net Position	
– Budget and Actual (Non-GAAP Budgetary Basis) .....	125

**La Plata County, Colorado**  
***Comprehensive Annual Financial Report***  
***For The Year Ended December 31, 2015***

Employee Medical Self-insurance Fund	
Comparative Statement of Net Position .....	126
Comparative Statement of Revenues, Expenses and Changes in Fund Net Position.....	127
Schedule of Revenues, Expenses, and Changes in Net Position – Budget and Actual .....	128

**Fiduciary Funds**

General Agency Fund	
Statement of Changes in Fiduciary Assets and Liabilities .....	130

**Discretely Presented Component Unit**

Balance Sheet.....	132
Statement of Revenues, Expenditures and Changes in Fund Balances .....	133
Schedule of Revenues, Expenditures, and Changes in Fund Balances for funds with adopted budgets – Budget and Actual (General Fund only) .....	134

**Special Reports Section**

Social Services Fund – Schedule of EBT Authorizations, Warrant Expenditures and Total Expenditures .....	136
Local Highway Finance Report .....	137-138

**Statistical Section**  
**(Unaudited)**

**Statistical Section Narrative**

**Financial Trends**

Government-wide Net Position by Component.....	141
Government-wide Changes in Net Position .....	142
General Governmental Revenues by Source.....	143
General Governmental Expenditures by Function .....	144
Governmental Fund Balances.....	145
General Governmental Tax Revenues by Source.....	146

**Revenue Capacity**

Property Tax Levies and Collections .....	147
Assessed Value and Estimated Actual Value of Taxable Property .....	148
Direct and Overlapping Property Tax Revenue and Rates.....	149-152
Principal Property Taxpayers.....	153
Direct and Overlapping Sales Tax Rates.....	154
Principal Sales Tax Remitters .....	155

**La Plata County, Colorado**  
***Comprehensive Annual Financial Report***  
***For The Year Ended December 31, 2015***

**Debt Capacity**

Ratios of Outstanding Debt by Type .....	156
Computation of Legal Debt Margin.....	157
Revenue Bond Coverage .....	158

**Economic & Demographic Information**

Demographic and Economic Statistics.....	159
Principal Employers .....	160

**Operating Information**

Full-time Equivalent Employees by Function/Program.....	161
Operating Indicators by Function/Program.....	162-164
Capital Asset Statistics by Function/Program .....	165

**Single Audit Section**

Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> .....	167-168
Report on Compliance with Requirements that Could Have a Direct and Material Effect on Each Major Program, and on Internal Control over Compliance in Accordance with <i>OMB Circular A-133</i> .....	169-170
Schedule of Expenditures of Federal Awards.....	171-173
Schedule of Findings and Questioned Costs.....	174-176





June 21, 2016

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

The Comprehensive Annual Financial Report (CAFR) of La Plata County, Colorado for the fiscal year ended December 31, 2015, is hereby submitted. 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.

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 implemented internal controls that are designed to protect the County'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 internal controls have been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. To the best of our knowledge and belief, this financial report is complete and reliable in all material aspects and reported in a manner which fairly represents the financial position and results of operations of the County as measured by the financial activity of its various funds. Further, we believe all disclosures that are necessary to enable the reader to gain the maximum understanding of the County's financial activities have been included.

The Governmental Accounting Standard Board (GASB) encourages local governments to demonstrate fiscal and operational accountability by providing additional information to the reader, which enables them to ascertain the overall financial position of the government. The Government Finance Officers Association (GFOA) recommends that a government be able to prepare accurate financial statements in conformity with GAAP without the services of the audit firm. The implementation of the Statement on Auditing Standards No. 112 states that preparation of the financial statements by auditors is detrimental to the independence of the audit. La Plata County has established a system of financial accounting which provides reasonable assurance that such statements can be produced without assistance from the external auditors.

The County's financial statements have been audited by the certified public accounting firm of Chadwick, Steinkirchner, Davis & Co., P.C. 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, 2015 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, 2015 are fairly presented in conformity with accounting principles generally accepted in the United States of



America (U.S. 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 (Single Audit Act Amendments of 1996 and related Office of Management and Budget (OMB) Circular A-133). 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 requires 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 La Plata County**

La Plata County incorporated in 1874 and is located in the southwestern part of Colorado. The County has land area of 1,692 square miles and a population of 54,688. La Plata County has seen a 1.4% annualized population growth rate from 2000-2013 (Colorado State Demographer, US Census). There are three municipalities in the County: the City of Durango, the Town of Bayfield and the Town of Ignacio. The Southern Ute Indian Reservation is located within La Plata County and its neighboring counties, with the Southern Ute Tribal Council headquarters, the Southern Ute Growth Fund administrative offices, the Sky Ute Casino Resort and the Southern Ute Cultural Center and Museum located near the Town of Ignacio. Durango, the county seat, is the home of Southwest Colorado Community College and Fort Lewis College, a four-year liberal arts state institution of approximately 4,065 students.

The local economy is heavily tourism-based, and the Purgatory Ski Area and the Durango & Silverton Narrow Gauge Railroad both draw a significant number of visitors to the County each year. Mesa Verde National Park, in neighboring Montezuma County, brings many visitors to La Plata County and its municipalities. La Plata County is also home to annual events including the Iron Horse Bicycle Classic (one of the largest and longest continuously run cycling events in the United States) over Memorial Day weekend with more than 3,500 participants in five events, according to the Iron Horse Bicycle Classic's website; and over the Labor Day weekend, an estimated 35,000 motorcyclists participate in events at multiple locations in Southwest Colorado.

The top 10 employers in La Plata County are in the governmental, education, health, recreation, finance, and oil & gas service sectors.

<u>Employer</u>	<u>Type of Business</u>	<u>Employees FT &amp; PT</u>	<u>Percentage of total County Employment</u>
Durango School District 9-R	Education	632	1.93%
Fort Lewis College	Education	570	1.74%
Mercury Payment Systems	Finance	630	1.92%
Southern Ute Indian Tribe - Administration	Government	845	2.58%
La Plata County	Government	401	1.22%
Mercy Regional Medical Center	Health	1,200	3.66%
Crossfire	Oil & Gas	322	0.98%
BP America	Oil & Gas	221	0.67%
Durango Mountain Resort	Recreation	479	1.46%
Sky Ute Lodge and Casino, Museum	Recreation	400	1.22%
<b>Total Principal Employers</b>		<b>5,700</b>	<b>17.38%</b>
<b>Total County Employment</b>		<b>32,793</b>	<b>100.00%</b>

La Plata County is the 14th most populous of Colorado's 64 counties. The preliminary average weekly wage for La Plata County in 3<sup>rd</sup> quarter, 2015 was \$839 or \$43,628 per year. The total labor force for La Plata County in December 2015 was 30,604, of which 29,690 were employed and 914 were unemployed. The unemployment rate was 3.0%.<sup>2</sup>

The construction industry has continued to show signs of recovery since 2014. Previously this industry had been the hardest hit sector since 2006, with county building permits declining more than 45% from 2006 to 2013. However, permits issued in 2015 increased 24 % from the previous year: 815 in 2015 as compared to 655 in 2014.

La Plata County operates as a statutory County, with a three-member Board of County Commissioners (BOCC). Board members are elected by district but represent the entire County and serve up to two, four-year terms, which are staggered. There are six other elected officials: Sheriff, Clerk and Recorder, Assessor, Treasurer/Public Trustee, Coroner, and Surveyor, who derive their responsibilities and authorities from state statute. There are no term limits on these elected positions.

The County provides the full range of services required by state statutes as well as many ancillary services, including:

- General government function
- Public safety function: sheriff, jail, coroner, building inspection, and district attorney;
- Road and bridge operations
- Public health and welfare, including human services
- Recreation and culture

The County is empowered to levy a property tax on both real and personal property located within its boundaries.

The Board of County Commissioners' responsibilities for financial matters include adopting financial policies, adopting the budget and 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. Appointed officials manage the remainder of the County's functions including Public Works, Human Services, Planning, Building Inspection, Emergency Management, Administration, Technology, General Services, Human Resources and Finance.

The Board is charged with providing adequate budget appropriations to fund statutory functions. Other elected and appointed officials are charged with managing their authorized budgets in order to meet their statutory obligations and service demands.

In defining La Plata County for financial reporting purposes, management has considered all aspects of where financial responsibility rests. The financial reporting entity consists of La Plata County, as the primary government, Durango Hills Local Improvement District and the Palo Verde Public Improvement District #3 as blended component units and the District Attorney of the Sixth Judicial District is included in the County's financial statements as a discretely presented component unit. The decision to include these component units was made by applying the criteria set forth by GASB in its Statement 61, *"The Financial Reporting Entity: Omnibus and amendment of GASB Statements 14 and 34"*. The component units discussed are included in the County's reporting entity because of significant operational or financial relationships.

The National and Colorado economies have continued to see growth throughout 2015, although growth lost some momentum in the second half of the year. According to economist Richard Wobbekind of the University of Colorado Boulder's Leeds School of Business, "Colorado will remain one of the top growth states nationally in 2016." The 2016 Colorado Business Economic Outlook report forecasts the addition of 65,100 jobs in the State or a growth of 2.6%.”<sup>1</sup>

## **Budgetary Controls**

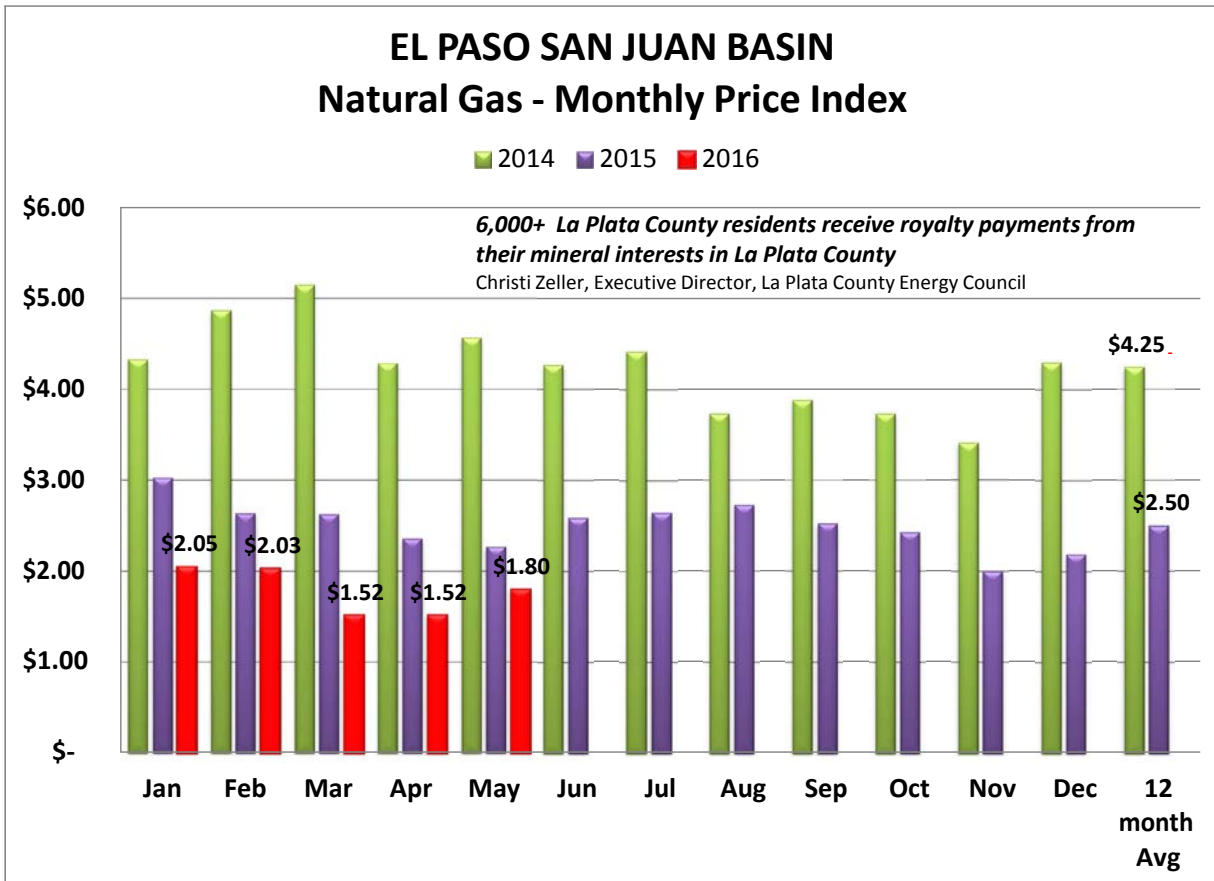
Colorado state law requires the adoption of budgets for all local governments, adopted by fund, so each summer La Plata County begins the annual budget preparation process. Every elected official and department head submits a requested budget to the County Manager who serves as the County's Budget Officer. The Finance Department prepares 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 cannot legally exceed the appropriated amount) is at the fund level. However, the County further monitors expenditures at the spending authority level, elected official or department head, within individual funds. The Finance Department monitors revenues and expenditures and informs the department heads, the County Manager and the Board of budgetary concerns. 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 last few years have demonstrated the effects of volatility and uncertainty on the local economy. Much of the County's property tax base is related to coal bed methane gas production, and natural gas

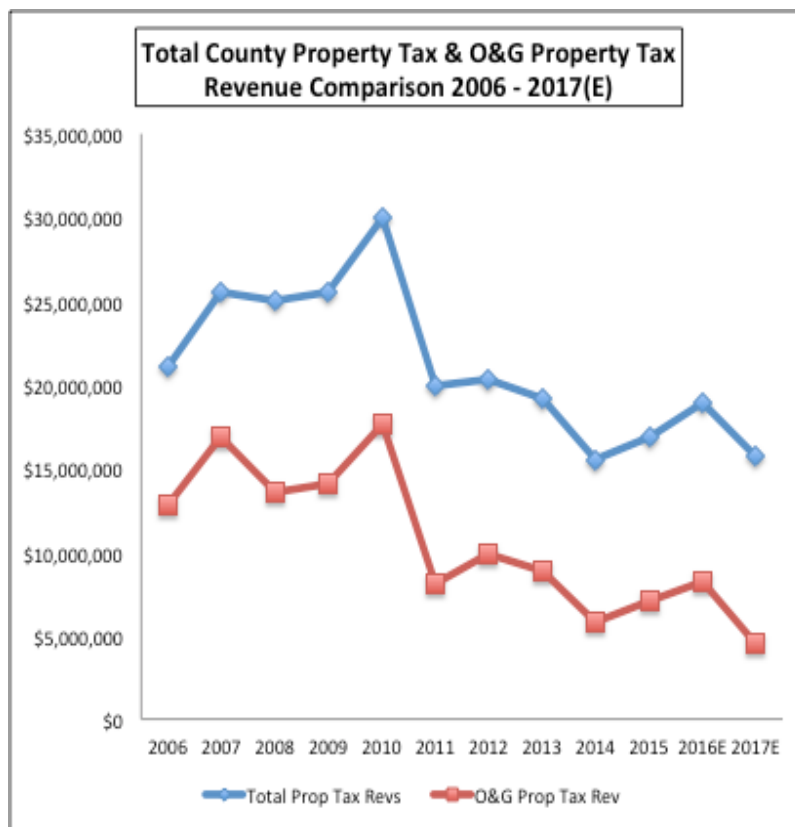
prices have fluctuated wildly over the last few years, leading to trailing swings in property tax revenue. Long-term supply and demand imbalances have driven natural gas prices to history lows. Natural gas prices have fallen about 61% over the past 10 years, from \$6.73 per mcf to \$2.63 per mcf in 2015. Future prospects look even worse: prices through March 2016 have fallen another 24% from 2015 to \$1.99 mcf (natural gas futures prices signal further price drops through 2017).



Source: Mike Finney - Finney Land Company  
Prepared by: Bob Allen - Allen Associates

Durango, Colorado 2016

The County has been dependent on natural gas production for many years. Ten years ago natural gas tax revenues accounted for approximately 61% of County total property taxes. The Long Term Finance Committee, a volunteer citizen committee convened in 2013, and estimates this percentage will drop to less than 30% by 2017.



The chart above shows the impact on La Plata County property taxes of the declining natural gas prices and gas production. We estimate oil and gas property tax revenues have fallen 60% from 2010-2015. The LTFC estimates oil and gas property tax revenues will decline another 40% by 2017 as natural gas prices have continued to drop. The impact on total county property tax revenues is clear: revenues fell \$13.1 million (44%) from 2010 to 2015.

In addition to property taxes, the County receives severance taxes from gas operators based on the price and volume of gas removed from the ground. The production and price drops outlined above are expected to cut severance tax by 50% (a drop in excess of \$0.5 million per year). Finally, the County receives grants for financing Road and Bridge capital projects from a state fund financed with severance tax receipts. We expect this funding source to cut grant awards by more than 50% in future years.

With an 8.5 mill levy, La Plata County has the fourth-lowest property tax rate in the state. A Department of Local Affairs' 2014 Report found that the median mill levy was 20.021 mills among Colorado's 52 small and medium sized-counties; La Plata County is 57.5% lower than the median. As a result, the per capita revenue of \$293.61 for La Plata County is 41<sup>st</sup> of the 52 like-sized counties.

La Plata County is beginning 2016 with many changes, most notably in office locations. Over the past two years, the Board of County Commissioners has been working with staff to develop a comprehensive facilities strategy based on needs identified in a 2012 Facility Master Plan. The County administration offices moved from the La Plata County Courthouse in June 2015 into a newly acquired and remodeled facility at 1101 E. 2nd Avenue, in June of 2015. This move was driven by the opportunity to house Federal U.S. District Court and Probation offices in Durango, coupled with the need to expand space for Sixth Judicial District Court functions. The administration building provides a more accommodating and accessible public meeting room for the Board of Commissioners, a much-needed training room used by

many agencies and organization. It houses the Commissioners' and administration offices, as well as the County Assessor and Finance Department and can serve as a centralized location for essential county functions, ensuring continuity of services during an emergency.

As part of the facility planning process, many options to address the County's space needs were considered, and the Board determined that acquiring existing facilities was more cost effective than new construction. Consequently, the Board authorized the purchase of the buildings located at 211 Rock Point Drive and 10 Burnett Court in the Durango Tech Center. In December 2015, the Building, Planning, Code Enforcement, Emergency Management and Weed Departments moved into 211 Rock Point Drive. This move consolidates Community Development Services in one highly functional location that provides for improved access and adequate parking for customers.

The Department of Human Services relocated to 10 Burnett Court at the Tech Center in January 2016. This relocation addresses the department's long-standing facility and programmatic needs and the building is ideally suited to accommodate these purposes into the future. DHS clients benefit from consolidation of services in one location, convenient access and ample parking. Additionally, these departments' relocation to their respective new facilities has helped alleviate parking congestion in downtown Durango and for residents on Third and Fourth avenues near the Courthouse.

The County is now remodeling the Courthouse, to accommodate its statutorily mandated responsibilities to the Sixth Judicial District, as well as to provide courtroom and office space for the U.S. District Court, U.S. Probation and U.S. Marshal's Office. This consolidated justice facility will promote economic vitality and increase access to justice for victims, witnesses and all those involved in federal proceedings. It will also assist the Southern Ute and Ute Mountain Ute Tribes which use Federal Court proceedings to adjudicate a variety of tribal matters. The County negotiated a 10-year lease agreement with the federal courts to pay for the tenant improvements and rent for \$236,700 per year.

The County's ability to address these facility needs was made possible by its wise stewardship of financial resources over time. The practice of utilizing property taxes related to gas production over the year 2000 baseline allowed the County to set aside funds exclusively for such capital projects. At the end of 2015, the County's reserve for capital projects is approximately \$20.5 million.

Safe roads and bridges for residents, school buses, visitors and emergency vehicles is a critical obligation of La Plata County and is critical to our local economy. The County currently has a backlog of capital Public Works projects, in part the result of rapid growth in the past that exceeded our ability to fund needed improvements, but also from the dramatic decrease in property tax revenues (nearly 50%) since 2010. As a result, the County's has reduced road and bridge maintenance levels and is not keeping pace with current or anticipated needs, particularly in light of the County's population growth. Revenue shortfalls must be addressed to ensure sufficient funding to meet the growing demands placed on our local transportation system.

Road and Bridge capital projects are costly. During the 13-year period from 2002 to 2014, the County invested approximately \$40,700,000 in capital road and bridge projects an average of \$3,100,000 per year. Of that, approximately 40% was funded by grants. However, based on the Long Term Finance Committee's forecast, an average of \$5.2 million is needed each year to maintain existing infrastructure and to make even modest improvements to our road and bridge system.

The Board of County Commissioners convened the La Plata County Fiscal Sustainability Steering Committee in June 2015 to advise the County how best to address capital improvement and operational needs while maintaining a structurally balanced budget and preserving the County's long-range fiscal sustainability. The Committee met seven times to review and discuss the Long Term Finance Committee's Fiscal Sustainability and Capital Improvements Analysis; various revenue and expenditure

forecasting models; the County's 10-year Capital Improvement Plan; road surface condition reports; projected road and bridge capital and maintenance needs; County growth trends and projections; and polling and past ballot election results. The Committee presented the Board with three recommendations: 1) Ask voters for a mill levy increase; 2) Implement impact fees; and 3) Consider implementing a "Use Tax." Additionally, the Committee recommended that any revenue raised through these three recommendations should be dedicated exclusively to the Road and Bridge fund.

The Board of Commissioners placed a question on the November 2015 ballot asking for a 2.4 mill increase to fund road and bridge improvements; the measure was defeated by 492 votes. While this was disappointing, La Plata County will continue to explore options for increasing revenue, including grants, a use tax and other fees but these are not expected to generate funds adequate to meet the needs for county roads. We must find a way to bridge the gap.

Finally, we would be remiss if we did not mention the impact of the Gold King Mine spill on our community. This devastating spill contaminated the Animas, San Juan and Colorado rivers as it traveled through Colorado, New Mexico, Utah and the Southern Ute, Ute Mountain Ute and Navajo reservations. More than 80 County employees worked on the initial response and the BoCC continues to work with neighboring counties, tribes and state and federal government agencies to ensure a long-term solution to contamination of the Animas River.

## **Budget**

Looking forward to the 2016 budget year we projected a slight increase in sales tax collection and a modest increase in property tax revenue. It is anticipated that property tax revenues will increase in 2016, since 2015 was a property tax reassessment year, before falling again in 2017. Again, gas and oil tax revenue is expected to decrease significantly in 2017, resulting from the decline in natural gas prices.

The 2016 budget attempts to balance many competing needs and requests as we begin to see slight and fragile improvements in our revenue picture. Due to prudent financial management in the past, the County has successfully weathered its recent financial challenges. Over the last several years we have instituted a number of measures to keep our budget sustainable, including operating budget reductions and staffing adjustments.

The 2016 budget includes a number of significant projects. Relative to our facility planning process, the County will invest in purchasing 10 Burnett Court in the Durango Tech Center. This building will house the consolidated Department of Human Services in a single facility with ample parking for employees and clients. Additionally, one of our most notable facility initiatives is our work with the United States District Court, United States Probation Department, United States Marshals, United States Attorney's Office and the General Services Administration to remodel a portion of the County Courthouse that will be leased by the GSA to provide federal court functions. We have included nearly \$5.3 million in the 2016 Capital Improvement Fund budget for this project. A portion of the renovation and improvement costs will be recovered over the term of a 10-year lease agreement with the federal government for tenant improvements and annual rent.

The County will provide with the funding assistance of the Colorado Department of Local affairs, the Southern Ute Indian and the Colorado Department of Transportation, \$2,125,000 for urban and access improvements to County Road 517, on the north-east side of Ignacio, bisecting the Southern Ute Tribal Campus.

The road is situated in the heart of the County's energy development area and has a high level of pedestrian activity. This project will address public safety and access concerns. Additionally, the County will provide \$700,000 for a mill and overlay project on County Road 318 to address the age and condition



of this road. County Road 318 connects the Town of Ignacio and State Highway 172 to U.S. Highway 550, providing a vital transportation link for the industrial energy traffic and commuting workers from New Mexico to La Plata County. The total project cost of \$1,400,000 will be funded from infill MOU fees the County has collected previously. The County has also committed \$350,000 to construct a turn lane on County Road 210 into the boat ramp area at Lake Nighthorse. This project was originally expected to occur in 2013; however, due to delays in opening the lake for recreation, we have postponed the turn lane construction. It is in the County's best interest to wait until an agreement is in place allowing recreation to occur before constructing the turn lane.

### **Long-Term Financial Planning**

The Board of County Commissioners created a Long Term Finance Committee in 2009. The committee's purpose was to act in an advisory capacity to the BOCC with respect to long-term financial planning. During 2014 the LTFC, along with County staff, prepared a forecasting model with a forward look on operations and fiscal sustainability. Based on the downturns in the oil and gas property tax revenues and the County's Operational and Capital Improvements Plan, the LTFC identified a financial imbalance that does not allow for the long term fiscal sustainability without exploring alternatives. Those alternatives include new revenue sources or a reduction in operating expenses including cuts in services. The committee members recommended the BOCC prioritize County needs and the timeline for completing them to reduce the level of revenue sources and/or reduction in operating expenses or cuts in services.

Despite the fact that we have managed a "soft landing" from the great recession, it has become apparent that our revenue challenges are both structural and, in some cases, systemic. The work of our Long Term Finance Committee is more important than ever in identifying solutions to our revenue challenges and to advise the BOCC with input and feedback on the county's fiscal situation, and to promote public awareness of the county's fiscal sustainability projections and support for an appropriate funding solution.

### **Financial Policies**

The County's Fund Balance Reserve policy requires the General Fund to maintain the following:

- Committed fund balance for emergencies and disasters at 75 days of operating expenditures to ensure the maintenance of services to the public during non-routine and unforeseen disasters.
- Assigned fund balance for capital to reserve for future financial resource use of the tentative plans for capital outlay.
- Unassigned fund balance are funds not otherwise non-spendable, restricted, committed, or assigned as required by GASB Statement #54 and represent balances available for appropriation at the discretion of the Board. The Fund Balance Reserve policy requires the General Fund to maintain a minimum reserved fund balance equal to two months with a target of three months of operations to provide fiscal cash liquidity.

At December 31, 2015 the General Fund unassigned fund balance is \$14,091,995.

## 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, 2014. 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-five (25) consecutive fiscal years (1989-2014) ended December 31. We believe the 2015 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 Chadwick, Steinkirchner, Davis & Co., P.C. 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 County's management in the financial planning and execution of the County's operations are greatly appreciated.

Respectfully submitted,



Diane Sorensen  
Director of Finance

<sup>1</sup>The 50<sup>TH</sup> Annual Colorado Business Economic Outlook Forum presented Dec. 8, 2014 by the Leeds school's business research division.

<sup>2</sup>Colorado Department of Labor and Employment, Colorado LMI Gateway website.



Government Finance Officers Association

**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, 2014**

Executive Director/CEO

## LIST OF COUNTY OFFICIALS

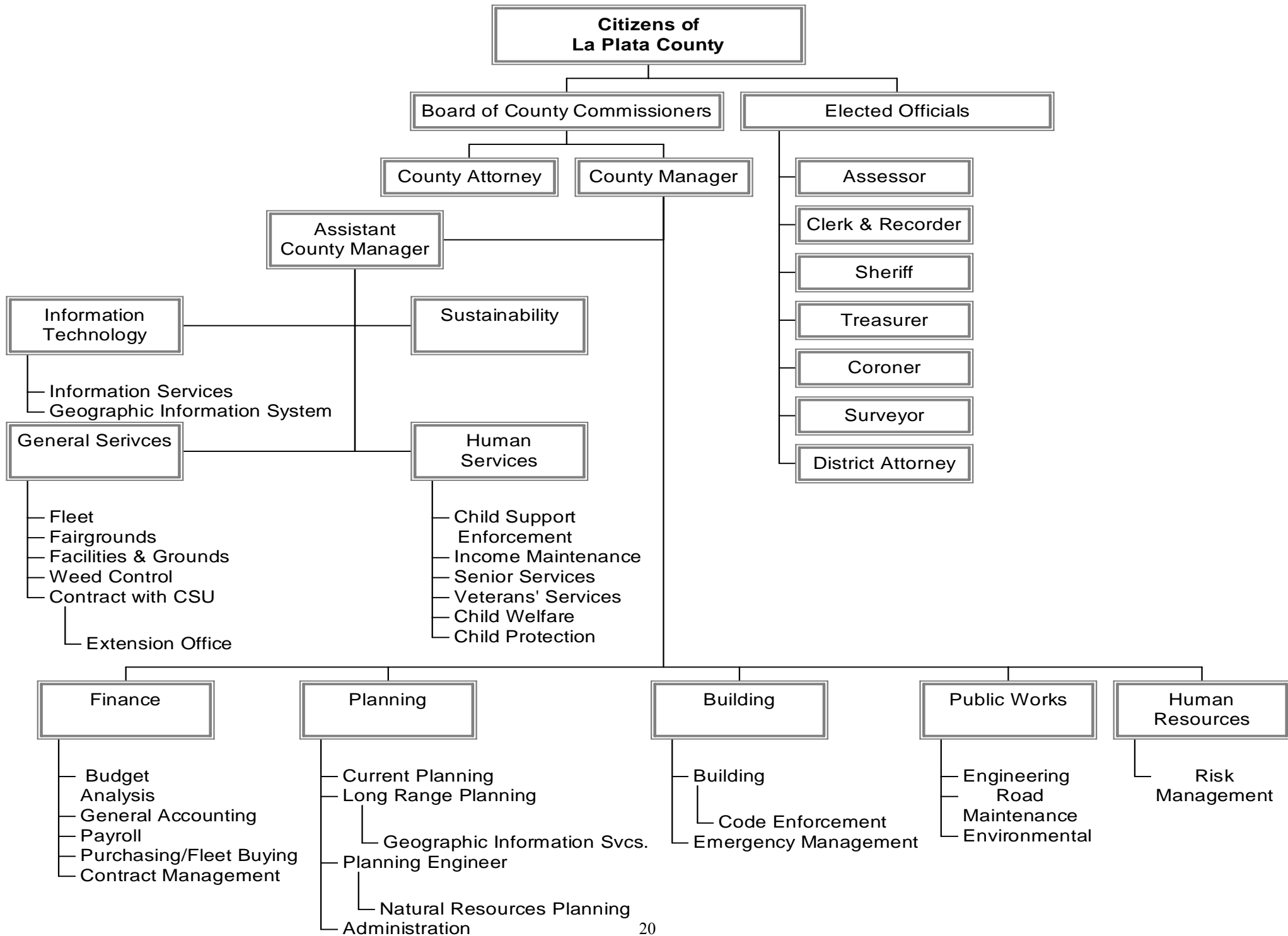
### ELECTED OFFICIALS

<u>Title</u>	<u>Name</u>
Commissioner	Julie Westendorff
Commissioner	Gwen A. Lachelt
Commissioner	Brad Blake
Assessor	Craig Larson
Clerk & Recorder	Tiffany Lee Parker
Coroner	Jann Smith
Sheriff	Sean M. Smith
Surveyor	Steven McCormack
Treasurer & Public Trustee	Allison Morrissey

### APPOINTED OFFICIALS

<u>Title</u>	<u>Name</u>
County Attorney	Sheryl Rogers
County Manager	Joe Kerby
Assistant County Manager	Joanne Spina
Director of Building & Emergency Services	Butch Knowlton
Director of Finance	Diane Sorensen
Director of General Services	Mark McKibben
Director of Human Resources	Kelli Ganevsky
Director of Human Services	Lezlie Mayer
Director of Information Services	Alan Andrews
Director of Planning Services	Damian Peduto
Director of Public Works	Jim Davis

# La Plata County Organizational Chart



## **FINANCIAL SECTION**

**INDEPENDENT AUDITOR'S REPORT**

June 21, 2016

To the Board of County Commissioners  
La Plata County, Colorado

**Report on the Financial Statements**

We have audited the accompanying 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 as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise La Plata County, Colorado's basic financial statements as listed in the table of contents.

***Management's Responsibility for the Financial Statements***

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

***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***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 La Plata County, Colorado, as of December 31, 2015, and changes in financial position, and, where applicable, cash flows thereof and the respective budget to actual statements for the general fund and each major special revenue fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.



***Other Matters******Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and pension schedules on pages 24–36 and 87–88 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise La Plata County, Colorado's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, budget to actual schedules, Local Highway Finance Report, Schedule of EBT Authorizations and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, budget to actual schedules, Local Highway Finance Report, Schedule of EBT Authorizations and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 21, 2016, on our consideration of La Plata County, Colorado'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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the La Plata County, Colorado's internal control over financial reporting and compliance.

*Chadwick, Steinkirchner, Davis & Co., P.C.*

Grand Junction, Colorado

## 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, 2015. 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 government-wide revenue totaled \$56,074,987 compared to \$56,058,540 in 2014, an increase of \$16,447. The County's assets exceeded its liabilities and deferred inflows by \$198,550,776 (net position) for the calendar year reported. The increase in total net position over 2014 is \$1,300,614 or 0.7%.
- Total net position is comprised of the following:
  - 1) Investment in capital assets of \$98,551,468 includes property and equipment, net of accumulated depreciation.
  - 2) Net position of \$23,979,522 are restricted by constraints imposed from outside the County such as grantors, laws, or regulations.
  - 3) Net position of \$18,320,815 are unrestricted, but are invested in a joint venture.
  - 4) The balance of unrestricted net position of \$57,698,971 represent the portion available to maintain the County's continuing obligations to citizens and creditors.
- The County had \$54,774,374 in expenses related to governmental activities; program specific charges for services, grants or contributions offset \$19,776,995 of these expenses. General revenues (primarily taxes) provided the remaining funding for these programs.
- The County's governmental funds reported total ending fund balance of \$77,207,689 this year. This compares to the prior year ending fund balance of \$78,018,332, showing a decrease of \$810,643 or 1% during the current year. Approximately 18.3% or \$14,091,995 of this total amount is assigned, committed and unassigned and are available for spending at the government's discretion.
- During the 2015 fiscal year, the County's governmental fund type revenues were \$55,394,706 compared to \$55,661,670 in the prior year.

- At the end of the current calendar year, unassigned fund balance for the General Fund was \$14,091,995 or 39% of 2016 budgeted General Fund operating expenditures.

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 is intended to serve as an introduction to the County’s basic financial statements. The basic financial statements include:

- Government-wide financial statements
- Fund financial statements
- Notes to the 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 Position*. This is the government-wide statement of position presenting information that includes all of the County’s assets and liabilities plus deferred inflows and deferred outflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County as a whole is improving or deteriorating. Evaluation of the overall health of the County would extend to other 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 position changed during the current calendar year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of

activities is to show the financial reliance of the County's distinct activities or functions on revenues provided by the County's taxpayers.

Both government-wide financial statements distinguish governmental activities of the County that are principally supported by 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 38 & 39 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 original 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 40 through 46 of this report. The County has chosen to include budgetary comparisons for the general funds and each individual major special revenue fund as part of the basic financial statements.

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 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 service funds to account for its Capital Equipment Replacement Fund and Employee Medical Self-Insurance Fund. 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 47 through 49 of this report.

*Fiduciary Funds* are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the County's own programs or activities. The basic fiduciary fund financial statement can be found on page 50 of this report.

### **Notes to the Basic Financial Statements**

The accompanying notes to the financial statements provide additional information that is essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 51 of this report.

### **Supplemental Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain supplemental information. Combined and individual statements and budgetary comparison schedules for non-major funds are presented in the supplementary section of this report beginning on page 85. The County has chosen to present comparative balance sheets and comparative schedules of revenues, expenditures and changes in fund balance for each of the governmental and proprietary funds.

### **Financial Analysis of the County as a Whole**

Changes in net position 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.

### Government-Wide Financial Analysis

The County's net position at calendar year-end is \$198,395,645. The following table provides a summary of the County's net position:

	Governmental Activities 2015	Percentage of Total 2015	Governmental Activities 2014	Percentage Inc/(Dec) over 2014
Assets:				
Current assets	\$114,666,266	49.5%	\$ 114,460,809	0.2%
Investment in joint venture	18,320,815	7.9%	18,075,415	1.4%
Capital assets	98,551,468	42.6%	96,745,229	1.9%
<b>Total assets</b>	<b>231,538,549</b>	<b>100.0%</b>	<b>229,281,453</b>	<b>1.0%</b>
Liabilities & deferred inflows:				
Current liabilities	9,707,851	29.4%	10,850,944	-10.5%
Long-term liabilities	4,281,772	13.0%	4,044,467	5.9%
Deferred Inflows of Resources	18,998,150	57.6%	17,135,880	10.9%
<b>Total liabilities &amp; deferred inflows</b>	<b>32,987,773</b>	<b>100.0%</b>	<b>32,031,291</b>	<b>3.0%</b>
Net position:				
Net investment in capital assets	98,551,468	49.6%	96,745,229	1.9%
Restricted	23,979,522	12.1%	8,115,469	195.5%
Unrestricted	76,019,786	38.3%	92,389,464	-17.7%
<b>Total net position</b>	<b>\$198,550,776</b>	<b>100.0%</b>	<b>\$ 197,250,162</b>	<b>0.7%</b>

The largest portion of the County's net position (49.6%) reflects its net 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.

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 3.99 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 budget year 2015 with an offsetting amount reported in deferred inflows. If you remove those amounts from the current ratio calculation, the adjusted ratio is 9.82 to 1, which demonstrates the real liquid position of the County.

The County reported positive balances in net position. Net position increased by \$1.3 million for governmental activities.

### Government-Wide Financial Analysis Component Unit

The Sixth Judicial District Attorney, a discretely presented component unit, net position is a negative \$255,826 at the fiscal year end 2015. This was attributable to the implementation of GASB Statements No. 68, which is explained in Note 1-D-14 in the notes to the financial statements. This statement reduced the net position of the component unit by \$454,162.

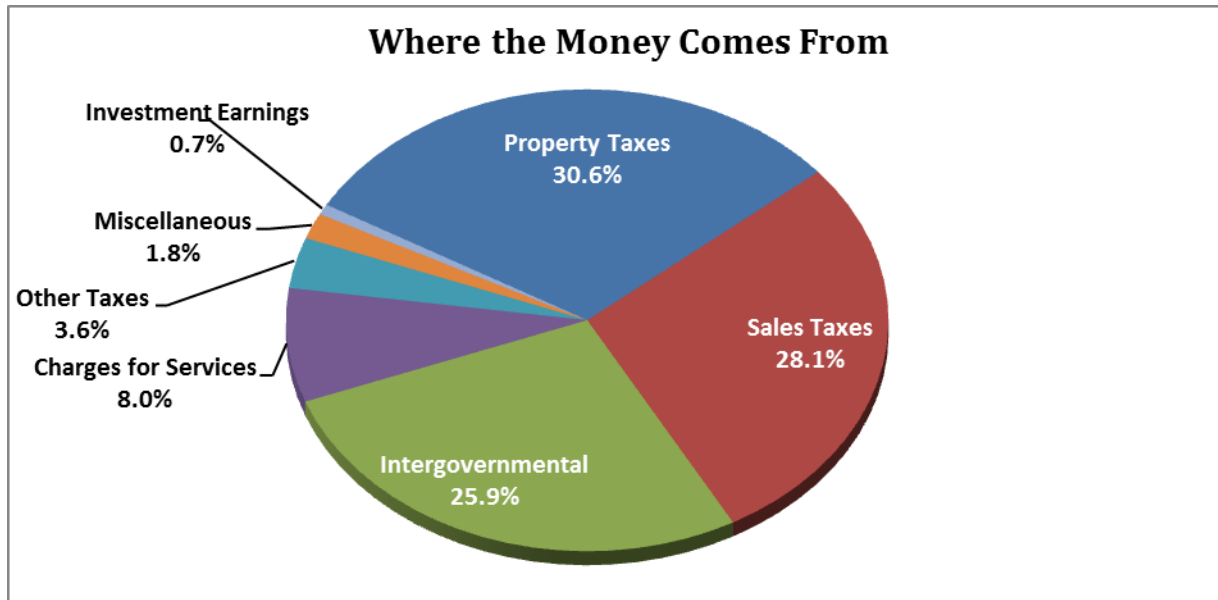
The following table provides a summary of the County's changes in net assets:

	Governmental Activities 2015	Percentage of Total 2015	Governmental Activities 2014	(Decrease) Increase
<b>Revenues:</b>				
<i><b>Program:</b></i>				
Charges for services	\$ 4,469,493	8.0%	\$ 4,961,215	\$ (491,722)
Operating grants	13,977,048	24.9%	13,230,028	747,020
Capital grants	1,330,453	2.4%	4,019,552	(2,689,099)
Total Program Revenues	19,776,994	35.3%	22,210,795	(2,433,801)
<i><b>General:</b></i>				
Taxes	34,867,933	62.2%	32,478,708	2,389,225
Other	1,430,060	2.6%	1,369,037	61,023
Total General Revenues	36,297,993	64.7%	33,847,745	2,450,248
<b>TOTAL REVENUES</b>	<b>56,074,987</b>	<b>100%</b>	<b>56,058,540</b>	<b>16,447</b>
<b>Program Expenses:</b>				
General government	12,919,783	23.6%	10,328,052	2,591,731
Public safety	17,381,499	31.7%	15,939,033	1,442,466
Recreation and culture	2,960,931	5.4%	3,097,514	(136,583)
Public works	11,875,658	21.7%	12,936,627	(1,060,969)
Health and welfare	7,701,357	14.1%	5,757,071	1,944,286
Community programs	1,931,976	3.5%	4,276,928	(2,344,952)
Interest and fiscal charges	3,170	0.0%	3,170	-
<b>TOTAL EXPENSES</b>	<b>54,774,374</b>	<b>100%</b>	<b>52,338,395</b>	<b>2,435,979</b>
Change in net position	1,300,614		3,720,145	(2,419,532)
Beginning net position	197,250,162		193,530,017	
<b>Ending net position</b>	<b>\$ 198,550,776</b>		<b>\$ 197,250,162</b>	



### Governmental Revenues

Governmental revenues for 2015 were \$56,074,987 compared to \$56,058,540 in 2014, a decrease of \$16,447. The following chart presents the various sources of general revenues for the fiscal year ended December 31, 2015.



Program revenues provided 36% to support of governmental operations. This means that the County's taxpayers and other general governmental revenues funded 64% of the governmental activities. Property and sales tax provide general support for the County's operations with property tax providing 30.6% and sales tax providing 28.1%.

### Governmental Functional Expenses

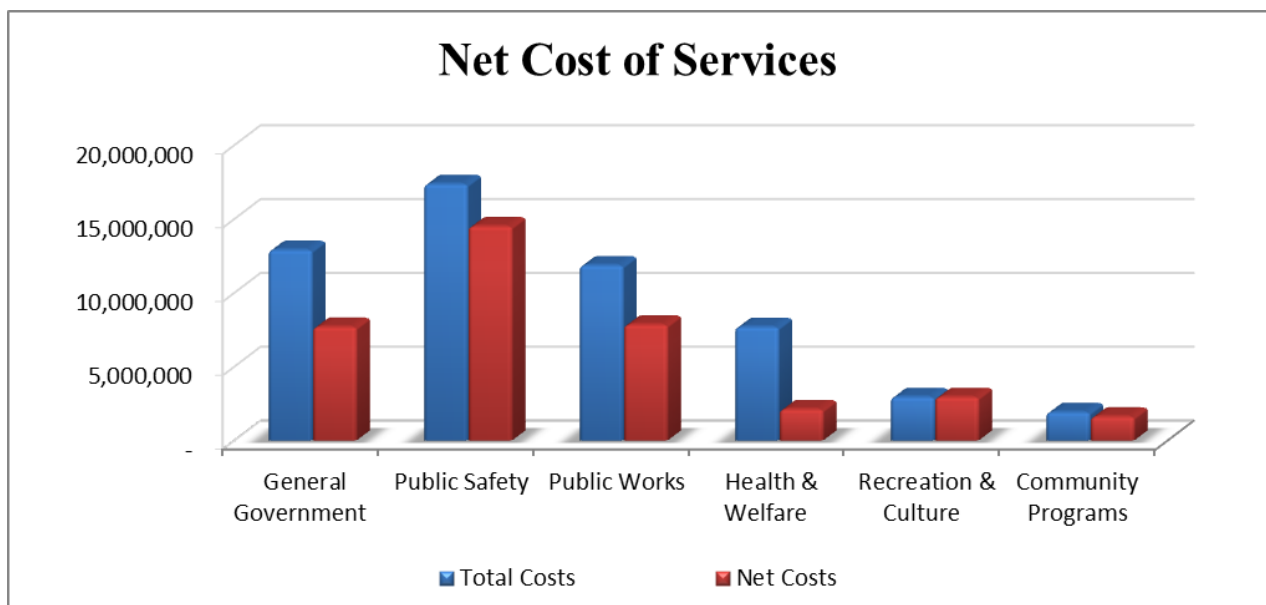
The public safety, general government, and public works functions make up approximately 77% of the total government activities expenses. Public safety totals 31.7% of total governmental expenses of which 30% was spent by the County Sheriff's services. The general government functions including Administration, Attorney, Assessor, Clerk & Recorder, Commissioners, Elections, Facilities & Grounds, Finance, GIS, Human Resources, IT, Planning, Procurement, Risk Management, Surveyor, and Treasurer totaled 23.6% of the total governmental expenses. Public works accounted for approximately 21.7% of the total costs.

The following schedule presents a summary of the governmental expenses for the fiscal year ended December 31, 2015 and the changes from the prior year.

Overall expenses for 2015 increased \$2,435,979 or 4.7% from 2014. Public safety function is the County's largest cost at \$17.4 million or 31.7% of the total expenses. General government function costs were \$12.9 million or 23.6% of the total expenses. Public works function cost was \$11.9 million or 21.7% of total expenses.

Function	Governmental Activities 2015	% of Total 2015	Governmental Activities 2014	(Decrease) Increase
General government	12,919,783	23.6%	10,328,052	2,591,731
Public safety	17,381,499	31.7%	15,939,033	1,442,466
Public works	11,875,658	21.7%	12,936,627	(1,060,969)
Health and welfare	7,701,357	14.1%	5,757,071	1,944,286
Recreation and culture	2,960,931	5.4%	3,097,514	(136,583)
Community programs	1,931,976	3.5%	4,276,928	(2,344,952)
Interest and fiscal charges	3,170	0.0%	3,170	-
<b>Total Expenses</b>	<b>54,774,374</b>	<b>100.0%</b>	<b>52,338,395</b>	<b>2,435,979</b>

This chart displays the net cost of the County's function, (i.e., total costs less revenues generated by the function). Net cost of services illustrates the financial burden placed on the County's taxpayers by each of these functions.



Public safety function requires the largest taxpayer support at 83.6%. The public safety function includes law enforcement, jail, investigations, coroner, building inspection, and emergency management services. Public works is the second largest function with 66.2% of the costs being supported by taxpayers. The function includes roads and bridges, weed control, and post closure costs of the landfills. General government is the third largest function that requires taxpayer support of 59.7%.

## **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 \$77,207,689. Of this year-end total, \$254,708 represents inventories held for future consumption and \$198,351 are prepaid and long term receivable, neither category represents available, spendable resources. A total of \$23,979,522 is legally restricted for specific purposes, including economic stabilization, law enforcement, capital improvements impact fees, and Tribal mitigation impact. Committed fund balance totals \$6,764,859 and reserved by the Board of County Commissioners to use in case of an emergency or a disaster. A total of \$31,918,254 is assigned and includes \$10,356,538 for 2016 budget deficit expenditures in the general fund, and \$21,347,603 is reserved for capital projects. Finally, more than \$14 million is unassigned, representing availability for continuing County service requirements.

The total ending fund balances of governmental funds show a decrease of \$810,643 or 1% less than the prior year.

### ***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 decreased by \$5.87 million. The decrease is related to the transfer out of \$5.58 million into the Capital Improvement Fund for capital expenditures and a transfer out of \$2.65 million into the Conservation Trust Fund to properly record the fund balance restricted to the Conservation Trust Fund in the newly created Conservation Trust Fund.

General Fund revenues increased \$1.98 million from 2014. Property taxes increased \$1.19 million due mostly to the increase in natural gas prices. Sales tax revenues increased \$861,248 in 2015 over 2014 and is due to the increase in retail sales. The increase of \$1.2 million in Severance tax is related to the increased oil production in the state from July 2014 through June 2015.

Expenditures in the General Fund increased \$1,564,414 or 5% from 2014. The majority of the increase is due to the Gold King/Animas River Spill. This devastating spill contaminated the Animas River and over 80 County employees worked on the initial response. Additionally, the County purchased a facility to house the Building, Planning, Code Enforcement, Emergency Management and Weed Control departments in 2015 and leased property to house the Department of Human Services. These new

facilities increased leasing and building maintenance costs for 2015. The General Fund unassigned ending fund balance of \$14,091,995 increased \$6,331 from 2014, and is available for future use.

The Road and Bridge Fund accounts for the construction, maintenance, and snow removal on roads and bridges in the County. In 2015, the Road and Bridge Fund fund balance decreased 4.8% or \$375,444 to \$7,405,255 and is available for future road and bridge spending. Expenditures were \$9.6 million in 2015, a decrease of \$114,932 or 1.19% from 2014.

The Social Services Fund accounts for a variety of State mandated social services. In 2015, the Social Services Fund fund balance dropped by 10.5% from \$2,526,130 to \$2,259,847. The fund spent more than \$6.1 million in providing services to clients, an increase of \$384,735, or 6.7% over 2014. Intergovernmental revenues increased \$260,577 over 2014.

The Capital Improvement Fund fund balance increased from \$7.39 million in 2014 to \$10 million in 2015, an increase of 36%. The increase in fund balance is mostly due to the transfer in from the General Fund fund balance reserved for capital. The County has reserved property taxes related to gas production over the year 2000 baseline to be set aside exclusively for capital projects. At the end of 2014, the County had reserved approximately \$26 million to address facility and other capital needs. In 2015, \$5.5 million of these funds were transferred to the Capital Improvement Fund for the remodel of the County Administration Building and the acquisition of 211 Rock Point Drive. In 2016, it will be used for the acquisition of 10 Burnett Court and the Courthouse remodel.

### General Fund Budgetary Highlights

The budget for the General Fund is prepared in compliance with all applicable Colorado State Statutes. On December 9, 2014, the Board of County Commissioners adopted and appropriated \$41,413,928 for the General Fund expenditures for the 2015 year. During the year, budget amendments were required because of unanticipated revenues. The majority of the unanticipated revenues were the result of the County and the State of Colorado declaring a disaster emergency due to the Gold King Mine Incident and resulting impact to downstream waters. The costs associated with responding to and recovering from the incident exceeded the financial capabilities of the County and the State of Colorado.

	<u>Adopted Budget</u>	<u>Amendments</u>	<u>Final Budget</u>
Sources	\$ 33,644,480	\$ 780,064	\$ 34,424,544
Uses	41,413,928	642,764	42,056,692
Change in Fund Balance	<u>\$ (7,769,448)</u>	<u>\$ 137,300</u>	<u>\$ (7,632,148)</u>

Actual revenues collected exceeded budgetary estimates by \$573,311 or 1.7%. The General Fund expenditures were \$3.8 million or 10.6% less than budgetary estimates. Personnel expenditures were underspent by \$1.3 million or 6%. This is due to employee turnover increasing to 14% in 2015 with retirements increasing from three in 2014 to nine in 2015. Other expenditures underspent include Capital projects and contingency.

## 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, 2015, was \$98,551,468. Net capital assets have increased by about 1.9% in 2015. See Note 3-D for additional information about changes in capital assets during the year and outstanding at the end of the year. The following table provides a summary of capital asset activity.

<b>Governmental Activities</b>	<b>2015</b>	<b>2014</b>
Non-depreciable assets:		
Land	\$ 9,452,945	\$ 9,452,945
Construction in Progress	1,885,993	2,677,314
Total non-depreciable	11,338,938	12,130,259
Depreciable Assets:		
Buildings	56,419,552	50,002,579
Improvements	9,329,548	9,102,342
Machinery and equipment	17,907,544	16,913,699
Infrastructure	84,356,865	84,356,865
Total depreciable assets	168,013,509	160,375,485
Less accumulated depreciation	80,800,979	75,760,515
Book value-depreciable assets	87,212,530	84,614,970
Percentage depreciated	48.1%	47.2%
Book value - all assets	\$98,551,468	\$96,745,229

### Long-term obligations

The County has long-term obligations including compensated absences, pollution remediation costs, and landfill post-closure costs. See Note 3-F for additional information about the County's long-term debt. We discuss the pollution remediation costs in Note 3-I and the landfill closure and post closure care liability in Note 3-J. A summary of outstanding debt at year-end is as follows:

	<u>12/31/2015</u>	<u>12/31/2014</u>	<u>\$ Change</u>	<u>% Change</u>
Colorado Water debt	\$ 265,843	\$ 272,500	\$ (6,657)	-2.4%
Compensated Absences	1,698,479	1,636,875	61,604	3.8%
Pollution remediation costs	2,643,071	2,713,694	(70,623)	-2.6%
Landfill postclosure costs	403,407	484,948	(81,541)	-16.8%
Total Governmental Activities	<u>\$ 5,010,800</u>	<u>\$ 5,108,017</u>	<u>\$ (97,217)</u>	<u>-1.9%</u>

### Economic Factors and Next Year's Budget

La Plata County continues to maneuver through challenging financial times including managing a “soft landing” from the great recession. Property tax revenue is projected to increase by \$1.8 million in 2016, but this is expected to be short lived as much of the County’s property tax base is related to natural gas production. County Assessor, Craig Larson reports that natural gas property tax revenue is expected to decrease significantly again in 2017. This is a result of current declining production and low prices. He estimates tax revenues from natural gas could drop from 41% of the County’s total property tax revenue in 2015 to 30% of the revenue in 2017.

For 2016, County revenues are projected at \$79.9 million, which is a 16.4% increase over the 68.7 million anticipated in the 2015 budget. In total the 2016 budget has \$60 million in proposed operating expenditures and over \$44 million in proposed one-time expenditures which includes road and bridge improvements, the purchase of the new Human Services building, and contingencies. The County is using its fund balance for one-time expenditures and contingencies, the purpose for which such reserves are intended.

Another large source of revenue is the County’s 2% sales tax. The revenue produced from this source is shared with other governmental entities within La Plata County as follows:

- City of Durango, 18%
- Joint Sales Tax Fund, 11%
- Town of Bayfield, 4%
- Town of Ignacio, 3.5%, and
- La Plata County, 63.5%.

Sales Tax revenue retained by the County was \$15.7 million in 2015, an increase of 5.8% over 2014. Approximately 40% of the increase is due to the State of Colorado Department of Revenue (DOR) conducting an audit that was for the 2008 fiscal year and determined that an adjustment in sales tax proceeds was due La Plata County. As a result, in May 2015 the County received \$382,430 as an adjustment. Without the 2008 adjustment, sales tax revenues would have increased 3%. The County projected a 2% increase in Sales Tax in the 2016 budget.

Grants and intergovernmental revenues are another cornerstone of the County's revenue base. In 2015, we received \$922,457 in energy impact grants to assist with the remodel of the County Administration Building located at 1101 E Second Avenue as well as the construction of two equipment buildings for our Marvel and Ignacio Road and Bridge facilities and the new Finance and Human Resource management system. In addition, we secured gaming grants in the amounts of \$361,970 for the District Attorney and Sheriff's Office jail and patrol operations.

The 2016 County budget is \$104.7 million, consisting of \$69.4 million in proposed operating expenses and \$35.3 million in proposed one-time expenditures, which includes capital, one-time expenditures, transfers out and contingencies. Total revenues are anticipated to be \$79.9 million that includes \$22.6 million in program revenues, \$42.1 million in general revenues, and \$15.2 million in capital grants and transfers.

The County's 2016 budget was prepared with consideration to these and other economic factors. The County is actively developing and implementing strategies to ensure long-term financial stability.

### **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 1101 E. 2<sup>nd</sup> Avenue, Durango, CO 81301, or via email at [diane.sorensen@co.laplata.co.us](mailto:diane.sorensen@co.laplata.co.us).

<sup>1</sup>2014 Southwest Business Forum: The Regional Economy, Dr. Robert J. Sonora  
<sup>2</sup>NACO County Tracker 2014 ([www.naco.org/CountyTracker](http://www.naco.org/CountyTracker))



## **BASIC FINANCIAL STATEMENTS**

**La Plata County, Colorado**  
**Statement of Net Position**  
**December 31, 2015**

	<b>Primary Government Governmental Activities</b>	<b>Component Unit</b>
<b>Assets</b>		
<b>Current Assets</b>		
Cash	\$ 284,256	106,502
Equity in treasurer's cash and investments	85,400,540	13,544
Restricted cash and investments	93,136	-
Receivables:		
Accounts	3,998,936	12,658
Taxes	19,153,281	-
Deposits	3,976	-
Intergovernmental	5,139,001	168,868
Prepaid	196,375	-
Inventory	396,765	-
Investment in joint venture	18,320,815	-
<b>Capital Assets</b>		
Nondepreciable capital assets	11,338,938	-
Depreciable capital assets, net	87,212,530	39,038
<b>Total Assets</b>	<b>231,538,549</b>	<b>340,610</b>
<b>Deferred Outflows of Resources</b>		
Pension (Note 3-M)	-	31,789
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Accounts payable	3,544,644	12,437
Accrued expenses	411,300	36,851
Intergovernmental payable	4,066,395	-
Accrued interest payable	3,170	-
Deposits payable	458,783	-
Unearned revenue	150,000	-
Liabilities payable from restricted assets	93,137	-
Claims payable	251,394	-
Current portion-debt service	11,628	-
Current portion-compensated absences payable	358,324	24,004
Current portion-pollution remediation obligations	300,000	-
Current portion-landfill closure and post-closure care costs payable	59,076	-
<b>Long-Term Liabilities:</b>		
Debt service (net of current portion)	254,215	-
Compensated absences payable (net of current portion)	1,340,155	87,898
Pollution remediation obligations (net of current portion)	2,343,071	-
Landfill closure/post-closure costs (net of current portion)	344,331	-
Pension Liability	-	454,162
<b>Total Liabilities</b>	<b>13,989,623</b>	<b>615,352</b>
<b>Deferred Inflows of Resources</b>		
Property Taxes	18,998,150	-
Pension (Note 3-M)	-	12,873
<b>Total Deferred Inflows of Resources</b>	<b>18,998,150</b>	<b>12,873</b>
<b>Net Position</b>		
Investment in capital assets	98,551,468	39,038
Restricted for:		
Required legal fund segregations	22,379,012	-
Economic stabilization (TABOR)	1,600,510	69,643
Unrestricted	76,019,786	(364,507)
<b>Total Net Position</b>	<b>\$ 198,550,776</b>	<b>\$ (255,826)</b>

See accompanying notes to the basic financial statements

**La Plata County, Colorado**  
**Statement of Activities**  
**For the Year Ended December 31, 2015**

Function/Program	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position Primary Government Governmental Activities	Component Unit
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		
<b>Primary Government</b>						
<b>Governmental Activities</b>						
General government	\$ 12,919,783	\$ 2,493,802	\$ 3,504,471	\$ 790,057	\$ (6,131,453)	\$ -
Public safety	17,381,499	1,595,067	1,262,999	-	(14,523,433)	-
Recreation and culture	2,960,931	-	-	-	(2,960,931)	-
Public works	11,875,658	328,787	3,145,517	540,396	(7,860,957)	-
Increase in joint venture	-	-	245,400	-	245,400	-
Health and welfare	7,701,357	51,837	5,520,227	-	(2,129,293)	-
Community programs	1,931,976	-	298,434	-	(1,633,542)	-
Interest and fiscal charges	3,170	-	-	-	(3,170)	-
<b>Total - Primary Government</b>	<b>\$ 54,774,374</b>	<b>\$ 4,469,493</b>	<b>\$ 13,977,048</b>	<b>\$ 1,330,453</b>	<b>(34,997,379)</b>	<b>-</b>
<b>Component Unit</b>						
Office of the District Attorney	\$ 2,298,811	\$ -	\$ 780,551	\$ -		(1,518,260)
<b>General Revenues</b>						
Property taxes levied for general government purposes					17,141,607	-
Sales taxes					15,734,279	-
Other taxes					1,992,047	-
Cable franchise fees					106,991	-
Operational funding from primary government--unrestricted					-	1,511,905
Investment earnings					411,103	-
Miscellaneous					911,966	17,004
<b>Total General Revenues</b>					<b>36,297,993</b>	<b>1,528,909</b>
<b>Change in Net Position</b>					<b>1,300,614</b>	<b>10,649</b>
<b>Beginning Net Position</b>					<b>197,250,162</b>	<b>148,964</b>
<b>Change in accounting principle</b>					<b>-</b>	<b>(428,439)</b>
<b>Prior Period Adjustment - See Note 3 - N</b>					<b>-</b>	<b>13,000</b>
<b>Net Position Beginning of Year (Restated)</b>					<b>-</b>	<b>(266,475)</b>
<b>Net Position End of Year</b>					<b>\$ 198,550,776</b>	<b>\$ (255,826)</b>

See accompanying notes to the basic financial statements

**La Plata County, Colorado**  
**Balance Sheet**  
**Governmental Funds**  
**December 31, 2015**

	<b>General</b>	<b>Road and Bridge</b>	<b>Social Services</b>	<b>Capital Improvements</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Assets</b>						
Cash	\$ 283,706	\$ 150	\$ 400	\$ -	\$ -	\$ 284,256
Equity in cash and investments	53,325,912	6,551,760	2,222,075	10,293,106	3,497,237	75,890,090
Restricted cash and investments	31,479	-	61,657	-	-	93,136
Receivables:						
Accounts	134,418	86,287	3,761,681	-	-	3,982,386
Taxes	16,475,337	1,578,608	844,890	-	99,315	18,998,150
Interfund	2,519	-	-	-	-	2,519
Deposits	2,000	-	-	1,976	-	3,976
Intergovernmental	3,031,544	1,070,561	308,934	344,085	383,877	5,139,001
Prepays	196,375	-	-	-	-	196,375
Inventory	-	254,708	-	-	-	254,708
<b>Total Assets</b>	<b>73,483,290</b>	<b>9,542,074</b>	<b>7,199,637</b>	<b>10,639,167</b>	<b>3,980,429</b>	<b>104,844,597</b>
<b>Liabilities and Fund Balances</b>						
<b>Liabilities</b>						
Accounts payable	2,227,099	499,513	115,584	443,994	181,156	3,467,346
Accrued salaries and wages	341,880	58,698	-	-	-	400,578
Interfund payable	-	-	2,519	-	-	2,519
Intergovernmental payable	151,255	-	3,915,140	-	-	4,066,395
Deposits payable	458,783	-	-	-	-	458,783
Unearned revenues	-	-	-	150,000	-	150,000
Liabilities restricted assets	31,480	-	61,657	-	-	93,137
<b>Total Liabilities</b>	<b>3,210,497</b>	<b>558,211</b>	<b>4,094,900</b>	<b>593,994</b>	<b>181,156</b>	<b>8,638,758</b>
<b>Deferred Inflows of Resources</b>						
Property Taxes	16,475,337	1,578,608	844,890	-	99,315	18,998,150
<b>Total Deferred Inflows of Resources</b>	<b>16,475,337</b>	<b>1,578,608</b>	<b>844,890</b>	<b>-</b>	<b>99,315</b>	<b>18,998,150</b>
<b>Fund Balances</b>						
Nonspendable:						
Inventory	-	254,708	-	-	-	254,708
Prepays	196,375	-	-	-	-	196,375
Long term receivable	-	-	-	1,976	-	1,976
Restricted:						
Economic stabilization (TABOR)	1,600,510	-	-	-	-	1,600,510
Law enforcement	275,506	-	-	-	-	275,506
Construction/maintenance of roads	-	5,500,242	-	-	-	5,500,242
Capital improvements impact fees	-	1,650,305	-	-	-	1,650,305
Public assistance and welfare	-	-	767,605	-	-	767,605
Child welfare	-	-	1,492,242	-	-	1,492,242
Recreation & parks	-	-	-	-	2,956,256	2,956,256
Joint County/City projects	-	-	-	-	528,658	528,658
Tribal mitigation impact	-	-	-	-	931	931
General capital improvements	-	-	-	9,207,267	-	9,207,267
Committed:						
Emergency and disasters	6,764,859	-	-	-	-	6,764,859
Assigned:						
Construction/maintenance of roads	-	-	-	-	190,725	190,725
Debt service	-	-	-	-	23,388	23,388
Next year's budget deficit	10,356,538	-	-	-	-	10,356,538
Capital projects	20,511,673	-	-	835,930	-	21,347,603
Unassigned	14,091,995	-	-	-	-	14,091,995
<b>Total Fund Balances</b>	<b>\$ 53,797,456</b>	<b>\$ 7,405,255</b>	<b>\$ 2,259,847</b>	<b>\$ 10,045,173</b>	<b>\$ 3,699,958</b>	<b>\$ 77,207,689</b>

See accompanying notes to the basic financial statements

**La Plata County, Colorado**  
**Reconciliation of the Governmental Funds Balance Sheet**  
**to the Statement of Net Position**  
**December 31, 2015**

---

<b>Total Governmental Fund Balances</b>	<b>\$</b>	<b>77,207,689</b>
---	-----------	-------------------

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

Capital assets used in governmental activities are not financial resources and therefore not reported in the funds. However, in the government-wide statement of net position, the cost of these assets are capitalized and expensed over their estimated lives through annual depreciation expense.

Cost of capital assets	179,352,447	
Less accumulated depreciation	<u>(80,800,979)</u>	98,551,468

Revenues are recognized when they are both measureable and available in the fund financial statements, revenues are recognized when they are earned in the governmental wide statements.	155,131
--	---------

The investment in the joint venture is not included at the fund level, but is reported on the government-wide statement of net position.	18,320,815
--	------------

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 position.

Non-capital assets	9,669,057	
Current liabilities	<u>(339,414)</u>	9,329,643

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 position.

Debt service	(269,013)	
Compensated absences	(1,698,479)	
Pollution remediation obligations	(2,643,071)	
Landfill closure and post closure care costs	<u>(403,407)</u>	<u>(5,013,970)</u>
Net Pension		

<b>Net Position Of Governmental Activities</b>	<b>\$</b>	<b><u>198,550,776</u></b>
--	-----------	---------------------------

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, 2015**

	<b>General</b>	<b>Road and Bridge</b>	<b>Social Services</b>	<b>Capital Improvements</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Revenues</b>						
Taxes	\$ 24,531,677	\$ 4,995,902	\$ 830,058	\$ 2,000,000	\$ 2,729,004	\$ 35,086,641
Intergovernmental	5,057,993	3,685,913	5,062,470	866,517	-	14,672,893
Licenses and permits	819,473	231,330	-	-	-	1,050,803
Charges for services	3,288,273	-	-	-	-	3,288,273
Investment earnings	405,091	-	-	-	9,545	414,636
Miscellaneous	491,495	263,478	-	126,487	-	881,460
<b>Total Revenues</b>	<b>34,594,002</b>	<b>9,176,623</b>	<b>5,892,528</b>	<b>2,993,004</b>	<b>2,738,549</b>	<b>55,394,706</b>
<b>Expenditures</b>						
<b>Current:</b>						
General government	11,238,305	-	-	181,316	-	11,419,621
Public safety	16,831,509	-	-	-	-	16,831,509
Recreation & culture	797,207	-	-	-	1,891,568	2,688,775
Public works	239,177	8,617,393	-	-	68,526	8,925,096
Health and welfare	1,433,150	-	6,158,811	-	-	7,591,961
Community programs	1,931,976	-	-	-	-	1,931,976
<b>Capital Outlay</b>	<b>140,931</b>	<b>934,674</b>	<b>-</b>	<b>5,730,979</b>	<b>-</b>	<b>6,806,584</b>
<b>Debt Service:</b>						
Principal retirement	-	-	-	-	6,657	6,657
Interest and fiscal charges	-	-	-	-	3,170	3,170
<b>Total Expenditures</b>	<b>32,612,255</b>	<b>9,552,067</b>	<b>6,158,811</b>	<b>5,912,295</b>	<b>1,969,921</b>	<b>56,205,349</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>1,981,747</b>	<b>(375,444)</b>	<b>(266,283)</b>	<b>(2,919,291)</b>	<b>768,628</b>	<b>(810,643)</b>
<b>Other Financing Sources (Uses)</b>						
Transfers in	380,723	-	-	5,577,637	2,652,677	8,611,037
Transfers out	(8,230,314)	-	-	-	(380,723)	(8,611,037)
<b>Total Other Financing Sources (Uses)</b>	<b>(7,849,591)</b>	<b>-</b>	<b>-</b>	<b>5,577,637</b>	<b>2,271,954</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>(5,867,844)</b>	<b>(375,444)</b>	<b>(266,283)</b>	<b>2,658,346</b>	<b>3,040,582</b>	<b>(810,643)</b>
<b>Fund Balances Beginning of Year</b>	<b>59,665,300</b>	<b>7,780,699</b>	<b>2,526,130</b>	<b>7,386,827</b>	<b>659,376</b>	<b>78,018,332</b>
<b>Fund Balances End of Year</b>	<b>\$ 53,797,456</b>	<b>\$ 7,405,255</b>	<b>\$ 2,259,847</b>	<b>\$ 10,045,173</b>	<b>\$ 3,699,958</b>	<b>\$ 77,207,689</b>

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, 2015**

<b>Net Changes In Fund Balances - Total Governmental Funds</b>		<b>\$ (810,643)</b>
<b>Amounts reported for governmental activities in the statement of activities are different because:</b>		
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.		
Net program revenues (expenses) internal service funds	979,190	
Investment earnings	<u>866</u>	980,056
Internal service funds capital asset activity:		
Depreciation expense	(996,007)	
Cash received from sales of assets	247,430	
Assets disposed-net of accum depreciation	<u>(91,072)</u>	(839,649)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		155,131
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)	(4,780,232)	
Capital outlay (excl internal service funds)	<u>6,253,334</u>	1,473,102
Governmental funds do not report the net cost of capital assets disposed of, but the cost is reported on the statement of activities		-
Governmental funds do not report the investment in the joint venture, however, the change is reported on the government-wide statement of activities		245,400
Transfers between governmental funds are reported on the governmental fund operating statement but eliminated on the government-wide statement of activities.		
Transfers in	8,611,037	
Transfers out	<u>(8,611,037)</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 @ 12/31/15	(3,170)	
Liability @ 12/31/14	<u>3,170</u>	-
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 @ 12/31/15	(2,643,071)	
Liability @ 12/31/14	<u>2,713,694</u>	70,623
The (increase) decrease in landfill closure and post closure care costs do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Liability @ 12/31/15	(403,407)	
Liability @ 12/31/14	<u>484,948</u>	81,541
Long term debt relating to governmental activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Liability @ 12/31/15	(265,843)	
Liability @ 12/31/14	<u>272,500</u>	6,657
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 @ 12/31/15	(1,698,479)	
Liability @ 12/31/14	<u>1,636,875</u>	(61,604)
<b>Change In Net Position of Governmental Activities</b>		<b><u>\$ 1,300,614</u></b>

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, 2015**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>
<b>Revenues</b>				
Taxes	\$ 24,284,450	\$ 24,284,450	\$ 24,531,677	\$ 247,227
Intergovernmental	4,878,926	5,578,926	5,057,993	(520,933)
Licenses and permits	588,000	588,000	819,473	231,473
Charges for services	2,849,549	2,925,473	3,288,273	362,800
Investment earnings	300,000	300,000	405,091	105,091
Miscellaneous	339,702	343,842	491,495	147,653
<b>Total Revenues</b>	<u>33,240,627</u>	<u>34,020,691</u>	<u>34,594,002</u>	<u>573,311</u>
<b>Expenditures</b>				
General government	12,662,205	13,015,400	11,238,305	1,777,095
Public safety	18,321,448	18,429,596	16,831,509	1,598,087
Recreation & culture	864,598	881,798	797,207	84,591
Health & welfare	1,443,837	1,450,558	1,433,150	17,408
Public works	454,213	454,513	239,177	215,336
Community programs & pass thru grants	1,882,490	1,887,690	1,931,976	(44,286)
<b>Total Current</b>	<u>35,628,791</u>	<u>36,119,555</u>	<u>32,471,324</u>	<u>3,648,231</u>
<b>Capital Outlay</b>	<u>207,500</u>	<u>359,500</u>	<u>140,931</u>	<u>218,569</u>
<b>Total Expenditures</b>	<u>35,836,291</u>	<u>36,479,055</u>	<u>32,612,255</u>	<u>3,866,800</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(2,595,664)</u>	<u>(2,458,364)</u>	<u>1,981,747</u>	<u>4,440,111</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	403,853	403,853	380,723	(23,130)
Transfers out	(5,577,637)	(5,577,637)	(8,230,314)	(2,652,677)
<b>Total Other Financing Sources (Uses)</b>	<u>(5,173,784)</u>	<u>(5,173,784)</u>	<u>(7,849,591)</u>	<u>(2,675,807)</u>
<b>Net Change in Fund Balances</b>	<u>\$ (7,769,448)</u>	<u>\$ (7,632,148)</u>	<u>(5,867,844)</u>	<u>\$ 1,764,304</u>
<b>Fund Balances Beginning of Year</b>			<u>59,665,300</u>	
<b>Fund Balances End of Year</b>			<u>\$ 53,797,456</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, 2015**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>
<b>Revenues</b>				
Taxes	\$ 4,995,256	\$ 4,995,256	\$ 4,995,902	\$ 646
Intergovernmental	3,961,151	3,961,151	3,685,913	(275,238)
Licenses and permits	230,000	230,000	231,330	1,330
Miscellaneous	159,500	159,500	263,478	103,978
<b>Total Revenues</b>	<b>9,345,907</b>	<b>9,345,907</b>	<b>9,176,623</b>	<b>(169,284)</b>
<b>Expenditures</b>				
Public works	10,393,314	10,247,314	8,617,393	1,629,921
Capital outlay	2,130,300	2,280,300	934,674	1,345,626
<b>Total Expenditures</b>	<b>12,523,614</b>	<b>12,527,614</b>	<b>9,552,067</b>	<b>2,975,547</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(3,177,707)</b>	<b>(3,181,707)</b>	<b>(375,444)</b>	<b>2,806,263</b>
<b>Net Change in Fund Balances</b>	<b>\$ (3,177,707)</b>	<b>\$ (3,181,707)</b>	<b>(375,444)</b>	<b>\$ 2,806,263</b>
<b>Fund Balances Beginning of Year</b>			<b>7,780,699</b>	
<b>Fund Balances End of Year</b>			<b>\$ 7,405,255</b>	

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, 2015**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>
<b>Revenues</b>				
Taxes	\$ 822,743	\$ 822,743	\$ 830,058	\$ 7,315
Intergovernmental	5,031,374	5,057,854	5,062,470	4,616
<b>Total Revenues</b>	<u>5,854,117</u>	<u>5,880,597</u>	<u>5,892,528</u>	<u>11,931</u>
<b>Expenditures</b>				
<b>Current:</b>				
Health and welfare	<u>6,269,330</u>	<u>6,298,010</u>	<u>6,158,811</u>	<u>139,199</u>
<b>Total Expenditures</b>	<u>6,269,330</u>	<u>6,298,010</u>	<u>6,158,811</u>	<u>139,199</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(415,213)</u>	<u>(417,413)</u>	<u>(266,283)</u>	<u>151,130</u>
<b>Net Change in Fund Balances</b>	<u>\$ (415,213)</u>	<u>\$ (417,413)</u>	<u>(266,283)</u>	<u>\$ 151,130</u>
<b>Fund Balances Beginning of Year</b>			<u>2,526,130</u>	
<b>Fund Balances End of Year</b>			<u>\$ 2,259,847</u>	

See accompanying notes to the basic financial statements

**La Plata County, Colorado**  
**Statement of Net Position**  
**Internal Service Funds**  
**December 31, 2015**

	<b>Governmental Activities Internal Services Funds</b>
<b>Assets</b>	
<b>Current Assets:</b>	
Equity in treasurer's cash and investments	\$ 9,510,450
Accounts receivable	16,550
Inventory	<u>142,057</u>
<b>Total Current Assets</b>	<u>9,669,057</u>
<b>Noncurrent Assets</b>	
<b>Capital Assets:</b>	
Depreciable capital assets, net	<u>6,903,053</u>
<b>Total Assets</b>	<u>16,572,110</u>
<b>Liabilities</b>	
Accrued payroll	10,722
Accounts payable	77,298
Accrued claims payable	<u>251,394</u>
<b>Total Current Liabilities</b>	<u>339,414</u>
<b>Net Position</b>	
Net investment in capital assets	6,903,053
Unrestricted	<u>9,329,643</u>
<b>Total Net Position</b>	<u><u>\$ 16,232,696</u></u>

See accompanying notes to the basic financial statements

**La Plata County, Colorado**  
**Statement of Revenues,**  
**Expenses and Changes in Fund Net Position**  
**Internal Service Funds**  
**For the Year Ended December 31, 2015**

	<b>Governmental Activities Internal Services Funds</b>
<b>Operating Revenues</b>	
Charges for services	\$ 2,082,331
Insurance deposits	3,520,341
Miscellaneous revenue	20,927
	<hr/>
<b>Total Operating Revenues</b>	5,623,599
	<hr/>
<b>Operating Expenses</b>	
Equipment maintenance	1,212,840
Depreciation	996,007
Medical claims	3,431,571
	<hr/>
<b>Total Operating Expenses</b>	5,640,418
	<hr/>
<b>Operating Income (Loss)</b>	(16,819)
	<hr/>
<b>Non-Operating Revenues</b>	
Gain (loss) on sale of capital assets	156,358
Investment earnings	866
	<hr/>
<b>Total Non-Operating Revenues (Expenses)</b>	157,224
	<hr/>
<b>Change in Net Position</b>	140,405
	<hr/>
<b>Net Position Beginning of Year</b>	16,092,291
	<hr/>
<b>Net Position End of Year</b>	\$ 16,232,696
	<hr/> <hr/>

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, 2015**

	<b><u>Governmental Activities Internal Services Funds</u></b>
<b>Increase (Decrease) in Cash and Cash Equivalents</b>	
<b>Cash Flows from Operating Activities</b>	
Cash received from customers	\$ 5,608,400
Cash payments for goods and services	(1,168,303)
Cash payments for claims	<u>(3,339,297)</u>
<b>Net Cash Provided by (Used in) Operating Activities</b>	<u>1,100,800</u>
<b>Cash Flows from Capital and Related Financing Activities</b>	
Cash sales of capital assets	247,430
Payments for capital acquisitions	<u>(1,420,214)</u>
<b>Net Cash Used in Capital and Related Financing Activities</b>	<u>(1,172,784)</u>
<b>Cash Flows from Investing Activities</b>	
Investment earnings	<u>866</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	(71,118)
<b>Cash and Cash Equivalents Beginning of Year</b>	<u>9,581,568</u>
<b>Cash and Cash Equivalents End of Year</b>	<u><u>\$ 9,510,450</u></u>
 <b>Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities</b>	
<b>Operating Income (Loss)</b>	\$ (16,819)
<b>Adjustments:</b>	
Depreciation	996,007
<b>(Increase) Decrease in Assets:</b>	
Accounts receivable	(15,199)
Inventory	25,738
<b>Increase (Decrease) in Liabilities:</b>	
Accounts payable	31,781
Accrued incurred/unreported claims	92,274
Accrued wages	<u>(12,982)</u>
<b>Net Cash Provided by Operating Activities</b>	<u><u>\$ 1,100,800</u></u>

See accompanying notes to the basic financial statements

**La Plata County, Colorado**  
**Comparative Statement of Fiduciary Assets and Liabilities**  
**Fiduciary Funds**  
**December 31, 2015 and 2014**

	<u>2015</u>	<u>2014</u>
<b>Assets</b>		
Equity in treasurer's cash and investments	\$ 2,615,604	\$ 2,772,976
<b>Liabilities</b>		
Accounts payable	\$ 437,128	\$ 219,283
Due to component unit	13,544	41,903
Deposits held for others	2,164,932	2,511,790
<b>Total Liabilities</b>	<u>\$ 2,615,604</u>	<u>\$ 2,772,976</u>

See accompanying notes to the basic financial statements

*La Plata County, Colorado*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*

**Index**

<b>Summary of Significant Accounting Policies.....</b>	<b>Note 1</b>
Reporting Entity .....	1-A
Basis of Presentation .....	1-B
Measurement Focus and Basis of Accounting .....	1-C
Assets, Liabilities and Fund Equity .....	1-D
Cash, Cash Equivalents and Investments .....	1-D-1
Receivables.....	1-D-2
Interfund Balances.....	1-D-3
Consumable Inventories .....	1-D-4
Restricted Assets .....	1-D-5
Capital Assets .....	1-D-6
Compensated Absences .....	1-D-7
Other Accrued Liabilities and Long-term Obligations.....	1-D-8
Fund Equity and Fund Balances .....	1-D-9
Operating Revenues and Expenses.....	1-D-10
Interfund Activity .....	1-D-11
Estimates.....	1-D-12
Comparative Data.....	1-D-13
Changes in Accounting Principle .....	1-D-14
 <b>Stewardship, Compliance and Accountability .....</b>	 <b>Note 2</b>
Budgetary Information .....	2-A
Stewardship .....	2-B
 <b>Detailed Notes on All Funds.....</b>	 <b>Note 3</b>
Deposits and Investments .....	3-A
Receivables.....	3-B
Property Taxes.....	3-C
Capital Assets .....	3-D
Interfund Balances and Transfers .....	3-E
Long-Term Debt.....	3-F
Colorado Water Resource Loan .....	3-G
Compensated Absences .....	3-H
Pollution Remediation .....	3-I
Landfill Closure and Postclosure Care Costs .....	3-J
Lease Obligations .....	3-K
Pensions.....	3-L
Fund Balance .....	3-M
 <b>Other Notes</b>	
Risk Management.....	Note 4
Contingent Liabilities .....	Note 5
Joint Venture .....	Note 6
Tax, Spending and Debt Limitations .....	Note 7

***La Plata County, Colorado***  
***Notes to the Basic Financial Statements***  
***For the Year Ended December 31, 2015***

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. A summary of significant policies is as follows:

***1-A. Reporting Entity***

The reporting entity is comprised of the primary government, a component unit 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 or which are closely related to or financially integrated with the County. 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 identifies the financial data of the County's discretely presented component unit. It is reported separately to emphasize that it is legally separate from the County.



*La Plata County, Colorado*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*

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 of significant operational or financial relationships. The La Plata County Board of Commissioners is the governing body for District. The activities of the Durango Hills Local Improvement District are reported in the County's financial report as the special revenue fund, "Durango Hills Road Improvement District."

The ***Palo Verde Public Improvement District #3***, 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 Palo Verde Public Improvement District #3 is blended because of the significant operational or financial relationships. The La Plata County Board of Commissioners is the governing body. The activities of the Palo Verde Public Improvement District #3 are reported in the County's financial report as the special revenue fund, "Palo Verde Public Improvement District #3".

A brief description of the discretely presented component unit follows:

The ***Office of the District Attorney of the Sixth Judicial District (the DA)***, is governed by a separately elected District Attorney; with the Boards of County Commissioners of La Plata, Archuleta and San Juan Counties providing the majority of the Office's funding. The County provides over two-thirds of the operational funding for the DA's activities and provides administrative services (human resources, finance/budgeting, grant administration, cash receipting/cash management and facilities) to the DA. The employees of the DA's office are included in all of the County's benefit programs and the DA's office is covered through the County's risk management arrangements. Accordingly, the DA is considered to be closely related to or financially integrated with the County and is therefore reported as a discretely presented component unit of 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 position 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 position 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. Activities reported in fiduciary funds are excluded from the government-wide financial statements.

*La Plata County, Colorado*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*

The statement of net position 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 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*** - 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 comprised of assets, liabilities, deferred inflows, deferred outflows, fund balance, revenues and expenditures. 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 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.

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. Primary sources of revenue for this fund are property taxes, sales taxes, intergovernmental assistance and charges for services. 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. Primary sources of revenue for this fund are property taxes, shared intergovernmental revenues such as highway use taxes, and capital grants. 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.

***La Plata County, Colorado***  
***Notes to the Basic Financial Statements***  
***For the Year Ended December 31, 2015***

***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. Primary sources of revenue for this fund are property taxes and revenues from the state and federal government for public welfare and child care and protection programs.

***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:

***Non-major Governmental Funds*** – In addition to the major funds listed above, the County also has five non-major special revenue funds, the *Joint Sales Tax Fund*, *Durango Hills Road Improvement District*, *Palo Verde Public Improvement District #3*, *Tribal Impact Mitigation Fund*, and the *Conservation Trust Fund*.

***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 position. 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 a general fund that accounts for all financial resources of the District Attorney’s office.

***1-C. Measurement Focus and 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, with an economic resources measurement focus concentrating on an entity or fund’s net position. All transactions and events that affect the total economic resources (net position) during the period are reported. Under the full accrual basis of accounting, revenues are recorded when earned and expenses are recorded at the time an obligation (liability) is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants are recognized as revenue when all of the eligibility requirements imposed by the grantor have been met.

At the fund reporting level, the governmental funds use the modified accrual basis of accounting with a current financial resources measurement focus. The measurement focus concentrates on the availability of funds for spending in the near future. Only transactions and events affecting current financial resources during the period are reported. Revenues are recognized when they become both measureable and available. The County considers revenues other than grants to be measureable and available if collected within 90 days after year-end. Grants are considered measureable and available if they are collected within six months after year-end and all eligibility requirements have been met. Expenditures are recorded when the related liability is incurred, with the exception of principal and interest on long-

*La Plata County, Colorado*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*

term debt and compensated absences, which are recognized when matured.

Revenues susceptible to accrual under the modified accrual basis include property and sales taxes, certain intergovernmental revenues and grants. All other revenues are considered measureable and available only when cash is received. For governmental funds, property tax is reported as both receivable and deferred inflow of resource in the year it is levied, since an enforceable legal lien on the property exists at this time.

The agency fund reports its assets and liabilities on the accrual basis. 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 position. The statements of changes in fund net position present increases (i.e., revenues) and decreases (i.e., expenses) in net total position. The statement of cash flows provides information about how the County finances and meets the cash flow needs of its proprietary activities.

Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue and in the presentation of expenses versus expenditures. Reconciliation between modified accrual basis and full accrual basis is provided in the fund financial statements.

***1-D. Assets, Liabilities and Fund Equity***

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

*La Plata County, Colorado*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*

***1-D-2 Receivables***

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

***1-D-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 position, except for any net residual amounts due between governmental and business-type activities, which are reclassified and presented as internal balances.

***1-D-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 expenditures in the governmental fund types when consumed.

***1-D-5 Restricted Assets***

These assets primarily consist of cash being held in trust by the Social Services Fund for individuals totaling \$61,657 and La Plata County jail inmate commissary funds of \$31,480.

***1-D-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 position 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, cattle guards, culverts, drainage and irrigation ditches, guardrails, retaining walls, roads and road signs, using County supplied inventories and by back trending from current replacement cost. All reported capital assets are depreciated except for

***La Plata County, Colorado***  
***Notes to the Basic Financial Statements***  
***For the Year Ended December 31, 2015***

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:

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.

The County is currently undertaking a project to identify and report certain intangible assets such as water rights, mineral rights and certain easements not associated with infrastructure and roads. As these intangibles are identified, they will be reported as capital assets. Because the historical cost of these assets is generally minimal, these assets would not materially change the amount of capital assets currently reported.

***1-D-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 if they have matured.

***Proprietary Funds*** – Accumulated vested sick pay and vacation pay at December 31, 2015, for employees of the proprietary funds have not been accrued since they would not have a material effect on the financial statements.

*La Plata County, Colorado*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*

***1-D-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 these funds. 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-D-9 Fund Equity and Fund Balances***

Fund equity at the governmental fund financial reporting level is classified as “fund balance.” Fund equity for all other reporting is classified as “net position.” Beginning with fiscal year 2011, the County implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government’s fund balances more transparent. In the fund financial statements, the following classifications describe the relative strength of the spending constraints.

- Non-spendable fund balance – the portion of fund balance that cannot be spent because it is either not in spendable form (such as inventory) or is legally or contractually required to be maintained intact.
- Restricted fund balance – the portion of fund balance constrained to being used for a specific purpose (such as grantors or bondholders), constitutional provisions or enabling legislation.
- Committed fund balance – the portion of fund balance constrained through adopted resolution by the Board of County Commissioners, the highest level of decision making authority. Committed amounts cannot be used for any other purpose unless the Board removes those constraints by taking the same type of action.
- Assigned fund balance – the portion of fund balance that reflects a government’s intended use of resources. Assignments are set aside by the Board of County Commissioners through the adoption and subsequent amendment of the annual budget. Assigned fund balances in special revenues funds will also include any remaining fund balance that is not restricted or committed. This classification is necessary to indicate that those funds are intended to be used for the purpose of that particular fund.
- Unassigned fund balance – the portion of fund balance that is not classified as non-spendable, restricted, committed or assigned. The County will only report a positive unassigned fund balance in the General Fund.

If only restricted and unrestricted amounts of fund balance are available for use when an expenditure is incurred, it is County policy to use restricted amounts first. Unrestricted fund balance will be used in the following order: committed, assigned and unassigned.

***Net Positions*** - Net position represents the difference between assets, deferred outflows resources and liabilities and deferred inflows of resources. Net position net investment in capital assets, 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 position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the

***La Plata County, Colorado***  
***Notes to the Basic Financial Statements***  
***For the Year Ended December 31, 2015***

County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net position is reported as unrestricted. It should be noted that while the “Investment in Joint Venture” is a component of unrestricted net position, 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 position is available.

***1-D-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. Non-operating revenues and expenses are those items which are not related to the primary activity of each fund, such as investment income, grants and gains or losses on sales of capital assets.

***1-D-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-D-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-D-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, 2014, 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, 2015*

***1-D-14 Changes in Accounting Principle***

During the year 2015, the County implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* (“Statement No. 68”) and GASB Statement No. 71, *Pension Transition for contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68* (“Statement No. 71”), effective for periods beginning after June 15, 2014, require government employers, for the first time, to recognize the long-term obligation for state pension benefits. The provisions of Statement No. 68 and Statement No. 71 (the “standards”) relevant to the County relate to changes in the accounting and financial reporting of pensions that are provided through pension plans administered as trusts or equivalent arrangements that meet certain criteria. GASB No. 68 requires cost-sharing employers participating in the PERA program, such as the 6<sup>th</sup> Judicial District Attorney, to record their proportionate share, as defined in GASB No. 68, of PERA’s unfunded pension liability. The County has no legal obligation to fund this shortfall nor does it have any ability to affect funding, benefits, or annual required contributions decision made by PERA or the General Assembly. Information regarding PERA’s current funding status can be found in its Comprehensive Annual Financial Report.

The employer liability is to be measured as the difference between the present value of projected benefit payments to be provided through the pension plan for past periods of service less the amount of the pension plan’s fiduciary net position, with obligations for employers with cost sharing plans based on their proportionate share of contributions to the pension plan. The standards also require more immediate recognition of annual service cost, interest and changes in benefits for pension expense, require deferred outflows be presented for employer contributions made subsequent to the measurement date of the net pension liability, specify requirements for discount rates and actuarial methods, and provide changes to disclosure requirements. The cumulative effect of adoption of the standard is presented as an adjustment to beginning fiscal year 2015 net position since information is not available to determine the impact on expense and net position in fiscal year 2014.

The requirement of GASB No. 68 to record a portion of PERA’s unfunded liability negatively impacted the Sixth Judicial District Attorney’s, a component unit, beginning net position by \$428,439. The net pension liability recorded as of December 31, 2015 was \$454,162. Information regarding PERA’s current funding status can be found in its Comprehensive Annual Financial Report.

***Note 2 - Stewardship, Compliance and Accountability***

***2-A. Budgetary Information***

The governmental fund budgets are adopted on a basis consistent with GAAP. All budgets are presented on a GAAP basis unless otherwise noted. 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.

***La Plata County, Colorado***  
***Notes to the Basic Financial Statements***  
***For the Year Ended December 31, 2015***

Colorado State Statutes require the adoption of annual budgets for all funds, including proprietary funds. The annual budget adoption and appropriation resolutions provide that expenditures in excess of the amounts appropriated by fund are considered to be a violation of State law, and thus the highest level of budgetary control (the level at which the Board of County Commissioners must approve any over expenditures of appropriations or transfers between funds) is considered to be at the fund level. In further accordance with the annual budget adoption and appropriation resolutions, 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. Thus, there is a secondary legal level of control at the spending authority. The annual budget and appropriation resolutions also limit amounts reserved for personnel, operating and capital expenditures to those categories of expenditures unless otherwise approved by the Director of Finance and County Manager in accordance with County policy. All unexpended annual appropriations lapse at year end.

In accordance with state statute, the Board of County Commissioners may, by resolution, authorize budget amendments during the year, but not in excess of the amount that actual revenues exceed budgeted revenues and unappropriated surplus for that fund. They may also transfer any unencumbered appropriation balance or portion thereof from one fund to another. Most funds budget a contingency that may be appropriated to other line items in the same fund, with Board approval, for unanticipated expenditures. Several supplemental appropriations and budget contingency transfers were adopted during 2015.

## ***2- B. Stewardship***

Expenditures in the General Fund, the County's primary operating fund, exceeded appropriations during 2015. This is the result of creating the Conservation Trust Fund during 2015 and transferring the restricted fund balance for those activities into the newly created fund. The transfer of the fund balance was not appropriated in the 2015 budget. This may be a violation of Colorado State Statutes.

## ***Note 3 - Detailed Notes on All Funds***

### ***3-A. Deposits and Investments***

***Deposits*** – The County's investment policy is to purchase securities and hold them to maturity. In making investment decisions, the County Treasurer considers the legality, security and yield of the investment. Investment income includes appreciation or depreciation in the fair value of all investments. Changes in the fair value during the current year, however, do not necessarily represent trends that will continue; nor is it always possible to realize such amounts, especially in the case of temporary changes in the fair value of investments that the County intends to hold to maturity.

As part of the Dodd-Frank Act, Congress permanently increased FDIC insurance from \$100,000 to \$250,000 per depositor. Additionally, 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

*La Plata County, Colorado*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*

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.

At year-end, the carrying amount of the County's deposits was \$16,881,827 and the bank balance was \$18,335,776. Of the bank balance, \$919,275 was covered by federal depository insurance and \$17,416,501 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 \$106,502 and the bank balance was \$106,521. Of the bank balance, \$106,521 was covered by federal depository insurance.

**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-/Aa3), Commercial Paper (rated at least A-1+/P1); 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, 2015, 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](http://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.

***La Plata County, Colorado***  
***Notes to the Basic Financial Statements***  
***For the Year Ended December 31, 2015***

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

As of December 31, 2015, 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 Plus	-	AAAm	37.85%	\$ 27,027,534
Local government investment pool-ColoTrust Prime	-	AAAm	3.98%	2,839,481
Local government investment pool-ColoTrust Prime	-	AAAm	0.06%	39,686
Federal Home Loan Banks (FHLB)	1.42	AA+/Aaa	10.56%	7,541,179
Federal Home Loan Mortgage Corporation (FHLMC)	1.81	AA+/Aaa	2.80%	2,000,607
United States Treasury Note/Bond	1.37	AA+/Aaa	16.79%	11,989,452
Federal Farm Credit Banks (FFCB)	1.70	AA+/Aaa	11.16%	7,972,430
Corporate - Wal-Mart Stores inc	0.28	AA/Aa2	1.40%	999,962
Corporate - Toyota Motor Credit Corp	1.99	AA-/Aa3	2.80%	2,000,130
Corporate - International Business Machines Corp	0.01	AA-/Aa3	2.80%	2,000,000
Corporate - Microsoft Corp	2.79	AAA/Aaa	1.40%	998,215
Corporate - ING US Funding LLC	0.35	A-1/P-1	1.40%	997,508
Corporate - Federal National Mortgage Association	1.95	AA+/Aaa	1.39%	995,202
Corporate - US Bank NA/Cincinnati OH	1.06	AA-/A1	1.40%	998,556
Corporate - Berkshire Hathaway Inc	1.07	AA/Aa2	1.41%	1,008,677
Corporate - Apple Inc	1.33	AA+/Aa1	1.40%	1,000,587
Corporate - Chevron	1.85	AA/Aa1	1.40%	996,853
		<b>Total</b>	<b>100%</b>	<b>\$ 71,406,058</b>

***Cash & Investment Reconciliation:***

Description	Carrying Amounts		Cash and Cash Equivalents
Cash on hand	\$ 105,651	From Statement of Net Position:	
Deposits	16,881,827	Cash & Cash Deposits	\$ 284,256
Investments	71,406,058	Equity in treasurer's cash and investments	85,400,540
		Restricted cash and investments	93,136
		Statement of Fiduciary Assets and Liabilities	2,615,604
Total	<u>\$ 88,393,536</u>	Total	<u>\$ 88,393,536</u>

***3-B. Receivables***

Receivables at December 31, 2015 include earned revenues that are not considered to be available to liquidate liabilities for the current period.

***La Plata County, Colorado***  
***Notes to the Basic Financial Statements***  
***For the Year Ended December 31, 2015***

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, collectability.

***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 the last day of February 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.

***3-D. Capital Assets***

Capital asset activity for governmental activities (including internal service funds) for the year ended December 31, 2015, was as follows:

	Balance 1/1/2015	Reclass	Additions	Deletions	Balance 12/31/2015
Governmental activities:					
Capital assets not being depreciated:					
Land	\$ 9,452,945	\$ -	\$ -	\$ -	\$ 9,452,945
Construction in progress	2,677,314	(4,344,884)	3,553,563		1,885,993
Total capital assets not being depreciated	12,130,259	(4,344,884)	3,553,563	-	11,338,938
Depreciable capital assets:					
Buildings	50,002,579	4,344,884	2,072,089	-	56,419,552
Improvements	9,102,342	-	227,206	-	9,329,548
Machinery and equipment	16,913,699	-	1,820,690	826,845	17,907,544
Infrastructure	84,356,865	-	-	-	84,356,865
Total depreciable capital assets	160,375,485	4,344,884	4,119,985	826,845	168,013,509
Total capital assets	172,505,744	-	7,673,548	826,845	179,352,447
Accumulated depreciation:					
Buildings	12,379,954	-	1,115,524	-	13,495,478
Improvements	3,092,130	-	337,343	-	3,429,473
Machinery and equipment	9,630,482	-	1,200,980	735,773	10,095,689
Infrastructure	50,657,949	-	3,122,390	-	53,780,339
Total accumulated depreciation	75,760,515	-	5,776,237	735,773	80,800,979
Governmental activities capital assets, net	<u>\$96,745,229</u>	<u>\$ -</u>	<u>\$ 1,897,311</u>	<u>\$ 91,072</u>	<u>\$ 98,551,468</u>

***La Plata County, Colorado***  
***Notes to the Basic Financial Statements***  
***For the Year Ended December 31, 2015***

Governmental activities depreciation expense:	Total
General government	\$ 847,501
Public safety	798,115
Recreation & Culture	370,339
Public works	3,655,926
Health and welfare	104,356
Total governmental activities depreciation expense	<u>\$ 5,776,237</u>

The following are the changes in capital asset activity in discretely presented component units for the year ended December 31, 2015:

	Restated Balance 1/1/2015	Additions	Deletions	Balance 12/31/2015
Depreciable capital assets:				
Improvements	23,334	-	-	23,334
Machinery and equipment	129,040	15,000	(20,040)	124,000
Less accumulated depreciation	<u>(118,849)</u>	<u>(7,483)</u>	<u>18,036</u>	<u>(108,296)</u>
Component unit capital assets, net	<u>\$ 33,525</u>	<u>\$ 7,517</u>	<u>\$ (2,004)</u>	<u>\$ 39,038</u>

***3-E. Interfund Transfers***

Interfund 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.

**La Plata County, Colorado**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2015**

Interfund transfers for the year ended December 31, 2015, consisted of the following:

	<b>Transfers from:</b>			<b>Total</b>
	<b>General fund</b>	<b>Capital improv. fund</b>	<b>Non-major govt'l fund</b>	
<b>Transfers to:</b>				
General fund	\$ -	\$ -	\$ 380,723	\$ 380,723
Capital improvement fund	5,577,637	-	-	5,577,637
Non-major governmental funds	2,652,677	-	-	2,652,677
<b>Total</b>	<b>\$ 8,230,314</b>	<b>\$ -</b>	<b>\$ 380,723</b>	<b>\$ 8,611,037</b>

**3-F. 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, 2015:

	<b>Outstanding 1/1/2015</b>	<b>Additions</b>	<b>Reductions</b>	<b>Outstanding 12/31/2015</b>	<b>Amounts Due In One Year</b>
<b>Governmental Activities:</b>					
Colorado Water debt	\$ 272,500	\$ -	\$ 6,657	\$ 265,843	\$ 11,628
Compensated absences	1,636,875	2,331,762	2,270,158	1,698,479	358,324
Pollution remediation obligation	2,713,694		70,623	2,643,071	300,000
Landfill closure and postclosure care costs	484,948	-	81,541	403,407	59,076
<b>Total Governmental Activities</b>	<b>\$ 5,108,017</b>	<b>\$ 2,331,762</b>	<b>\$ 2,428,979</b>	<b>\$ 5,010,800</b>	<b>\$ 729,028</b>
<b>Component Unit:</b>					
Compensated absences	\$ 93,550	\$ 88,960	\$ 70,608	\$ 111,902	\$ 24,004
<b>Total Component Unit</b>	<b>\$ 93,550</b>	<b>\$ 88,960</b>	<b>\$ 70,608</b>	<b>\$ 111,902</b>	<b>\$ 24,004</b>

The compensated absences liability will be paid from the fund from which the employees' salaries are paid, typically the General Fund, Road & Bridge Fund and the Social Services Fund. The County has received a federal court order which will assist in recovering some of the costs associated with the pollution remediation from a third party (see Note 3-H below); any costs not paid for by a third party will be paid for by general revenues. The landfill closure and postclosure care liability will be paid for by general revenues.

***La Plata County, Colorado***  
***Notes to the Basic Financial Statements***  
***For the Year Ended December 31, 2015***

**3-G. Colorado Water Resources and Power Development Authority** - The La Plata County Palo Verde Public Improvement District #3 entered into a loan agreement with the Colorado Water Resources and Power Development Authority to finance the water line extension project and service connections to the City of Durango's water. The loan was in the amount of \$272,500 with a 2% interest and a term of 20 years. The principal and interest shall be payable out direct annual taxes on all taxable property in the District. A schedule of future debt services requirements is as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2016	11,628	5,259	16,887
2017	11,862	5,025	16,887
2018	12,100	4,787	16,887
2019	12,343	4,544	16,887
2020	12,592	4,295	16,887
2021-2025	66,858	17,578	84,436
2026-2030	73,852	10,583	84,435
2031-2034	64,608	2,941	67,549
Total	<u>\$ 265,843</u>	<u>\$ 55,012</u>	<u>\$ 320,855</u>

**3-H. 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. 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. For purposes of reporting compensated absences payable, only accrued annual leave and accrued comp time and associated payroll costs have been accrued.

For the governmental activities, compensated absences are generally liquidated by the General, Road and Bridge, and Social Services fund.

**3-I. Pollution Investigation and Remediation**

The County owns property (the County jail site) that has been environmentally contaminated with chlorinated solvents by prior owners who are responsible, pursuant to a federal court order, for 75% of the costs for remediating any environmental issues in accordance with State and Federal laws. A consultant hired by the County has conducted a remedial investigation/feasibility study (RI/FS) at the site and has identified 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 remedial/corrective actions is likely to have a present value



***La Plata County, Colorado***  
***Notes to the Basic Financial Statements***  
***For the Year Ended December 31, 2015***

of \$3,240,000, but could be as low as \$2,014,000 or as high as \$6,180,000, depending upon the option selected and the long-term monitoring costs associated with the selected option. In 2014, the County's consultant completed an in-situ chemical oxidation pilot study (Study) at the site in support of the remedy selected in the final Record of Decision (ROD). The objectives of the Study were to estimate the expected radius of influence of oxidant injection and to conduct an initial assessment of the effectiveness of the selected remedy. Based on the results, of the Study, the County and Brown Group have agreed upon a phased-approach to the selected remedy that could potentially result in cost savings. The phased-approach is currently underway. It is estimated that the County will incur approximately \$15,000 in legal services in 2016 associated with the remediation effort, and approximately \$285,000 in cleanup activities in 2016, 75% of which should be reimbursed to the County at some point in the future pursuant to the federal court order.

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. The County's lawsuit was tried in October of 2010 and the court issued a decision in March of 2011. The court ordered that Brown Retail Group, Inc. is responsible for 75% of certain investigative and clean-up/remediation costs incurred to date and expected to be incurred by the County in the future. The County will be responsible for the remaining costs. The judge's ruling requires Brown Retail Group to reimburse La Plata County for past recoverable response costs in the amount of \$521,090, plus interest in the amount of \$32,747 and \$75,805 in trial costs, for a recovery of prior costs of \$629,642.

The Court's March 2011 order established a "starting point" for remediation, which is estimated by the County's consultant to have a net present value of \$830,000. A plan for remediation that meets the Court's starting point has been developed and approved by the Colorado Department of Public Health and Environment (CDPHE). Because the County, the County's consultant and the CDPHE do not believe the Court's ordered initial plan will successfully remediate the contamination to meet applicable environmental standards, the County has recorded a liability for pollution remediation obligation in the government wide statements for legal services in the amount of \$15,000, and remedial/corrective actions in the amount of \$3,073,346, for a total of \$3,088,346. Based upon the judge's determination that Brown Retail Group is required to reimburse a minimum of \$445,523 in future response costs, the County has recorded a corresponding reduction of \$445,523 in the total liability, reducing the net future liability for pollution cleanup to \$2,643,071. By Court order, Brown Group advanced La Plata County \$445,523 in future cleanup costs in April 2012, and this deposit is being held to cover future recovery costs.

The estimated total current cost of cleanup/remediation activities of \$2,643,071 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, 2015. However, the actual cost 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 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. The Court's order provides that the County may return to the Court for additional recovery of future costs from Brown Group if the initial "starting point" plan does not bring the site into compliance with environmental standards.

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

*La Plata County, Colorado*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*

**3-J. 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 after the date the landfills no longer accept waste. The estimated liability for landfill closure and postclosure care costs has a balance of \$403,407 as of December 31, 2015, which is based on the following assumptions:

Landfill Sites	Estimated Closure and Postclosure Care Costs	Percent Filled	Calculated Liability
Tiffany	\$ 3,722	100%	\$ 3,722
Marvel	5,722	100%	5,722
Durango	48,000	100%	48,000
Bayfield	345,963	100%	345,963
Totals	\$ 403,407		\$ 403,407

The estimated total current cost of the landfill closure and post closure care of \$403,407 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, 2015. However, the actual cost of closure and post closure 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, 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-K. 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 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

*La Plata County, Colorado*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*

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 for the County Attorney's office. 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. In September 2010 the lease terms were renegotiated and extended through December 31, 2012. The lease ended December 31, 2012 and has operated as a month to month tenancy through December 31, 2013. The annual rent was reduced to \$33,480 during 2013. In September 2014, the original lease agreement was amended to extend the lease term through July 31, 2016. The County is responsible for taxes, maintenance, utilities, and common area maintenance charges. The amount paid for the lease during 2015 totaled \$47,120.

On February 1, 2008, the County entered into an operating lease with Durango Threadworks, Inc. for rental of 3,192 square feet for the County Clerk's office space. Durango Threadworks, Inc. is a Colorado Corporation, for which a former La Plata Commissioner's father is the President. The initial lease extended through January 31, 2014 and provided for optional renewals after the initial term. In December 2009 the lease terms were renegotiated to include additional lease space and extended through December 31, 2016. The amount paid for the lease during 2015 totaled \$119,736.

### ***3-L. Pensions***

The County provides pension benefits for its regular full-time, three-quarter-time and part-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](http://www.ccoera.org).

The total payroll for the County and the District Attorney's employees that are enrolled in CCOERA in calendar year 2015 was \$22,550,920. Contributions to CCOERA were calculated using the CCOERA eligible payroll amount of \$21,548,182. Both the employer and the covered employees made the required contributions, amounting to \$1,385,814 from the employer and \$1,385,814 from employees, or \$2,771,628 total.

*La Plata County, Colorado*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*

*District Attorney Pensions.* The Sixth Judicial District Attorney participates in the State Division Trust Fund (SDTF), a cost-sharing multiple-employer defined benefit pension fund administered by the Public Employees' Retirement Association of Colorado ("PERA"). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the SDTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

***General Information about the Pension Plan***

*Plan description.* The Sixth Judicial District Attorney is provided with pensions through the State Division Trust Fund (SDTF)—a cost-sharing multiple-employer defined benefit pension plan administered by PERA. Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (C.R.S.), administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available comprehensive annual financial report that can be obtained at [www.copera.org/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports).

*Benefits provided.* PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. § 24-51-602, 604, 1713, and 1714.

The lifetime retirement benefit for all eligible retiring employees under the PERA Benefit Structure is the greater of the:

- Highest average salary multiplied by 2.5 percent and then multiplied by years of service credit
- The value of the retiring employee's member contribution account plus a 100 percent match on eligible amounts as of the retirement date. This amount is then annuitized into a monthly benefit based on life expectancy and other actuarial factors.

In all cases the service retirement benefit is limited to 100 percent of highest average salary and also cannot exceed the maximum benefit allowed by federal Internal Revenue Code.

Members may elect to withdraw their member contribution accounts upon termination of employment with all PERA employers; waiving rights to any lifetime retirement benefits earned. If eligible, the member may receive a match of either 50 percent or 100 percent on eligible amounts depending on when contributions were remitted to PERA, the date employment was terminated, whether 5 years of service credit has been obtained and the benefit structure under which contributions were made.

Benefit recipients who elect to receive a lifetime retirement benefit are generally eligible to receive post-retirement cost-of-living adjustments (COLAs), referred to as annual increases in the C.R.S. Benefit recipients under the PERA benefit structure who began eligible employment before January 1, 2007 receive an annual increase of 2 percent, unless PERA has a negative investment year, in which case the annual increase for the next three years is the lesser of 2 percent or the average of the Consumer Price

*La Plata County, Colorado*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*

Index for Urban Wage Earners and Clerical Workers (CPI-W) for the prior calendar year. Benefit recipients under the PERA benefit structure who began eligible employment after January 1, 2007 receive an annual increase of the lesser of 2 percent or the average CPI-W for the prior calendar year, not to exceed 10 percent of PERA's Annual Increase Reserve for the SDTF.

Disability benefits are available for eligible employees once they reach five years of earned service credit and are determined to meet the definition of disability. The disability benefit amount is based on the retirement benefit formula shown above considering a minimum 20 years of service credit, if deemed disabled.

Survivor benefits are determined by several factors, which include the amount of earned service credit, highest average salary of the deceased, the benefit structure(s) under which service credit was obtained, and the qualified survivor(s) who will receive the benefits.

*Contributions.* Eligible employees and the Sixth Judicial District Attorney are required to contribute to the SDTF at a rate set by Colorado statute. The contribution requirements are established under C.R.S. § 24-51-401, *et seq.* Eligible employees with the exception of State Troopers are required to contribute 8 percent of their PERA-includable salary. The employer contribution requirements for all employees except State Troopers are summarized in the table below:

	For the Year Ended December 31, 2014	For the Year Ended December 31, 2015	For the Year Ended December 31, 2016
Employer Contribution Rate <sup>1</sup>	10.15%	10.15%	10.15%
Amount of Employer Contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f) <sup>1</sup>	(1.02)%	(1.02)%	(1.02)%
Amount Apportioned to the SDTF <sup>1</sup>	9.13%	9.13%	9.13%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411 <sup>1</sup>	3.80%	4.20%	4.60%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411 <sup>1</sup>	3.50%	4.00%	4.50%
Total Employer Contribution Rate to the SDTF <sup>1</sup>	16.43%	17.33%	18.23%

<sup>1</sup>Rates are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

*La Plata County, Colorado*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*

Employer contributions are recognized by the SDTF in the period in which the compensation becomes payable to the member and the Sixth Judicial District Attorney's Office is statutorily committed to pay the contributions to the SDTF. Employer contributions recognized by the SDTF from Sixth Judicial District Attorney's Office were \$22,685 for the year ended December 31, 2015.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At December 31, 2015, the Sixth Judicial District Attorney reported a liability of \$454,162 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2013. Standard update procedures were used to roll forward the total pension liability to December 31, 2014. The Sixth Judicial District Attorney proportion of the net pension liability was based on Sixth Judicial District Attorney contributions to the SDTF for the calendar year 2014 relative to the total contributions of participating employers to the SDTF.

At December 31, 2014, the Sixth Judicial District Attorney proportion was 0.0048281650%, which was a decrease of 0.0002212184% from its proportion measured as of December 31, 2013.

For the year ended December 31, 2015, the Sixth Judicial District Attorney recognized a pension expense of \$15,722. At December 31, 2015, the Sixth Judicial District Attorney reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	-	\$34
Changes of assumptions or other inputs	-	-
Net difference between projected and actual earnings on pension plan investments	9,260	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	-	12,840
Contributions subsequent to the measurement date	22,529	N/A
Total	\$31,789	\$12,874

*La Plata County, Colorado*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*

\$22,529 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended December 31, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

**Year ended December 31, 2015:**

December 31	
2016	\$ (4,569)
2017	(3,674)
2018	2,315
2019	2,315
Thereafter	-

*Actuarial assumptions.* The total pension liability in the December 31, 2013 actuarial valuation was determined using the following actuarial assumptions and other inputs:

Price inflation	2.80 %
Real wage growth	1.10 %
Wage inflation	3.90 %
Salary increases, including wage inflation	3.90 – 9.57 %
Long-term investment Rate of Return, net of pension plan investment expenses, including price inflation	7.50 %
Future post-retirement benefit increases:	
PERA Benefit Structure hired prior to 1/1/07; and DPS Benefit Structure (automatic)	2.00 %
PERA Benefit Structure hired after 12/31/06 (ad hoc, substantively automatic)	Financed by the Annual Increase Reserve

Mortality rates were based on the RP-2000 Combined Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on a projection of Scale AA to 2020 with Males set back 1 year, and Females set back 2 years.

The actuarial assumptions used in the December 31, 2013 valuation were based on the results of an actuarial experience study for the period January 1, 2008 through December 31, 2011, adopted by PERA's Board on November 13, 2012, and an economic assumption study, adopted by PERA's Board on November 15, 2013 and January 17, 2014.

The SDTF's long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation.

**La Plata County, Colorado**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2015**

As of the most recent analysis of the long-term expected rate of return, presented to the PERA Board on November 15, 2013, the target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>10 Year Expected Geometric Real Rate of Return</b>
U.S. Equity – Large Cap	26.76%	5.00%
U.S. Equity – Small Cap	4.40%	5.19%
Non U.S. Equity – Developed	22.06%	5.29%
Non U.S. Equity – Emerging	6.24%	6.76%
Core Fixed Income	24.05%	0.98%
High Yield	1.53%	2.64%
Long Duration Gov't/Credit	0.53%	1.57%
Emerging Market Bonds	0.43%	3.04%
Real Estate	7.00%	5.09%
Private Equity	7.00%	7.15%
Total	100.00%	

\* In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected rate of return assumption of 7.50%.

*Discount rate.* The discount rate used to measure the total pension liability was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the fixed statutory rates specified in law, including current and future AED and SAED, until the Actuarial Value Funding Ratio reaches 103 percent, at which point, the AED and SAED will each drop 0.50 percent every year until they are zero. Based on those assumptions, the SDTF's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determination does not use the Municipal Bond Index Rate. There was no change in the discount rate from the prior measurement date.

*Sensitivity of the Sixth Judicial District Attorney proportionate share of the net pension liability to changes in the discount rate.* The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.50 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50 percent) or 1-percentage-point higher (8.50 percent) than the current rate:

	<b>1% Decrease (6.50%)</b>	<b>Current Discount Rate (7.50%)</b>	<b>1% Increase (8.50%)</b>
Proportionate share of the net pension liability	\$582,346	\$454,162	\$346,343



*La Plata County, Colorado*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*

*Pension plan fiduciary net position.* Detailed information about the SDTF's fiduciary net position is available in PERA's comprehensive annual financial report which can be obtained at [www.copera.org/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports).

### **Other Post-Employment Benefits**

#### **Health Care Trust Fund**

*Plan Description* – The Sixth Judicial District Attorney contributes to the Health Care Trust Fund ("HCTF"), a cost-sharing multiple-employer healthcare trust administered by PERA. The HCTF benefit provides a health care premium subsidy and health care programs (known as PERACare) to PERA participating benefit recipients and their eligible beneficiaries. Title 24, Article 51, Part 12 of the C.R.S., as amended, establishes the HCTF and sets forth a framework that grants authority to the PERA Board to contract, self-insure and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of health care subsidies. PERA issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information for the HCTF. That report can be obtained at [www.copera.org/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports).

*Funding Policy* – The Sixth Judicial District Attorney is required to contribute at a rate of 1.02 percent of PERA-includable salary for all PERA members as set by statute. No member contributions are required. The contribution requirements for the Sixth Judicial District Attorney are established under Title 24, Article 51, Part 4 of the C.R.S., as amended. The apportionment of the contributions to the HCTF is established under Title 24, Article 51, Section 208(1)(f) of the C.R.S., as amended. For the years ending December 31, 2015, 2014, 2013, the Sixth Judicial District Attorney contributions to the HCTF were \$1,326, \$1,326 and \$1,326, respectively, equal to their required contributions for each year.

### ***3- M. Fund Balances***

The specific purposes for each fund balance classification on the governmental funds balance sheet are:

#### ***Nonspendable fund balance:***

Inventory – represents the amount of supplies and materials inventories held for future use.

Prepays – represents the amount of prepaid expenditures.

Long term receivables – represents the amount of receivables not likely to be converted to a spendable form in the subsequent accounting period.

***La Plata County, Colorado***  
***Notes to the Basic Financial Statements***  
***For the Year Ended December 31, 2015***

***Restricted fund balance:***

Economic stabilization – as noted in Note 7, below, the County is required by State law to maintain a reserve level equal to approximately 3% of non-federal revenues. The reserves are available only for named emergency situations and per the requirement of the constitutional provision, must be immediately replenished.

Law enforcement – the La Plata County Sheriff’s Office and the Office of the District Attorney receive funds pursuant to criminal forfeiture laws. These funds may only be used for specific law enforcement purposes.

Construction/maintenance of roads – Colorado counties are required by State law, C.R.S. 43-2-202(1) to maintain a Road and Bridge Fund. All funds held in the Road and Bridge Fund are restricted to fund construction and maintenance of roads and streets within the County boundaries.

Capital improvements impact fees – Developer contributions received for improvements to county roads are restricted to uses outlined in Colorado statutes and the specific language of the agreements.

Public assistance and welfare – Colorado counties are required by State law, C.R.S. 26-1-123, to maintain a Social Services fund. All funds held in the Social Services Fund, not otherwise restricted, are determined to be assigned for only public assistance and welfare and related programs.

Child welfare – Certain revenues received by the Department of Human Services are restricted to expenditures related to child welfare programs and activities.

Recreation & parks – Funds received from the Colorado lottery program are reported in the Conservation Trust Fund and are restricted for outdoor recreation construction and expenditures.

Joint County/City projects – Pursuant to the terms of the voter approval for the County’s sales tax, 11% of gross sales tax collections must be accounted for separately and are restricted to fund projects of mutual benefit and agreement of the County and the City of Durango.

Tribal mitigation impact – Pursuant to C.R.S. §24-61-202 La Plata county shall establish a fund to be known as the tribal property impact mitigation fund to which all moneys contributed, transferred, appropriated, or otherwise made available for mitigating the impacts of acquisitions of property by the Southern Ute Indian tribe on local governments shall be deposited. Moneys will be distributed to taxing authorities within La Plata County upon affirmative vote of a majority of the members of the three-member board

General capital improvements – Pursuant to the terms of the voter approval for the County’s sales tax and Resolution 1984-142, the first \$1.5 million of sales taxes are transferred annually to the capital improvement fund and are restricted to capital improvements.

***Assigned Fund Balance:***

Construction/maintenance of roads - The Durango Hills local improvement district funds are assigned for the construction and maintenance of public streets within the boundaries of the district.

*La Plata County, Colorado*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*

Next year's budget deficit – As part of the 2016 budget adoption process, the 2016 general fund revenues and transfers in were estimated at \$37,390,714 and expenditures and transfers out were estimated at \$47,747,252, demonstrating a projected deficit of \$10,356,538. Therefore, it is necessary to set aside this amount to cover the subsequent year budget deficit.

Capital projects – Funds set aside by La Plata County Board of County Commissioners to be used for capital outlay.

***Prior Period Adjustments:***

The Sixth Judicial District Attorney, a discretely presented component unit, Statement of Activities increased \$13,000 in 2015. This increase includes a prior period adjustment totaling \$13,000 to report the disposal of accumulated depreciation of an asset disposed in 2014. The Statement of Activities decreased \$428,439. This decrease is due to the requirement of GASB No. 68 to record a portion of PERA's unfunded liability. Information regarding this change in accounting principle can be found in Note 1-D-14.

***Fund Balance Reserve Policy:***

The Board of County Commissioners adopted the Fund Balance Reserve Policy in May 2014 which replaced the 2004 General Reserve Policy. The new policy requires reserves at a minimum a level of two months and with the target level of three months, of operating expenditures to provide for fiscal cash liquidity purposes (i.e. fiscal reserve) to be used for short-term cash flow purposes due to the timing of revenues becoming available and expenditures being paid. This reserve is required in both the General Fund and the Road & Bridge Fund.

The Assigned and Committed components of fund balance will provide the taxpayer with an explanation of why financial resources have been set aside and the conditions under which such resources will be expended. The General Fund shall maintain the following fund balance components:

*Committed Fund Balance for Emergencies and Disasters* – Differing from disaster response or relief (i.e. paying for resources to combat a fire), the County shall maintain 75 days of operating expenditures to be used to ensure the maintenance of services to the public during non-routine and unforeseen disaster situation such as fires and other weather-related events, as well as other environmental or other natural disasters that cause disruptions in public services as declared appropriate by the Board.

***La Plata County, Colorado***  
***Notes to the Basic Financial Statements***  
***For the Year Ended December 31, 2015***

*Assigned Fund Balance for Capital* -The County shall maintain an amount to be reserved for future financial resource use of the tentative plans for capital outlays including the acquisition or construction of capital facilities and other capital assets. These reserves may also be used for financing, debt issuance costs, grant matching for capital outlays, or transfer to the Capital Improvement Plan Fund (CIP) for capital purposes.

The Road & Bridge Fund shall maintain the following fund balance components:

*Assigned Fund Balance for Capital* -The County shall maintain an amount to be reserved for future financial resource use of the tentative plans for capital outlays including the acquisition or construction of capital assets and road projects. The target level should equal the expected net cost for the road plan.

The calculated amount of the General Fund fund balance components at December 31, 2015 are:

<b>Fund Balance</b>	
Nonspendable:	
Prepays	\$ 196,375
Restricted:	
Economic stabilization (TABOR)	1,600,510
Law enforcement	275,506
Committed:	
Emergency and disasters	6,764,859
Assigned:	
Next year's budget deficit	10,356,538
Capital projects	20,511,673
Unassigned	<u>14,091,995</u>
Total General Fund Balance	<u><u>\$ 53,797,456</u></u>

***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

***La Plata County, Colorado***  
***Notes to the Basic Financial Statements***  
***For the Year Ended December 31, 2015***

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 four fiscal years.

The claims liability of \$251,394 reported in the employee medical self insurance fund represents the amount due to the County's third party administrators at December 31, 2015 for the 2015 claims year and an estimate for incurred but not reported claims.

Changes in the funds claims liability amount in calendar 2015 and 2014 were:

	2015	2014
Liability at January 1		
Add: Current year claims & changes in estimates	\$ 159,120	\$ 337,635
Less: Claim Payments	3,523,845	3,065,112
Balance at December 31	<u>(3,431,571)</u>	<u>(3,243,627)</u>
	<u>\$ 251,394</u>	<u>\$ 159,120</u>

***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 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.

*La Plata County, Colorado*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*

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](http://www.ctsi.org). The County's discretely presented and blended component units are included within the County's coverage through CWCP and CAPP. 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 four 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 1996 was conducted for the calendar year 2015, 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.

***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 Limited Gaming Impact Fund (GAME). A summary of these commitments is presented below:

Grant	Period	Grant Funds	Matching Funds	Description
EIAF #7693	04/15/15 - 09/30/16	100,000	225,000	La Plata County Financial & HR Management System
EIAF #7506	10/22/14 - 07/31/16	807,170	538,120	Ignacio & Marvel Equipment Storage Imp.
EIAF #7614	03/02/15 - 07/31/16	1,000,000	1,325,000	La Plata County Road 517 Urban Improvements
EIAF #7850	12/09/15 - 05/31/17	1,900,000	3,199,274	La Plata County Courthouse Remodel
<b>Totals</b>		<b>\$ 3,807,170</b>	<b>\$ 5,287,394</b>	

*La Plata County, Colorado*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*

***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 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 2015, the amount of funding provided pursuant to the agreement was \$173,581.

***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 Lease Space*** – As of March 2015, La Plata County completed its negotiations with the U.S. General Services Administration (GSA) for the remodel and lease of a portion of the County Courthouse to the GSA for use by the U.S. District Court, U.S. Marshal's Office and the U.S. Probation Dept. The County believes that locating the U.S. District Court offices in the County Courthouse will increase access for local citizens, help to address social justice concerns, and contribute to the economic vitality of the community. La Plata County and the GSA have entered into the lease agreement, which was signed by the County on March 10, 2015 and by the GSA on April 3, 2015. Based on the current design, the total project cost is estimated to be between \$4.5 million and \$5 million, which cost will span two County budget cycles (2015 and 2016). Under the terms of the lease agreement, the GSA will pay total annual rent of \$236,699.59 (which includes costs associated with tenant improvements) for a term of ten years.

In June 2015, the offices of the County Commissioners, County Assessor, Administration and Finance Departments were relocated from the County Courthouse into the newly remodeled County Administration Building located at 1101 E. Second Ave., Durango, which has allowed the Courthouse remodel to proceed. The remaining Courthouse remodel design work was completed and construction began in late February 2016. The Courthouse remodel project is expected to be completed by late 2016.

***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.

***La Plata County, Colorado***  
***Notes to the Basic Financial Statements***  
***For the Year Ended December 31, 2015***

The County's equity interest in the Durango-La Plata County Airport was \$18,320,815 at December 31, 2015. 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, 2015, 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 increases, 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.



## **REQUIRED SUPPLEMENTARY INFORMATION**

## **NET PENSION LIABILITY**

**La Plata County, Colorado**  
*Schedule of County's Proportionate Share  
of the Net Pension Liability  
PERA SCHDTF Pension Plan  
For the Year Ended December 31, 2015*

	<b>Measurement Date</b>	
	<b>2014</b>	<b>2013</b>
County's proportion of the net pension liability	0.0048281650%	0.0050493834%
County's proportionate share of the net pension liability (asset)	454,162	449,798
County's covered-employee payroll	130,000	130,000
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	349.36%	346.00%
Plan fiduciary net position as a percentage of the total pension liability covered-employee payroll	59.8%	

This schedule presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled the County presents information for those years for which information is available.

**Notes to Required Supplement Information**

There have not been any changes to benefit terms.

There have not been any changes in assumptions.

**La Plata County, Colorado**  
**Schedule of County's Contributions**  
**PERA SCHDTF Pension Plan**  
**For the Year Ended December 31, 2015**

	December 31, 2015	December 31, 2014
Contractually required contribution	\$ 23,855	\$ 22,685
Contributions in relation to the contractually required contribution	<u>(23,855)</u>	<u>(22,685)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
County's covered-employee payroll	\$ 130,000	\$ 130,000
Contributions as a percentage of covered-employee payroll	18.35%	17.45%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled the County presents information for those years for which information is available.

**Notes to Required Supplement Information**

There have not been any changes to benefit terms.

There have not been any changes in assumptions.

## **SUPPLEMENTARY INFORMATION**

## **GENERAL FUND**

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

**La Plata County, Colorado**  
**General Fund**  
**Comparative Balance Sheet**  
**December 31, 2015 and 2014**

	<b>2015</b>	<b>2014</b>
<b>Assets</b>		
Cash and cash deposits	\$ 283,706	\$ 319,235
Equity in treasurer's cash and investments	53,325,912	58,326,695
Restricted cash and investments	31,479	19,154
Receivables:		
Accounts	134,418	303,877
Property taxes	16,475,337	14,853,981
Deposits	2,000	2,000
Intergovernmental	3,031,544	3,758,468
Component unit	-	1,832
Interfund	2,519	25,246
Prepays	196,375	128,583
Inventory	-	445
<b>Total Assets</b>	<b>73,483,290</b>	<b>77,739,516</b>
<b>Liabilities</b>		
Accounts payable	2,227,099	1,472,136
Accrued salaries and benefits	341,880	833,353
Interfund payable	-	50,568
Intergovernmental payable	151,255	386,241
Deposits payable	458,783	458,783
Liabilities payable from restricted assets	31,480	19,154
<b>Total Liabilities</b>	<b>3,210,497</b>	<b>3,220,235</b>
<b>Deferred Inflows of Resources</b>		
Property taxes	16,475,337	14,853,981
<b>Total Deferred Inflows of Resources</b>	<b>16,475,337</b>	<b>14,853,981</b>
<b>Fund Balances</b>		
Nonspendable:		
Inventory	-	445
Prepays	196,375	128,583
Restricted:		
Economic stabilization (TABOR)	1,600,510	1,563,138
Law enforcement	275,506	311,585
Conservation trust fund	-	2,652,677
Committed:		
Emergency and disasters	6,764,859	7,064,450
Assigned:		
Next year's budget deficit	10,356,538	7,769,448
Capital projects	20,511,673	26,089,310
Unassigned	14,091,995	14,085,664
<b>Total Fund Balances</b>	<b>\$ 53,797,456</b>	<b>\$ 59,665,300</b>

**La Plata County, Colorado**  
**General Fund**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance*  
*For the Year Ended December 31, 2015*  
*(With Comparative Actual Amounts for Year Ended December 31, 2014)*

	2015			Variance with Final Budget	2014 Actual
	Original Budget	Final Budget	Actual		
<b>Revenues</b>					
<b>Taxes:</b>					
General property & delinquent taxes	\$ 14,888,982	\$14,888,982	\$ 14,837,193	\$ (51,789)	\$ 13,650,152
Specific ownership	1,391,000	1,391,000	1,348,937	(42,063)	1,311,225
Sales tax (net)	7,662,468	7,662,468	7,964,537	302,069	7,103,289
Cable franchise fees	112,000	112,000	106,991	(5,009)	108,759
Lodger's tax	230,000	230,000	274,019	44,019	281,315
<b>Total Taxes</b>	<b>24,284,450</b>	<b>24,284,450</b>	<b>24,531,677</b>	<b>247,227</b>	<b>22,454,740</b>
<b>Intergovernmental Revenue:</b>					
Federal Revenue:					
Senior Services-Older American Act	121,388	121,388	150,279	28,891	164,373
Senior Services-NSIP	40,980	40,980	45,642	4,662	42,869
CSB Grant-for Sr. Svcs	4,500	4,500	5,000	500	4,297
Payment In Lieu of Taxes	575,000	575,000	584,888	9,888	760,455
HIDTA grant	384,608	384,608	356,854	(27,754)	366,849
Bulletproof vest grant	6,500	6,500	2,347	(4,153)	4,544
State Criminal Alien Assistance	10,000	10,000	12,610	2,610	10,191
EPA Climate Showcase Grant	-	-	-	-	26,461
Other Miscellaneous Federal Grants	10,000	10,000	-	(10,000)	13,830
Office of Emergency Management	87,000	87,000	56,282	(30,718)	60,863
Community Development Block Grant	464,000	464,000	498,110	34,110	403,493
Southern Ute Payment in Lieu of Taxes	460,000	460,000	471,694	11,694	455,634
State Revenues:					
Lottery Funds	331,120	331,120	-	(331,120)	295,702
Senior Services-State Funding	234,233	234,233	241,789	7,556	210,935
Cigarette taxes	23,000	23,000	22,030	(970)	23,350
Search and rescue monies	-	-	5,533	5,533	5,075
Mineral severance tax	1,000,000	1,000,000	1,332,528	332,528	1,248,807
Mineral leasing	450,000	450,000	426,426	(23,574)	521,585
DOW Impact assistance (net)	900	900	941	41	941
Limited Gaming grants	279,797	279,797	279,797	-	330,528
Energy Impact Assistance grants	-	-	-	-	42,077
Gold King/Animas River Funding	-	700,000	203,962	(496,038)	-
Jail Behavior Health Contract	290,000	290,000	312,204	22,204	172,671
Veteran's Services	2,400	2,400	10,716	8,316	1,200
Predator Control Reimbursement	1,500	1,500	2,346	846	1,720
DNR Wildfire Risk Reduction	45,000	45,000	-	(45,000)	45,000
Local Government Revenue	7,000	7,000	11,015	4,015	12,782
Other local government revenue	50,000	50,000	25,000	(25,000)	50,000
<b>Total Intergovernmental Revenue</b>	<b>4,878,926</b>	<b>5,578,926</b>	<b>5,057,993</b>	<b>(520,933)</b>	<b>5,276,232</b>
<b>Licenses and Permits:</b>					
Liquor licenses	6,000	6,000	9,555	3,555	8,793
Medical Marijuana licenses	32,000	32,000	17,500	(14,500)	13,300
Recreational Marijuana licenses	-	-	28,100	28,100	12,753
Building permits	550,000	550,000	764,318	214,318	734,425
<b>Total Licenses and Permits</b>	<b>588,000</b>	<b>588,000</b>	<b>819,473</b>	<b>231,473</b>	<b>769,271</b>



**Charges for Services:**

Treasurer's fees	622,550	622,550	754,604	132,054	666,834
Clerk and recorder's fees	1,014,000	1,014,000	1,140,875	126,875	1,129,359
Public trustee's fees	50,000	50,000	28,634	(21,366)	50,677
Planning fees	40,000	40,000	38,200	(1,800)	35,068
Oil and gas fees	55,000	55,000	52,200	(2,800)	73,150
Assessor's fees	20,600	20,600	16,904	(3,696)	97,123
Sheriff's fees	71,500	71,500	86,153	14,653	83,508
Law enforcement assistance fund	5,500	5,500	9,202	3,702	4,511
Other security services	25,000	25,000	33,393	8,393	8,232
Jail room & board	300,000	369,803	458,885	89,082	329,092
Jail bond fees	8,500	8,500	9,763	1,263	7,229
Drug Offender's Fees	-	-	8,196	8,196	17,510
Booking fees	42,000	42,000	44,821	2,821	41,204
Prisoner transportation	32,000	32,000	38,442	6,442	34,135
Hazardous waste fees and cost share	-	-	-	-	14,151
Vehicle inspection fees	40,000	40,000	45,400	5,400	43,806
Useful public service program	-	-	(9,757)	(9,757)	(14,376)
Alternatives to incarceration	100,329	100,329	51,665	(48,664)	70,675
Senior meal donations-Durango	80,000	86,121	84,912	(1,209)	84,621
Senior meal donations-Bayfield	14,000	14,000	10,638	(3,362)	13,642
Senior home chore	9,000	9,000	11,632	2,632	10,443
Senior transportation income	16,000	16,000	15,048	(952)	12,707
Senior center activities	14,000	14,000	18,503	4,503	15,388
Senior center rentals	4,000	4,000	2,473	(1,527)	3,753
Senior services-other	1,965	1,965	2,077	112	-
Surveyor's fees	8,500	8,500	12,880	4,380	11,000
Indirect cost allocation reimbursement	178,363	178,363	174,217	(4,146)	163,309
GIS Services reimbursements	2,000	2,000	1,714	(286)	2,218
Election Reimbursements	25,000	25,000	56,371	31,371	29,319
Inmate medical/phone reimbursements	62,242	62,242	87,666	25,424	66,037
Animal control fines	1,500	1,500	766	(734)	1,781
Maps/code book sales & sign fees	6,000	6,000	1,796	(4,204)	1,325
<b>Total Charges for Services</b>	<b>2,849,549</b>	<b>2,925,473</b>	<b>3,288,273</b>	<b>362,800</b>	<b>3,107,431</b>

**Investment earnings**

<b>300,000</b>	<b>300,000</b>	<b>405,091</b>	<b>105,091</b>	<b>487,774</b>
----------------	----------------	----------------	----------------	----------------

**Miscellaneous Revenue:**

Building rentals	154,131	154,131	179,836	25,705	156,999
Fairgrounds rentals	63,500	63,500	70,481	6,981	74,578
Forfeitures	5,000	5,000	39,899	34,899	105,725
Senior services-United Way	12,071	12,071	19,625	7,554	14,039
Prisoner commissary collections	35,000	35,000	19,506	(15,494)	33,371
Photocopies	-	-	479	479	718
Parking/Traffic fines	11,500	11,500	8,621	(2,879)	9,423
Insurance refunds	35,000	35,000	25,040	(9,960)	62,059
Vending machine commissions	1,000	1,000	812	(188)	710
Other miscellaneous revenues	22,500	26,640	127,196	100,556	63,810
<b>Total Miscellaneous Revenue</b>	<b>339,702</b>	<b>343,842</b>	<b>491,495</b>	<b>147,653</b>	<b>521,432</b>

**Total Revenue**

<b>33,240,627</b>	<b>34,020,691</b>	<b>34,594,002</b>	<b>573,311</b>	<b>32,616,880</b>
-------------------	-------------------	-------------------	----------------	-------------------

**Expenditures:**

## General Government

## Board of County Commissioners

Personnel Expenditures	267,385	281,385	273,344	8,041	379,570
Operating Expenditures	109,316	99,316	93,166	6,150	97,687
	<u>376,701</u>	<u>380,701</u>	<u>366,510</u>	<u>14,191</u>	<u>477,257</u>

## County Clerk and Recorder-Operations

Personnel Expenditures	905,735	902,890	869,567	33,323	823,933
Operating Expenditures	253,185	253,185	246,925	6,260	231,807
	<u>1,158,920</u>	<u>1,156,075</u>	<u>1,116,492</u>	<u>39,583</u>	<u>1,055,740</u>

## County Clerk and Recorder-Elections

Personnel Expenditures	69,157	72,902	69,826	3,076	106,598
Operating Expenditures	135,326	135,326	122,005	13,321	133,356
	<u>204,483</u>	<u>208,228</u>	<u>191,831</u>	<u>16,397</u>	<u>239,954</u>

## County Treasurer

Personnel Expenditures	333,858	345,858	342,183	3,675	334,629
Operating Expenditures	147,820	174,886	165,063	9,823	115,164
	<u>481,678</u>	<u>520,744</u>	<u>507,246</u>	<u>13,498</u>	<u>449,793</u>

## Public Trustee's Office

Personnel Expenditures	14,087	15,687	15,377	310	16,301
Operating Expenditures	8,480	11,880	11,269	611	3,372
	<u>22,567</u>	<u>27,567</u>	<u>26,646</u>	<u>921</u>	<u>19,673</u>

## County Assessor

Personnel Expenditures	1,154,420	1,154,420	1,001,979	152,441	1,079,755
Operating Expenditures	158,300	158,300	148,340	9,960	122,810
	<u>1,312,720</u>	<u>1,312,720</u>	<u>1,150,319</u>	<u>162,401</u>	<u>1,202,565</u>

## County Surveyor

Personnel Expenditures	17,674	17,674	10,387	7,287	17,445
Operating Expenditures	1,500	1,500	1,110	390	1,050
	<u>19,174</u>	<u>19,174</u>	<u>11,497</u>	<u>7,677</u>	<u>18,495</u>

## Administrative Offices

Personnel Expenditures	687,585	708,130	653,233	54,897	520,507
Operating Expenditures	204,088	218,471	149,173	69,298	125,883
	<u>891,673</u>	<u>926,601</u>	<u>802,406</u>	<u>124,195</u>	<u>646,390</u>

## County Attorney's Office

Personnel Expenditures	725,950	776,150	637,296	138,854	668,547
Operating Expenditures	297,620	577,620	335,207	242,413	268,593
	<u>1,023,570</u>	<u>1,353,770</u>	<u>972,503</u>	<u>381,267</u>	<u>937,140</u>

## Finance

Personnel Expenditures	474,207	480,193	429,102	51,091	378,623
Operating Expenditures	102,034	102,034	88,580	13,454	96,083
	<u>576,241</u>	<u>582,227</u>	<u>517,682</u>	<u>64,545</u>	<u>474,706</u>

## Information Services

Personnel Expenditures	1,334,905	1,343,825	1,229,154	114,671	1,138,933
Operating Expenditures	550,048	549,742	458,352	91,390	407,686
	<u>1,884,953</u>	<u>1,893,567</u>	<u>1,687,506</u>	<u>206,061</u>	<u>1,546,619</u>

## Procurement/Warehouse

Personnel Expenditures	183,196	184,496	156,396	28,100	146,172
Operating Expenditures	17,710	17,710	12,633	5,077	10,464
	<u>200,906</u>	<u>202,206</u>	<u>169,029</u>	<u>33,177</u>	<u>156,636</u>

Building Maintenance					
Personnel Expenditures	693,892	695,692	641,799	53,893	594,573
Operating Expenditures	613,693	1,079,375	894,897	184,478	470,987
	<u>1,307,585</u>	<u>1,775,067</u>	<u>1,536,696</u>	<u>238,371</u>	<u>1,065,560</u>
Building Maintenance-OMPO					
Operating Expenditures	57,500	65,700	63,698	2,002	51,992
	<u>57,500</u>	<u>65,700</u>	<u>63,698</u>	<u>2,002</u>	<u>51,992</u>
Human Resources					
Personnel Expenditures	479,918	473,918	440,149	33,769	402,571
Operating Expenditures	170,025	176,025	156,643	19,382	148,974
	<u>649,943</u>	<u>649,943</u>	<u>596,792</u>	<u>53,151</u>	<u>551,545</u>
Planning Department					
Personnel Expenditures	974,650	977,050	896,950	80,100	869,422
Operating Expenditures	105,234	109,234	69,538	39,696	45,996
	<u>1,079,884</u>	<u>1,086,284</u>	<u>966,488</u>	<u>119,796</u>	<u>915,418</u>
Risk Management					
Personnel Expenditures	101,804	102,504	97,241	5,263	417,414
Operating Expenditures	461,903	461,903	457,723	4,180	449,432
	<u>563,707</u>	<u>564,407</u>	<u>554,964</u>	<u>9,443</u>	<u>866,846</u>
Budget Contingency/Reserves	850,000	290,418	-	290,418	-
<b>Total General Government</b>	<b><u>12,662,205</u></b>	<b><u>13,015,400</u></b>	<b><u>11,238,305</u></b>	<b><u>1,777,095</u></b>	<b><u>10,676,327</u></b>
<b>Public Safety</b>					
Sheriff-Patrol					
Personnel Expenditures	2,954,798	3,027,098	3,105,768	(78,670)	2,671,218
Operating Expenditures	1,141,652	1,151,152	1,088,204	62,948	1,020,604
	<u>4,096,450</u>	<u>4,178,250</u>	<u>4,193,972</u>	<u>(15,722)</u>	<u>3,691,822</u>
Sheriff-Detentions					
Personnel Expenditures	4,522,215	4,530,515	4,431,953	98,562	4,058,094
Operating Expenditures	2,077,655	2,116,155	1,590,779	525,376	1,388,282
	<u>6,599,870</u>	<u>6,646,670</u>	<u>6,022,732</u>	<u>623,938</u>	<u>5,446,376</u>
Sheriff-Admin					
Personnel Expenditures	1,879,161	1,485,561	1,326,394	159,167	1,704,127
Operating Expenditures	313,682	369,322	348,157	21,165	194,619
	<u>2,192,843</u>	<u>1,854,883</u>	<u>1,674,551</u>	<u>180,332</u>	<u>1,898,746</u>
Sheriff-Special Investigations					
Personnel Expenditures	514,536	514,536	469,856	44,680	448,558
Operating Expenditures	447,833	447,833	368,117	79,716	379,679
	<u>962,369</u>	<u>962,369</u>	<u>837,973</u>	<u>124,396</u>	<u>828,237</u>
Sheriff-Criminal Investigations					
Personnel Expenditures	1,008,023	1,009,123	879,605	129,518	912,374
Operating Expenditures	155,814	166,814	145,959	20,855	133,387
	<u>1,163,837</u>	<u>1,175,937</u>	<u>1,025,564</u>	<u>150,373</u>	<u>1,045,761</u>
Alternatives to Incarceration					
Personnel Expenditures	488,509	488,509	390,573	97,936	446,474
Operating Expenditures	99,060	99,163	64,899	34,264	83,853
	<u>587,569</u>	<u>587,672</u>	<u>455,472</u>	<u>132,200</u>	<u>530,327</u>
County Coroner					
Personnel Expenditures	89,100	89,100	85,908	3,192	86,638
Operating Expenditures	131,579	131,579	100,397	31,182	70,602
	<u>220,679</u>	<u>220,679</u>	<u>186,305</u>	<u>34,374</u>	<u>157,240</u>

Building Inspection Department					
Personnel Expenditures	542,434	589,899	556,465	33,434	498,509
Operating Expenditures	97,070	96,310	88,254	8,056	56,149
	<u>639,504</u>	<u>686,209</u>	<u>644,719</u>	<u>41,490</u>	<u>554,658</u>
Emergency Management Office					
Personnel Expenditures	120,047	139,147	122,740	16,407	125,628
Operating Expenditures	176,050	415,550	155,576	259,974	57,843
	<u>296,097</u>	<u>554,697</u>	<u>278,316</u>	<u>276,381</u>	<u>183,471</u>
Pmt to Component Unit - District Attorney	<u>1,562,230</u>	<u>1,562,230</u>	<u>1,511,905</u>	<u>50,325</u>	<u>1,431,002</u>
<b>Total Public Safety</b>	<b><u>18,321,448</u></b>	<b><u>18,429,596</u></b>	<b><u>16,831,509</u></b>	<b><u>1,598,087</u></b>	<b><u>15,767,639</u></b>
<b>Recreation &amp; Culture</b>					
Fairgrounds					
Personnel Expenditures	548,066	549,766	476,065	73,701	459,819
Operating Expenditures	236,831	252,331	236,761	15,570	212,066
	<u>784,897</u>	<u>802,097</u>	<u>712,826</u>	<u>89,271</u>	<u>671,885</u>
Extension Office					
Operating Expenditures	<u>79,701</u>	<u>79,701</u>	<u>84,381</u>	<u>(4,680)</u>	<u>81,624</u>
<b>Total Recreation &amp; Culture</b>	<b><u>864,598</u></b>	<b><u>881,798</u></b>	<b><u>797,207</u></b>	<b><u>84,591</u></b>	<b><u>753,508</u></b>
<b>Health &amp; Welfare</b>					
Senior Services					
Personnel Expenditures	517,134	521,505	561,026	(39,521)	549,021
Operating Expenditures	238,122	240,122	209,816	30,306	198,690
	<u>755,256</u>	<u>761,627</u>	<u>770,842</u>	<u>(9,215)</u>	<u>747,711</u>
Senior Services - non Joint Sales Tax					
Personnel Expenditures	42,009	42,359	38,092	4,267	40,080
Operating Expenditures	109,393	109,393	100,754	8,639	92,834
	<u>151,402</u>	<u>151,752</u>	<u>138,846</u>	<u>12,906</u>	<u>132,914</u>
Veterans Services					
Personnel Expenditures	77,936	77,936	69,699	8,237	67,358
Operating Expenditures	14,971	14,971	9,491	5,480	10,700
	<u>92,907</u>	<u>92,907</u>	<u>79,190</u>	<u>13,717</u>	<u>78,058</u>
San Juan Basin Health	<u>444,272</u>	<u>444,272</u>	<u>444,272</u>	<u>-</u>	<u>444,272</u>
<b>Total Health &amp; Welfare</b>	<b><u>1,443,837</u></b>	<b><u>1,450,558</u></b>	<b><u>1,433,150</u></b>	<b><u>17,408</u></b>	<b><u>1,402,956</u></b>
<b>Public Works</b>					
Landfill Closure and Waste Management					
Operating Expenditures	283,400	283,400	103,482	179,918	174,633
	<u>283,400</u>	<u>283,400</u>	<u>103,482</u>	<u>179,918</u>	<u>174,633</u>
Weed Control					
Personnel Expenditures	123,818	124,118	99,058	25,060	92,318
Operating Expenditures	46,995	46,995	36,637	10,358	37,749
	<u>170,813</u>	<u>171,113</u>	<u>135,695</u>	<u>35,418</u>	<u>130,067</u>
<b>Total Public Works</b>	<b><u>454,213</u></b>	<b><u>454,513</u></b>	<b><u>239,177</u></b>	<b><u>215,336</u></b>	<b><u>304,700</u></b>

<b>Community Programs</b>					
Public Service Agencies	1,188,490	1,193,690	1,177,131	16,559	1,219,765
Lodger's tax to DATO	<u>230,000</u>	<u>230,000</u>	<u>274,019</u>	<u>(44,019)</u>	<u>281,315</u>
<b>Total Community Programs</b>	<b><u>1,418,490</u></b>	<b><u>1,423,690</u></b>	<b><u>1,451,150</u></b>	<b><u>(27,460)</u></b>	<b><u>1,501,080</u></b>
Pass through of grants received of CDBG funds	464,000	464,000	480,826	(16,826)	403,493
of Climate Showcase grant funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>26,461</u>
<b>Total Pass through of grants</b>	<b><u>464,000</u></b>	<b><u>464,000</u></b>	<b><u>480,826</u></b>	<b><u>(16,826)</u></b>	<b><u>429,954</u></b>
<b>Capital Outlay</b>	<b><u>207,500</u></b>	<b><u>359,500</u></b>	<b><u>140,931</u></b>	<b><u>218,569</u></b>	<b><u>211,676</u></b>
<b>Total Expenditures</b>	<b><u>35,836,291</u></b>	<b><u>36,479,055</u></b>	<b><u>32,612,255</u></b>	<b><u>3,866,800</u></b>	<b><u>31,047,841</u></b>
<b>Excess of Revenues Over Expenditures</b>	<b><u>(2,595,664)</u></b>	<b><u>(2,458,364)</u></b>	<b><u>1,981,747</u></b>	<b><u>4,440,111</u></b>	<b><u>1,569,039</u></b>
Other Financing Sources (Uses)					
Transfers in-Joint Sales Tax fund	403,853	403,853	380,723	(23,130)	352,171
Transfers out-Conservation Trust Fund	-	-	(2,652,677)	(2,652,677)	-
Transfers out-Capital Improvement	(5,577,637)	(5,577,637)	(5,577,637)	-	-
Transfers in-Durango Hills Road Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,000</u>
<b>Total Other Financing Sources (Uses)</b>	<b><u>(5,173,784)</u></b>	<b><u>(5,173,784)</u></b>	<b><u>(7,849,591)</u></b>	<b><u>(2,675,807)</u></b>	<b><u>377,171</u></b>
<b>Net Change in Fund Balances</b>	<b><u>\$ (7,769,448)</u></b>	<b><u>\$ (7,632,148)</u></b>	<b><u>(5,867,844)</u></b>	<b><u>\$ 1,764,304</u></b>	<b><u>1,946,210</u></b>
<b>Fund Balance Beginning of Year</b>			<u>59,665,300</u>		<u>57,719,090</u>
<b>Fund Balances End of Year</b>			<b><u>\$ 53,797,456</u></b>		<b><u>\$ 59,665,300</u></b>

## **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.

La Plata County has two major and five non-major Special Revenue Funds.

### **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 the many federal and state public welfare programs administered by the County.

**La Plata County, Colorado**  
**Road and Bridge Fund**  
**Comparative Balance Sheet**  
**December 31, 2015 and 2014**

	<u>2015</u>	<u>2014</u>
<b>Assets</b>		
Cash	\$ 150	\$ 450
Equity in treasurer's cash and investments	6,551,760	6,398,817
Receivables:		
Accounts	86,287	43,443
Property taxes	1,578,608	1,423,256
Intergovernmental	1,070,561	1,981,542
Inventory	<u>254,708</u>	<u>311,200</u>
<b>Total Assets</b>	<u>9,542,074</u>	<u>10,158,708</u>
<b>Liabilities</b>		
Accounts payable	499,513	828,075
Interfund payable	-	246
Accrued salaries and wages	<u>58,698</u>	<u>126,432</u>
<b>Total Liabilities</b>	<u>558,211</u>	<u>954,753</u>
<b>Deferred Inflows of Resources</b>		
Property taxes	<u>1,578,608</u>	<u>1,423,256</u>
<b>Total Deferred Inflows of Resources</b>	<u>1,578,608</u>	<u>1,423,256</u>
<b>Fund Balances</b>		
Nonspendable:		
Inventory	254,708	311,200
Restricted:		
Capital improvements impact fees	1,650,305	1,650,305
Construction/maintenance of roads	<u>5,500,242</u>	<u>5,819,194</u>
<b>Total Fund Balances</b>	<u>\$ 7,405,255</u>	<u>\$ 7,780,699</u>

**La Plata County, Colorado**  
**Road and Bridge Fund**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance*  
*For the Year Ended December 31, 2015*  
*(With Comparative Actual Amounts for Year Ended December 31, 2014)*

	2015				2014
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
<b>Revenues</b>					
Taxes	\$ 4,995,256	\$ 4,995,256	\$ 4,995,902	\$ 646	\$ 5,013,593
Intergovernmental	3,961,151	3,961,151	3,685,913	(275,238)	6,153,427
Licenses and permits	230,000	230,000	231,330	1,330	244,332
Miscellaneous	159,500	159,500	263,478	103,978	800,344
<b>Total Revenues</b>	<u>9,345,907</u>	<u>9,345,907</u>	<u>9,176,623</u>	<u>(169,284)</u>	<u>12,211,696</u>
<b>Expenditures</b>					
<b>Current:</b>					
<b>Public Works</b>					
Maintenance	6,669,719	6,669,719	5,891,622	778,097	5,704,023
Engineering	1,329,595	1,333,595	913,503	420,092	901,051
Road Projects	1,894,000	1,744,000	1,812,268	(68,268)	2,444,387
Contingency	500,000	500,000	-	500,000	-
Capital Outlay	2,130,300	2,280,300	934,674	1,345,626	617,538
<b>Total Expenditures</b>	<u>12,523,614</u>	<u>12,527,614</u>	<u>9,552,067</u>	<u>2,975,547</u>	<u>9,666,999</u>
<b>Deficiency of Revenues (Under)</b>					
<b>Expenditures</b>	<u>(3,177,707)</u>	<u>(3,181,707)</u>	<u>(375,444)</u>	<u>2,806,263</u>	<u>2,544,697</u>
<b>Net Change in Fund Balances</b>	<u>\$ (3,177,707)</u>	<u>\$ (3,181,707)</u>	<u>(375,444)</u>	<u>\$ 2,806,263</u>	<u>2,544,697</u>
<b>Fund Balances Beginning of Year</b>			<u>7,780,699</u>		<u>5,236,002</u>
<b>Fund Balances End of Year</b>			<u>\$ 7,405,255</u>		<u>\$ 7,780,699</u>



**La Plata County, Colorado**  
**Social Services Fund**  
**Comparative Balance Sheet**  
**December 31, 2015 and 2014**

	<u>2015</u>	<u>2014</u>
<b>Assets</b>		
Cash	\$ 400	\$ 400
Equity in treasurer's cash and investments	2,222,075	2,692,200
Restricted cash	61,657	107,078
Receivables:		
Accounts	3,761,681	3,784,383
Property taxes	844,890	761,743
Interfund	-	716
Intergovernmental	308,934	360,958
<b>Total Assets</b>	<u>7,199,637</u>	<u>7,707,478</u>
<b>Liabilities</b>		
Accounts payable	115,584	545,983
Liabilities payable from restricted assets	61,657	107,078
Interfund payable	2,519	-
Intergovernmental payable	3,915,140	3,766,544
<b>Total Liabilities</b>	<u>4,094,900</u>	<u>4,419,605</u>
<b>Deferred Inflows of Resources</b>		
Property taxes	844,890	761,743
<b>Total Deferred Inflows of Resources</b>	<u>844,890</u>	<u>761,743</u>
<b>Fund Balances</b>		
Restricted:		
Child welfare	1,492,242	1,492,241
Public assistance and welfare	767,605	1,033,889
<b>Total Fund Balances</b>	<u>\$ 2,259,847</u>	<u>\$ 2,526,130</u>

**La Plata County, Colorado**  
**Social Services Fund**  
*Schedule of Revenues, Expenditures and Changes in Fund Balances*  
*For the Year Ended December 31, 2015*  
*(With Comparative Actual Amounts for Year Ended December 31, 2014)*

	2015				2014
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
<b>Revenues</b>					
Taxes	\$ 822,743	\$ 822,743	\$ 830,058	\$ 7,315	\$ 795,988
Intergovernmental	5,031,374	5,057,854	5,062,470	4,616	4,801,893
Miscellaneous	-	-	-	-	2,885
<b>Total Revenues</b>	<u>5,854,117</u>	<u>5,880,597</u>	<u>5,892,528</u>	<u>11,931</u>	<u>5,600,766</u>
<b>Expenditures</b>					
<b>Current:</b>					
Health and welfare	<u>6,269,330</u>	<u>6,298,010</u>	<u>6,158,811</u>	<u>139,199</u>	<u>5,774,076</u>
<b>Total Expenditures</b>	<u>6,269,330</u>	<u>6,298,010</u>	<u>6,158,811</u>	<u>139,199</u>	<u>5,774,076</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(415,213)</u>	<u>(417,413)</u>	<u>(266,283)</u>	<u>151,130</u>	<u>(173,310)</u>
<b>Net Change in Fund Balances</b>	<u>\$ (415,213)</u>	<u>\$ (417,413)</u>	<u>(266,283)</u>	<u>\$ 151,130</u>	<u>(173,310)</u>
<b>Fund Balances Beginning of Year</b>			<u>2,526,130</u>		<u>2,699,440</u>
<b>Fund Balances End of Year</b>			<u>\$ 2,259,847</u>		<u>\$ 2,526,130</u>

## NON-MAJOR GOVERNMENTAL 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.

La Plata County has two major and five non-major Special Revenue Funds.

Non-Major Special Revenue Funds:

*Joint Sales Tax Fund:* Per the terms of an intergovernmental agreement between the City of Durango and the County, the Joint Sales Tax Fund receives eleven percent of the total taxes collected pursuant to the County's 2% Sales Tax. Resources of this fund are used to provide funding for projects considered to be of mutual benefit to both entities.

*Durango Hills Road Improvement Districts Fund:* Taxpayers living in certain subdivisions within the County have elected to assess themselves an extra property tax to fund certain maintenance/improvements. This fund accounts for the revenues and expenditures associated with the activities in that local taxing district.

*Palo Verde Public Improvement District Fund:* Taxpayers living in certain subdivisions within the County have elected to assess themselves an extra property tax to fund certain maintenance/improvements. This fund accounts for the revenues and expenditures associated with the activities in that local taxing district.

*Tribal Impact Mitigation Fund:* established per Colorado Revised Statutes 24-61-201 as a taxation compact between the Southern Ute Indian Tribe, La Plata County, and the State of Colorado, as set forth in House Bill 96-1367. The impact fund shall be under the control of a three-member board comprised of the chairman of the La Plata County Board of County Commissioners, the Chairman of the Southern Ute Indian Tribal Council, and the governor, or their respective designees. Moneys may be distributed from the impact fund upon an affirmative vote of a majority of the members of the board.

*Conservation Trust Fund:* accounts for revenue received from the State of Colorado to be used for the acquisition, development and maintenance of new and existing parks and recreation sites within La Plata County. The funds are derived primarily from the Colorado State Lottery.

**La Plata County, Colorado**  
**Combining Balance Sheet**  
**Nonmajor Special Revenue Funds**  
**December 31, 2015**

	<b>Joint Sales Tax</b>	<b>Durango Hills Road Improvement District</b>	<b>Palo Verde Public Improvement District</b>	<b>Conservation Trust Fund</b>	<b>Tribal Impact Mitigation</b>	<b>Total Nonmajor Special Revenue Funds</b>
<b>Assets</b>						
Equity in treasurer's cash and investments	\$ 324,453	\$ 192,403	\$ 23,194	\$ 2,956,256	\$ 931	\$ 3,497,237
Receivables:						
Property taxes receivable	-	76,752	22,563	-	-	99,315
Intergovernmental receivable	383,038	645	194	-	-	383,877
<b>Total Assets</b>	<b>707,491</b>	<b>269,800</b>	<b>45,951</b>	<b>2,956,256</b>	<b>931</b>	<b>3,980,429</b>
<b>Liabilities</b>						
Accounts payable	178,833	2,323	-	-	-	181,156
<b>Total Liabilities</b>	<b>178,833</b>	<b>2,323</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>181,156</b>
<b>Deferred Inflows of Resources</b>						
Property Taxes	-	76,752	22,563	-	-	99,315
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>76,752</b>	<b>22,563</b>	<b>-</b>	<b>-</b>	<b>99,315</b>
<b>Fund Balances</b>						
Restricted:						
Tribal mitigation impact	-	-	-	-	931	931
Joint County/City projects	528,658	-	-	-	-	528,658
Recreation & parks	-	-	-	2,956,256	-	2,956,256
Assigned:						
Construction/maintenance of roads	-	190,725	-	-	-	190,725
Debt service	-	-	23,388	-	-	23,388
<b>Total Fund Balances</b>	<b>\$ 528,658</b>	<b>\$ 190,725</b>	<b>\$ 23,388</b>	<b>\$ 2,956,256</b>	<b>\$ 931</b>	<b>\$ 3,699,958</b>

**La Plata County, Colorado**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Special Revenue Funds**  
**For the Year Ended December 31, 2015**

	<b>Joint Sales Tax</b>	<b>Durango Hills Road Improvement District</b>	<b>Palo Verde Public Improvement District</b>	<b>Conservation Trust Fund</b>	<b>Tribal Impact Mitigation</b>	<b>Total Nonmajor Special Revenue Funds</b>
<b>Revenues</b>						
Property taxes	\$ -	\$ 74,548	\$ 22,073	\$ 298,434	\$ -	\$ 395,055
Sales taxes	2,324,742	-	-	-	-	2,324,742
Other taxes	-	6,764	2,443	-	-	9,207
Miscellaneous	-	4,400	-	5,145	-	9,545
<b>Total Revenues</b>	<u>2,324,742</u>	<u>85,712</u>	<u>24,516</u>	<u>303,579</u>	<u>-</u>	<u>2,738,549</u>
<b>Expenditures</b>						
Public works	-	67,023	1,503	-	-	68,526
Recreation & Culture	1,891,568	-	-	-	-	1,891,568
<b>Debt Service:</b>						
Principal retirement	-	-	6,657	-	-	6,657
Interest and fiscal charges	-	-	3,170	-	-	3,170
<b>Total Expenditures</b>	<u>1,891,568</u>	<u>67,023</u>	<u>11,330</u>	<u>-</u>	<u>-</u>	<u>1,969,921</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>433,174</u>	<u>18,689</u>	<u>13,186</u>	<u>303,579</u>	<u>-</u>	<u>768,628</u>
<b>Other Financing Sources (Uses)</b>						
Transfers in/(out)	(380,723)	-	-	2,652,677	-	2,271,954
<b>Total Other Financing Sources (Uses)</b>	<u>(380,723)</u>	<u>-</u>	<u>-</u>	<u>2,652,677</u>	<u>-</u>	<u>2,271,954</u>
<b>Net Change in Fund Balances</b>	52,451	18,689	13,186	2,956,256	-	3,040,582
<b>Fund Balances Beginning of Year</b>	<u>476,207</u>	<u>172,036</u>	<u>10,202</u>	<u>-</u>	<u>931</u>	<u>659,376</u>
<b>Fund Balances End of Year</b>	<u>\$ 528,658</u>	<u>\$ 190,725</u>	<u>\$ 23,388</u>	<u>\$ 2,956,256</u>	<u>\$ 931</u>	<u>\$ 3,699,958</u>

**La Plata County, Colorado**  
**Joint Sales Tax Fund**  
**Comparative Balance Sheet**  
**December 31, 2015 and 2014**

	<u>2015</u>	<u>2014</u>
<b>Assets</b>		
Equity in treasurer's cash and investments	\$ 324,453	\$ 250,283
Interfund receivable	-	49,852
Intergovernmental receivable	<u>383,038</u>	<u>378,964</u>
<b>Total Assets</b>	<u>707,491</u>	<u>679,099</u>
<b>Liabilities</b>		
Accounts payable	<u>178,833</u>	<u>202,892</u>
<b>Total Liabilities</b>	<u>178,833</u>	<u>202,892</u>
<b>Fund Balances</b>		
Restricted:		
Joint County/City projects	<u>528,658</u>	<u>476,207</u>
<b>Total Fund Balances</b>	<u>\$ 528,658</u>	<u>\$ 476,207</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, 2015**  
*(With Comparative Actual Amounts for the Year Ended December 31, 2014)*

	2015				
	Original Budget	Final Budget	Actual	Variance with Final Budget	2014 Actual
<b>Revenues</b>					
Sales taxes	\$ 2,272,374	\$ 2,272,374	\$ 2,324,742	\$ 52,368	\$ 2,197,103
Investment income	300	300	-	(300)	1,390
<b>Total Revenues</b>	<u>2,272,674</u>	<u>2,272,674</u>	<u>2,324,742</u>	<u>52,068</u>	<u>2,198,493</u>
<b>Expenditures</b>					
Durango Public Library	<u>1,868,438</u>	<u>1,868,438</u>	<u>1,891,568</u>	<u>(23,130)</u>	<u>1,901,622</u>
<b>Total Expenditures</b>	<u>1,868,438</u>	<u>1,868,438</u>	<u>1,891,568</u>	<u>(23,130)</u>	<u>1,901,622</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>404,236</u>	<u>404,236</u>	<u>433,174</u>	<u>28,938</u>	<u>296,871</u>
<b>Other Financing Sources (Uses)</b>					
Transfers out	<u>(403,853)</u>	<u>(403,853)</u>	<u>(380,723)</u>	<u>23,130</u>	<u>(352,171)</u>
<b>Total Other Financing Sources (Uses)</b>	<u>(403,853)</u>	<u>(403,853)</u>	<u>(380,723)</u>	<u>23,130</u>	<u>(352,171)</u>
<b>Net Change in Fund Balances</b>	<u>\$ 383</u>	<u>\$ 383</u>	<u>52,451</u>	<u>\$ 52,068</u>	<u>(55,300)</u>
<b>Fund Balances Beginning of Year</b>			<u>476,207</u>		<u>531,507</u>
<b>Fund Balances End of Year</b>			<u>\$ 528,658</u>		<u>\$ 476,207</u>

**La Plata County, Colorado**  
**Durango Hills Road Improvement District**  
**Comparative Balance Sheet**  
**December 31, 2015 and 2014**

	<u>2015</u>	<u>2014</u>
<b>Assets</b>		
Equity in treasurer's cash and investments	\$ 192,403	\$ 194,748
Receivable:		
Accounts receivable	-	1,650
Property taxes receivable	76,752	74,481
Intergovernment receivable	645	638
<b>Total Assets</b>	<u>269,800</u>	<u>271,517</u>
<b>Liabilities</b>		
Accounts payable	2,323	-
Interfund payable	-	25,000
<b>Total Liabilities</b>	<u>2,323</u>	<u>25,000</u>
<b>Deferred Inflows of Resources</b>		
Property taxes	76,752	74,481
<b>Total Deferred Inflows of Resources</b>	<u>76,752</u>	<u>74,481</u>
<b>Fund Balances</b>		
Assigned:		
Construction/maintenance of roads	190,725	172,036
<b>Total Fund Balances</b>	<u>\$ 190,725</u>	<u>\$ 172,036</u>



**La Plata County, Colorado**  
**Durango Hills Road Improvement District**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended December 31, 2015**  
*(With Comparative Actual Amounts for the Year Ended December 31, 2014)*

	<b>2015</b>				<b>2014</b>
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>	<b>Actual</b>
<b>Revenues</b>					
Property Taxes	\$ 74,581	\$ 74,581	\$ 74,548	\$ (33)	\$ 73,694
Other Taxes	5,700	5,700	6,764	1,064	7,430
Miscellaneous	2,475	2,475	4,400	1,925	7,533
<b>Total Revenues</b>	<b>82,756</b>	<b>82,756</b>	<b>85,712</b>	<b>2,956</b>	<b>88,657</b>
<b>Expenditures</b>					
Public works	107,350	107,350	67,023	40,327	61,517
<b>Total Expenditures</b>	<b>107,350</b>	<b>107,350</b>	<b>67,023</b>	<b>40,327</b>	<b>61,517</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(24,594)</b>	<b>(24,594)</b>	<b>18,689</b>	<b>43,283</b>	<b>27,140</b>
<b>Other Financing Sources (Uses)</b>					
Transfers out	-	-	-	-	(25,000)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(25,000)</b>
<b>Net Change in Fund Balances</b>	<b>\$ (24,594)</b>	<b>\$ (24,594)</b>	<b>18,689</b>	<b>\$ 43,283</b>	<b>2,140</b>
<b>Fund Balances Beginning of Year</b>			<b>172,036</b>		<b>169,896</b>
<b>Fund Balances End of Year</b>			<b>\$ 190,725</b>		<b>\$ 172,036</b>

**La Plata County, Colorado**  
**Palo Verde Public Improvement District #3**  
**Comparative Balance Sheet**  
**December 31, 2015 and 2014**

	<u>2015</u>	<u>2014</u>
<b>Assets</b>		
Equity in treasurer's cash and investments	\$ 23,194	\$ 75,052
Receivable:		
Property taxes receivable	22,563	22,419
Intergovernmental receivable	<u>194</u>	<u>2,865</u>
<b>Total Assets</b>	<u>45,951</u>	<u>100,336</u>
<b>Liabilities</b>		
Accounts payable	<u>-</u>	<u>67,715</u>
<b>Total Liabilities</b>	<u>-</u>	<u>67,715</u>
<b>Deferred Inflows of Resources</b>		
Property taxes	<u>22,563</u>	<u>22,419</u>
<b>Total Deferred Inflows of Resources</b>	<u>22,563</u>	<u>22,419</u>
<b>Fund Balances</b>		
Assigned:		
Debt service	<u>23,388</u>	<u>10,202</u>
<b>Total Fund Balances</b>	<u>\$ 23,388</u>	<u>\$ 10,202</u>

**La Plata County, Colorado**  
**Palo Verde Improvement District**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended December 31, 2015**  
*(With Comparative Actual Amounts for the Year Ended December 31, 2014)*

	2015				2014
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
<b>Revenues</b>					
Property Taxes	\$ 22,419	\$ 22,419	\$ 22,073	\$ (346)	\$ 41,110
Other Taxes	-	-	2,443	2,443	5,332
Intergovernmental	-	-	-	-	126,131
<b>Total Revenues</b>	<u>22,419</u>	<u>22,419</u>	<u>24,516</u>	<u>2,097</u>	<u>172,573</u>
<b>Expenditures</b>					
Public works	5,673	5,673	1,503	4,170	434,871
<b>Debt Service:</b>					
Principal retirement	11,205	11,205	6,657	4,548	-
Interest and fiscal charges	5,395	5,395	3,170	2,225	-
<b>Total Expenditures</b>	<u>22,273</u>	<u>22,273</u>	<u>11,330</u>	<u>10,943</u>	<u>434,871</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>146</u>	<u>146</u>	<u>13,186</u>	<u>13,040</u>	<u>(262,298)</u>
<b>Other Financing Sources (Uses)</b>					
Debt issuance	-	-	-	-	272,500
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>272,500</u>
<b>Net Change in Fund Balances</b>	<u>\$ 146</u>	<u>\$ 146</u>	<u>13,186</u>	<u>\$ 13,040</u>	<u>10,202</u>
<b>Fund Balances Beginning of Year</b>			<u>10,202</u>		<u>-</u>
<b>Fund Balances End of Year</b>			<u>\$ 23,388</u>		<u>\$ 10,202</u>

**La Plata County, Colorado**  
***Tribal Impact Mitigation Fund***  
***Comparative Balance Sheet***  
***December 31, 2015 and 2014***

	<u>2015</u>	<u>2014</u>
<b>Assets</b>		
Equity in treasurer's cash and investments	<u>\$ 931</u>	<u>\$ 931</u>
 <b>Fund Balances</b>		
Restricted:		
Tribal mitigation impact	<u>931</u>	<u>931</u>
 <b>Total Fund Balances</b>	<u><u>\$ 931</u></u>	<u><u>\$ 931</u></u>

**La Plata County, Colorado**  
**Tribal Impact Mitigation Fund**  
*Schedule of Revenues, Expenditures and*  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended December 31, 2015**

	2015				2014 Actual
	Original Budget	Final Budget	Actual	Variance with Final Budget	
<b>Revenues</b>					
Intergovernmental:					
Southern Ute Indian tribe payment	\$ -	\$ -	\$ -	\$ -	\$ 132
<b>Total Revenues</b>	-	-	-	-	132
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	-	-	-	-	132
<b>Fund Balances Beginning of Year</b>			931		799
<b>Fund Balances End of Year</b>			\$ 931		\$ 931

**La Plata County, Colorado**  
***Conservation Trust Fund***  
***Comparative Balance Sheet***  
***December 31, 2015 and 2014***

	<u>2015</u>	<u>2014</u>
<b>Assets</b>		
Equity in treasurer's cash and investments	\$ 2,956,256	\$ -
<b>Total Assets</b>	<u>2,956,256</u>	<u>-</u>
 <b>Fund Balances</b>		
Restricted:		
Recreation & parks	<u>2,956,256</u>	<u>-</u>
<b>Total Fund Balances</b>	<u>\$ 2,956,256</u>	<u>\$ -</u>

The Conservation Trust Fund was created during the 2016 Budget cycle to properly report Lottery Funds and qualifying expenditures on parks and recreational sites. 2014 Fund Balance was moved in from General Fund.

**La Plata County, Colorado**  
**Conservation Trust Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended December 31, 2015**  
*(With Comparative Actual Amounts for the Year Ended December 31, 2014)*

	2015				2014
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
<b>Revenues</b>					
Lottery funds	\$ -	\$ -	\$ 298,434	\$ 298,434	\$ -
Investment earnings	-	-	5,145	5,145	-
<b>Total Revenues</b>	-	-	303,579	303,579	-
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	-	-	303,579	303,579	-
<b>Other Financing Sources (Uses)</b>					
Transfer In from General Fund	-	-	2,652,677	2,652,677	-
<b>Total Other Financing Sources (Uses)</b>	-	-	2,652,677	2,652,677	-
<b>Net Change in Fund Balances</b>	<u>\$ -</u>	<u>\$ -</u>	2,956,256	<u>\$ 2,956,256</u>	-
<b>Fund Balances Beginning of Year</b>			-		-
<b>Fund Balances End of Year</b>			<u>\$ 2,956,256</u>		<u>\$ -</u>

## CAPITAL PROJECTS

Capital Projects Funds are used to account for the acquisition and construction of major capital equipment and facilities other than those financed 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 improvements as determined by the Board of County Commissioners.



**La Plata County, Colorado**  
**Capital Improvement Fund**  
**Comparative Balance Sheet**  
**December 31, 2015 and 2014**

	<u>2015</u>	<u>2014</u>
<b>Assets</b>		
Equity in treasurer's cash and investments	\$ 10,293,106	\$ 7,577,298
Intergovernmental	344,085	545,579
Deposits receivable	<u>1,976</u>	<u>5,447</u>
<b>Total Assets</b>	<u>10,639,167</u>	<u>8,128,324</u>
<b>Liabilities</b>		
Accounts payable	443,994	591,497
Unearned revenue	<u>150,000</u>	<u>150,000</u>
<b>Total Liabilities</b>	<u>593,994</u>	<u>741,497</u>
<b>Fund Balances</b>		
Nonspendable:		
Long term receivable	1,976	5,447
Restricted:		
General capital improvements	9,207,267	
Assigned:		
Capital projects	<u>835,930</u>	<u>7,381,380</u>
<b>Total Fund Balance</b>	<u><u>\$ 10,045,173</u></u>	<u><u>\$ 7,386,827</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, 2015**  
*(With Comparative Actual Amounts for the Year Ended December 31, 2014)*

	<b>2015</b>				
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>	<b>2014 Actual</b>
<b>Revenues</b>					
Sales Tax	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ -	\$ 2,000,000
Intergovernmental	918,182	918,182	866,517	(51,665)	772,473
Miscellaneous	-	52,000	126,487	74,487	-
<b>Total Revenues</b>	<b>2,918,182</b>	<b>2,970,182</b>	<b>2,993,004</b>	<b>22,822</b>	<b>2,772,473</b>
<b>Expenditures</b>					
General government	525,000	525,000	181,316	343,684	15,719
Recreation and culture	-	-	-	-	27,106
Capital Outlay	6,272,163	6,454,163	5,730,979	723,184	2,444,567
<b>Total Expenditures</b>	<b>6,797,163</b>	<b>6,979,163</b>	<b>5,912,295</b>	<b>1,066,868</b>	<b>2,487,392</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(3,878,981)</b>	<b>(4,008,981)</b>	<b>(2,919,291)</b>	<b>1,089,690</b>	<b>285,081</b>
<b>Other Financing Sources (Uses)</b>					
Transfers in from General Fund	5,577,637	5,577,637	5,577,637	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>5,577,637</b>	<b>5,577,637</b>	<b>5,577,637</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>\$ 1,698,656</b>	<b>\$ 1,568,656</b>	<b>\$ 2,658,346</b>	<b>\$ 1,089,690</b>	<b>285,081</b>
<b>Fund Balances Beginning of Year</b>			<b>7,386,827</b>		<b>7,101,746</b>
<b>Fund Balances End of Year</b>			<b>\$ 10,045,173</b>		<b>\$ 7,386,827</b>

## **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 Position**  
**December 31, 2015**

	<b>Capital Equipment Replacement Fund</b>	<b>Employee Medical Self Insurance Fund</b>	<b>Total</b>
<b>Assets</b>			
<b>Current Assets:</b>			
Equity in treasurer's cash and investments	\$ 6,680,287	\$ 2,830,163	\$ 9,510,450
Accounts receivable	16,219	331	16,550
Inventory	142,057	-	142,057
<b>Total Current Assets</b>	<b>6,838,563</b>	<b>2,830,494</b>	<b>9,669,057</b>
<b>Noncurrent Assets:</b>			
<b>Capital Assets:</b>			
Depreciable capital assets, net	6,903,053	-	6,903,053
<b>Total Assets</b>	<b>13,741,616</b>	<b>2,830,494</b>	<b>16,572,110</b>
<b>Liabilities</b>			
Accrued payroll	10,722	-	10,722
Accounts payable	77,298	-	77,298
Accrued claims payable	-	251,394	251,394
<b>Total Current Liabilities</b>	<b>88,020</b>	<b>251,394</b>	<b>339,414</b>
<b>Net Position</b>			
Net investment in capital assets	6,903,053	-	6,903,053
Unrestricted	6,750,543	2,579,100	9,329,643
<b>Total Net Position</b>	<b>\$ 13,653,596</b>	<b>\$ 2,579,100</b>	<b>\$ 16,232,696</b>

**La Plata County, Colorado**  
**Internal Service Funds**  
**Combining Statement of Revenues,**  
**Expenses and Changes in Fund Net Position**  
**For the Year Ended December 31, 2015**

	<b>Capital Equipment Replacement Fund</b>	<b>Employee Medical Self Insurance Fund</b>	<b>Total</b>
<b>Operating Revenues</b>			
Charges for services	\$ 2,082,331	\$ -	\$ 2,082,331
Insurance deposits	-	3,520,341	3,520,341
Miscellaneous revenue	20,927	-	20,927
<b>Total Operating Revenues</b>	<b>2,103,258</b>	<b>3,520,341</b>	<b>5,623,599</b>
<b>Operating Expenses</b>			
Equipment maintenance	1,212,840	-	1,212,840
Depreciation	996,007	-	996,007
Medical claims	-	3,431,571	3,431,571
<b>Total Operating Expenses</b>	<b>2,208,847</b>	<b>3,431,571</b>	<b>5,640,418</b>
<b>Operating Income (Loss)</b>	<b>(105,589)</b>	<b>88,770</b>	<b>(16,819)</b>
<b>Non-Operating Revenues</b>			
Gain (loss) on sale of capital assets	156,358	-	156,358
Investment earnings	-	866	866
<b>Total Non-Operating Revenues (Expenses)</b>	<b>156,358</b>	<b>866</b>	<b>157,224</b>
<b>Change in Net Position</b>	<b>50,769</b>	<b>89,636</b>	<b>140,405</b>
<b>Net Position Beginning of Year</b>	<b>13,602,827</b>	<b>2,489,464</b>	<b>16,092,291</b>
<b>Net Position End of Year</b>	<b>\$ 13,653,596</b>	<b>\$ 2,579,100</b>	<b>\$ 16,232,696</b>

**La Plata County, Colorado**  
**Internal Service Funds**  
**Combining Statement of Cash Flows**  
**For the Year Ended December 31, 2015**

	<b>Capital Equipment Replacement Fund</b>	<b>Employee Medical Self Insurance Fund</b>	<b>Total</b>
<b>Increase (Decrease) in Cash and Cash Equivalents</b>			
<b>Cash Flows from Operating Activities</b>			
Cash received from customers	\$ 2,087,960	\$ 3,520,440	\$ 5,608,400
Cash payments for goods and services	(1,168,303)	-	(1,168,303)
Cash payments for claims	-	(3,339,297)	(3,339,297)
<b>Net Cash Provided By (Used In) Operating Activities</b>	<b>919,657</b>	<b>181,143</b>	<b>1,100,800</b>
<b>Cash Flows from Capital and Related Financing Activities</b>			
Cash sales of capital assets	247,430	-	247,430
Payments for capital acquisitions	(1,420,214)	-	(1,420,214)
<b>Net Cash Used in Capital and Related Financing Activities</b>	<b>(1,172,784)</b>	<b>-</b>	<b>(1,172,784)</b>
<b>Cash Flows from Investing Activities</b>			
Investment earnings	-	866	866
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(253,127)</b>	<b>182,009</b>	<b>(71,118)</b>
<b>Cash and Cash Equivalents Beginning of Year</b>	<b>6,933,414</b>	<b>2,648,154</b>	<b>9,581,568</b>
<b>Cash and Cash Equivalents End of Year</b>	<b>\$ 6,680,287</b>	<b>\$ 2,830,163</b>	<b>\$ 9,510,450</b>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities</b>			
<b>Operating Income (Loss)</b>	<b>\$ (105,589)</b>	<b>\$ 88,770</b>	<b>\$ (16,819)</b>
<b>Adjustments:</b>			
Depreciation	996,007	-	996,007
<b>(Increase) Decrease in Assets:</b>			
Accounts receivable	(15,298)	99	(15,199)
Inventory	25,738	-	25,738
<b>Increase (Decrease) in Liabilities:</b>			
Accounts payable	31,781	-	31,781
Accrued incurred/unreported claims/deferred revenues	-	92,274	92,274
Accrued wages	(12,982)	-	(12,982)
<b>Net Cash Provided by Operating Activities</b>	<b>\$ 919,657</b>	<b>\$ 181,143</b>	<b>\$ 1,100,800</b>

**La Plata County, Colorado**  
**Capital Equipment Replacement Fund**  
**Comparative Statement of Net Position**  
**December 31, 2015 and 2014**

	<b>2015</b>	<b>2014</b>
<b>Assets</b>		
<b>Current Assets:</b>		
Equity in treasurer's cash and investments	\$ 6,680,287	\$ 6,933,414
Accounts receivable	16,219	921
Inventory	142,057	167,795
<b>Total Current Assets</b>	<b>6,838,563</b>	<b>7,102,130</b>
<b>Noncurrent Assets</b>		
<b>Capital Assets:</b>		
Depreciable capital assets, net	6,903,053	6,569,918
<b>Total Assets</b>	<b>13,741,616</b>	<b>13,672,048</b>
<b>Liabilities</b>		
Accrued payroll	10,722	23,704
Accounts payable	77,298	45,517
<b>Total Current Liabilities</b>	<b>88,020</b>	<b>69,221</b>
<b>Net Position</b>		
Investment in capital assets	6,903,053	6,569,918
Unrestricted	6,750,543	7,032,909
<b>Total Net Position</b>	<b>\$ 13,653,596</b>	<b>\$ 13,602,827</b>

**La Plata County, Colorado**  
**Capital Equipment Replacement Fund**  
**Comparative Statement of Revenues,**  
**Expenses and Changes in Fund Net Position**  
**For the Years Ended December 31, 2015 and 2014**

	<b>2015</b>	<b>2014</b>
<b>Operating Revenues</b>		
Charges for services	\$ 2,082,331	\$ 1,897,391
Miscellaneous revenue	20,927	365
<b>Total Operating Revenues</b>	<b>2,103,258</b>	<b>\$ 1,897,756</b>
<b>Operating Expenses</b>		
Equipment maintenance	1,212,840	1,011,787
Depreciation	996,007	957,432
<b>Total Operating Expenses</b>	<b>2,208,847</b>	<b>1,969,219</b>
<b>Operating Income (Loss)</b>	<b>(105,589)</b>	<b>(71,463)</b>
<b>Non-Operating Revenues</b>		
Gain (loss) on sale of capital assets	156,358	154,692
Capital Contributions	-	12,000
<b>Total Non-Operating Revenues (Expenses)</b>	<b>156,358</b>	<b>166,692</b>
<b>Change in Net Position</b>	<b>50,769</b>	<b>95,229</b>
<b>Net Position Beginning of Year</b>	<b>13,602,827</b>	<b>13,507,598</b>
<b>Net Position End of Year</b>	<b>\$ 13,653,596</b>	<b>\$ 13,602,827</b>



**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, 2015**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>
<b>Revenues</b>				
Charges for services	\$ 2,096,167	\$ 2,096,167	\$ 2,082,331	\$ (13,836)
Sales of capital assets	239,000	239,000	247,430	8,430
Miscellaneous	-	20,777	20,927	150
<b>Total Revenues</b>	<u>2,335,167</u>	<u>2,355,944</u>	<u>2,350,688</u>	<u>(5,256)</u>
<b>Expenditures</b>				
Personnel costs	688,594	689,394	619,244	70,150
Equipment maintenance	503,154	696,031	593,596	102,435
Capital outlay	1,624,792	1,452,692	1,420,214	32,478
<b>Total Expenditures</b>	<u>2,816,540</u>	<u>2,838,117</u>	<u>2,633,054</u>	<u>205,063</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(481,373)</u>	<u>(482,173)</u>	<u>(282,366)</u>	<u>199,807</u>
<b>Net change in Fund Balances</b>	<u>\$ (481,373)</u>	<u>\$ (482,173)</u>	<u>(282,366)</u>	<u>\$ 199,807</u>
<b>Reconciliation to GAAP Net Income:</b>				
Less: Capital assets, disposed net of accumulated depreciation			(91,072)	
Add capital expenditures capitalized			1,420,214	
Less depreciation expense			<u>(996,007)</u>	
<b>Change in Net Position</b>			<u>\$ 50,769</u>	

**La Plata County, Colorado**  
**Employee Medical Self Insurance Fund**  
**Comparative Statement of Net Position**  
**December 31, 2015 and 2014**

	<u>2015</u>	<u>2014</u>
<b>Assets</b>		
<b>Current Assets:</b>		
Equity in treasurer's cash and investments	\$ 2,830,163	\$ 2,648,154
Accounts receivable	<u>331</u>	<u>430</u>
<b>Total Current Assets</b>	<u>2,830,494</u>	<u>2,648,584</u>
 <b>Liabilities</b>		
<b>Current Liabilities:</b>		
Accrued claims payable	<u>251,394</u>	<u>159,120</u>
<b>Total Current Liabilities</b>	<u>251,394</u>	<u>159,120</u>
 <b>Net Position</b>		
Unrestricted	<u><u>\$ 2,579,100</u></u>	<u><u>\$ 2,489,464</u></u>

**La Plata County, Colorado**  
**Employee Medical Self Insurance Fund**  
**Comparative Statement of Revenues,**  
**Expenses and Changes in Net Position**  
**For the Years Ended December 31, 2015 and 2014**

	<u>2015</u>	<u>2014</u>
<b>Operating Revenues</b>		
Insurance deposits	\$ 3,520,341	\$ 3,834,456
<b>Operating Expenses</b>		
Medical claims	<u>3,431,571</u>	<u>3,292,452</u>
<b>Operating Income (Loss)</b>	<u>88,770</u>	<u>542,004</u>
<b>Non-Operating Revenues</b>		
Investment earnings	<u>866</u>	<u>132</u>
<b>Change in Net Position</b>	89,636	542,136
<b>Net Position Beginning of Year</b>	<u>2,489,464</u>	<u>1,947,328</u>
<b>Net Position End of Year</b>	<u><u>\$ 2,579,100</u></u>	<u><u>\$ 2,489,464</u></u>

**La Plata County, Colorado**  
**Employee Medical Self Insurance Fund**  
**Schedule of Revenues, Expenses and**  
**Changes in Net Position - Budget and Actual**  
**For the Year Ended December 31, 2015**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>
<b>Operating Revenues</b>				
Insurance deposits	\$ 4,254,664	\$ 4,254,664	\$ 3,520,341	\$ (734,323)
<b>Operating Expenses</b>				
Medical claims	4,254,664	4,254,664	3,431,571	823,093
<b>Operating Income (Loss)</b>	-	-	88,770	88,770
<b>Non-Operating Revenues</b>				
Investment earnings	1,000	1,000	866	(134)
<b>Change in Net Position</b>	<u>\$ 1,000</u>	<u>\$ 1,000</u>	89,636	<u>\$ 88,636</u>
<b>Net Position Beginning of Year</b>			<u>2,489,464</u>	
<b>Net Position End of Year</b>			<u>\$ 2,579,100</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, 2015*

	<u>Balance</u> <u>January 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>December 31, 2015</u>
<b>Assets</b>				
Equity in treasurer's cash and investments	\$ 2,772,976	\$ 40,994,077	\$ 41,151,449	\$ 2,615,604
<b>Liabilities</b>				
Accounts payable	219,283	16,107,665	15,889,819	437,128
Due to component unit	41,903	2,310,226	2,338,585	13,544
Deposits held for others	2,511,790	22,576,186	22,923,045	2,164,932
<b>Total Liabilities</b>	<u>\$ 2,772,976</u>	<u>\$ 40,994,077</u>	<u>\$ 41,151,449</u>	<u>\$ 2,615,604</u>

## **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 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**  
**For the Year Ended December 31, 2015**

<b>Assets</b>	<b>2015</b>	<b>2014</b>
Cash deposits	\$ 106,502	\$ 106,220
Equity in Treasurer's cash and investments	13,544	41,903
Receivables:		
Accounts receivable	12,658	-
Intergovernmental receivable	168,868	166,752
<b>Total Assets</b>	<b>301,572</b>	<b>314,875</b>
<b>Liabilities and Fund Balances</b>		
<b>Liabilities</b>		
Accounts payable	12,437	11,086
Accrued salaries and benefits	36,851	79,968
Due to primary government	-	1,832
<b>Total Liabilities</b>	<b>49,288</b>	<b>92,886</b>
<b>Fund Balances</b>		
<b>Restricted for:</b>		
Law enforcement	182,641	150,400
Economic stabilization (TABOR)	69,643	71,589
<b>Total Fund Balances</b>	<b>\$ 252,284</b>	<b>\$ 221,989</b>
 Governmental Fund Balance	 \$ 252,284	
 Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore not reported in the funds	39,038	
Deferred results and contributions to pension plans made after the measurement date are recorded as expenditures in the governmental funds, but must be deferred in the statement of net position.	31,789	
Certain amounts related to the net pension liability are deferred and amortized over time. These are not reported in the funds.	(12,873)	
Net pension liabilities are not due and payable in the current period and not reported in the funds.	(454,162)	
Compensated absences are not due and payable in the current period and therefore not reported in the governmental funds	(111,902)	
<b>Net position of governmental activities</b>	<b>\$ (255,826)</b>	



**Sixth Judicial District Attorney**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended December 31, 2015**

	<u><b>2015</b></u>
<b>Revenues</b>	
Intergovernmental	\$ 780,551
Intergovernmental - County	1,511,905
Miscellaneous	<u>17,004</u>
<b>Total Revenues</b>	<u>2,309,460</u>
<b>Expenditures</b>	
Public safety	<u>2,279,165</u>
<b>Total Expenditures</b>	<u>2,279,165</u>
<b>Net Change in Fund Balances</b>	30,295
<b>Fund Balances Beginning of Year</b>	<u>221,989</u>
<b>Fund Balances End of Year</b>	<u><u>\$ 252,284</u></u>
 Net change in fund balances	 30,295
 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	(7,483)
Capital outlay	<u>15,000</u>
	7,517
Capital assets disposed, net of accumulated depreciation	(2,004)
 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 @ 12/31/15	(111,902)
Liability @ 12/31/14	<u>93,550</u>
	(18,352)
 Certain items reported in the statement of activities do not require the use of current financial resources and are not reported as expenditures in the fund statements.	
This items consists of the change in pension expenditures	<u>(6,807)</u>
 Change in net position at the government-wide financial reporting level	 <u><u>\$ 10,649</u></u>

**Sixth Judicial District Attorney**  
**Governmental Funds (General) with Adopted Budget**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**  
**For the Year Ended December 31, 2015**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>
<b>Revenues</b>				
Intergovernmental	\$ 822,726	\$ 859,291	\$ 780,551	\$ (78,740)
Intergovernmental - County	1,562,230	1,562,230	1,511,905	(50,325)
Miscellaneous	1,750	11,850	17,004	5,154
<b>Total Revenues</b>	<b>2,386,706</b>	<b>2,433,371</b>	<b>2,309,460</b>	<b>(123,911)</b>
<b>Expenditures</b>				
Public safety	2,371,706	2,418,671	2,264,165	154,506
<b>Total Current</b>	<b>2,371,706</b>	<b>2,418,671</b>	<b>2,264,165</b>	<b>154,506</b>
<b>Capital Outlay</b>	<b>15,000</b>	<b>15,000</b>	<b>15,000</b>	<b>-</b>
<b>Total Expenditures</b>	<b>2,386,706</b>	<b>2,433,671</b>	<b>2,279,165</b>	<b>(154,506)</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>-</b>	<b>(300)</b>	<b>30,295</b>	<b>30,595</b>
<b>Net Change in Fund Balances</b>	<b>\$ -</b>	<b>\$ (300)</b>	<b>30,295</b>	<b>\$ 30,595</b>
<b>Fund Balances Beginning of Year</b>			<b>221,989</b>	
<b>Fund Balances End of Year</b>			<b>\$ 252,284</b>	

## **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, 2015**

Program	County EBT Authorizations	County Share of Authorizations	Expenditures By County Warrant	Total Authorizations & Expenditures By County Warrant	Total Expenditures
Colorado Works	564,096	107,904	314,631	878,728	\$ 422,535
Child Care	370,892	48,951	115,825	486,717	164,777
Child Welfare	567,134	120,310	1,539,928	2,107,062	1,660,238
County Administrative	-	-	975,142	975,142	975,142
Core Services	562,010	55,445	591,086	1,153,096	646,531
Child Support Administrative	-	-	507,570	507,570	507,570
LEAP	322,981	-	22,217	345,198	22,217
AND	205,636	41,127	-	205,636	41,127
Old Age Pension	455,737	219	18,947	474,684	19,166
Food Assistance Fraud	-	-	47,343	47,343	47,343
Food Assistance	5,255,113	-	-	5,255,113	-
Food Assistance Job Search	-	-	61,934	61,934	61,934
Title XX	-	-	7,516	7,516	7,516
CHAFFEE	-	-	45,964	45,964	45,964
General Assistance	-	-	12,252	12,252	12,252
Adult Protective Services	-	-	281,339	281,339	281,339
Child Welfare IV-E waiver	-	-	192,440	192,440	192,440
PSSF Caseworker Visitation	-	-	-	-	-
Title IV-B Sup Part 2 (PSSF)	-	-	287,133	287,133	287,133
Child Welfare Discretionary Grant	-	-	32,077	32,077	32,077
Foster Care/Adoption Recruitment	-	-	2,830	2,830	2,830
<b>Totals</b>	<b>\$ 8,303,600</b>	<b>\$ 373,956</b>	<b>\$ 5,056,174</b>	<b>\$ 13,359,774</b>	<b>\$ 5,430,130</b>

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

<b>LOCAL HIGHWAY FINANCE REPORT</b>	City or County:
	County
	YEAR ENDING : December 2015
This Information From The Records Of: County of La Plata, Colorado	
Prepared By: Diane K. Sorensen 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****III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES**

ITEM	AMOUNT	ITEM	AMOUNT
<b>A. Receipts from local sources:</b>		<b>A. Local highway disbursements:</b>	
1. Local highway-user taxes		1. Capital outlay (from page 2)	1,483,967
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	6,073,173
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	485,299
2. General fund appropriations	0	b. Snow and ice removal	1,247,374
3. Other local imposts (from page 2)	5,146,754	c. Other	0
4. Miscellaneous local receipts (from page 2)	166,022	d. Total (a. through c.)	1,732,673
5. Transfers from toll facilities	0	4. General administration & miscellaneous	262,254
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	0
a. Bonds - Original Issues	0	6. Total (1 through 5)	9,552,067
b. Bonds - Refunding Issues	0	<b>B. Debt service on local obligations:</b>	
c. Notes	0	1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	0
7. Total (1 through 6)	5,312,776	b. Redemption	0
<b>B. Private Contributions (So Ute Indian Trib)</b>	45,196	c. Total (a. + b.)	0
<b>C. Receipts from State government</b>		2. Notes:	
(from page 2)	3,783,593	a. Interest	0
<b>D. Receipts from Federal Government</b>		b. Redemption	0
(from page 2)	35,058	c. Total (a. + b.)	0
<b>E. Total receipts (A.7 + B + C + D)</b>	9,176,623	3. Total (1.c + 2.c)	0
		<b>C. Payments to State for highways</b>	0
		<b>D. Payments to toll facilities</b>	0
		<b>E. Total disbursements (A.6 + B.3 + C + D)</b>	9,552,067

**IV. LOCAL HIGHWAY DEBT STATUS**

(Show all entries at par)

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

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

	Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	7,780,699	9,176,623	9,552,067	7,405,255	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

<b>LOCAL HIGHWAY FINANCE REPORT</b>	STATE: Colorado YEAR ENDING (mm/yy): December 2015
-------------------------------------	---

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
<b>A.3. Other local imposts:</b>		<b>A.4. Miscellaneous local receipts:</b>	
a. Property Taxes and Assessments	1,421,652	a. Interest on investments	0
b. Other local imposts:		b. Traffic Fines & Penalties	0
1. Sales Taxes	3,445,000	c. Parking Garage Fees	0
2. Infrastructure & Impact Fees	97,457	d. Parking Meter Fees	0
3. Liens	0	e. Sale of Surplus Property	0
4. Licenses	53,395	f. Charges for Services	0
5. Specific Ownership &/or Other	129,250	g. Other Misc. Receipts	166,022
6. Total (1. through 5.)	3,725,102	h. Other	0
c. Total (a. + b.)	5,146,754		
ITEM	AMOUNT	ITEM	AMOUNT
<b>C. Receipts from State Government</b>		<b>D. Receipts from Federal Government</b>	
1. Highway-user taxes	3,065,263	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service (dist to schools)	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	177,934	d. Federal Transit Admin	
d. Other EIAF/LGGF	540,396	e. U.S. Corps of Engineers	
e. Other Bridge Funds/Enhancement	0	f. Other Federal	35,058
f. Total (a. through e.)	718,330	g. Total (a. through f.)	35,058
4. Total (1. + 2. + 3.f)	3,783,593	3. Total (1. + 2.g)	35,058
			(Carry forward to page 1)
III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL			
		ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)
			TOTAL (c)
<b>A.1. Capital outlay:</b>			
a. Right-Of-Way Costs			23,215
b. Engineering Costs			20,010
c. Construction:			
(1). New Facilities			934,674
(2). Capacity Improvements			0
(3). System Preservation			506,068
(4). System Enhancement & Operation			0
(5). Total Construction (1) + (2) + (3) + (4)		0	1,440,742
+ 1.c.5)		0	1,483,967
			(Carry forward to page 1)
<b>Notes and Comments:</b>			

## **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

1-5

### Revenue Capacity

These Schedules contain trend information to help the reader assess the factors affecting the County's ability to generate its property and sales taxes

6-12

### 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

13-15

### 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 to help make comparisons over time and with other governments

13-15

### 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

18-20

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 34 in 2003; schedules presenting government-wide information included information beginning in that year



**La Plata County, Colorado**  
**Government-wide Net Position by Component**  
**December 31, 2006-2015**  
**(accrual basis of accounting)**

	December 31, 2006	December 31, 2007	December 31, 2008	December 31, 2009	December 31, 2010
<b>Governmental Activities</b>					
Net investment in capital assets	\$ 52,092,382	\$ 85,872,184	\$ 101,427,081	\$ 104,785,611	\$ 103,057,349
Restricted for:					
Capital projects	11,759,657	15,086,883	5,440,161	4,652,468	5,434,327
Emergencies	1,185,000	1,285,000	2,000,000	2,000,000	2,000,000
Debt Service	425,143	448,522	454,883	452,735	452,735
Specific projects and programs	10,192,051	9,674,145	5,573,959	3,667,978	3,801,100
Unrestricted	25,924,833	33,418,117	44,754,550	57,321,536	70,682,038
<b>Subtotal Governmental Activities Net Position</b>	<b>\$ 101,579,066</b>	<b>\$ 145,784,851</b>	<b>\$ 159,650,634</b>	<b>\$ 172,880,328</b>	<b>\$ 185,427,549</b>
<b>Primary Government</b>					
Net investment in capital assets	\$ 52,092,382	\$ 85,872,184	\$ 101,427,081	\$ 104,785,611	\$ 103,057,349
Restricted	23,561,851	26,494,550	13,469,003	10,773,181	11,688,162
Unrestricted	25,924,833	33,418,117	44,754,550	57,321,536	70,682,038
<b>Total Primary Government Net Position</b>	<b>\$ 101,579,066</b>	<b>\$ 145,784,851</b>	<b>\$ 159,650,634</b>	<b>\$ 172,880,328</b>	<b>\$ 185,427,549</b>

	December 31, 2011	December 31, 2012	December 31, 2013	December 31, 2014	December 31, 2015
<b>Governmental Activities</b>					
Net investment in capital assets	\$ 100,077,282	\$ 101,877,845	\$ 98,126,731	\$ 96,745,229	\$ 98,551,468
Restricted for:					
Capital projects	6,283,012	5,218,448	7,057,030	-	-
Economic stabilization ( TABOR)	1,541,536	1,504,732	1,519,735	1,563,138	1,600,510
Debt Service	450,985	-	-	-	-
Required legal fund segregations	14,349,826	12,579,204	14,195,240	6,552,331	22,379,012
Unrestricted	66,206,346	70,758,262	72,631,281	92,389,464	76,019,786
<b>Subtotal Governmental Activities Net Position</b>	<b>\$ 188,908,987</b>	<b>\$ 191,938,491</b>	<b>\$ 193,530,017</b>	<b>\$ 197,250,162</b>	<b>\$ 198,550,776</b>
<b>Primary Government</b>					
Net investment in capital assets	\$ 100,077,282	\$ 101,877,845	\$ 98,126,731	\$ 96,745,229	\$ 98,551,468
Restricted	22,625,359	19,302,384	22,772,005	8,115,469	23,979,522
Unrestricted	66,206,346	70,758,262	72,631,281	92,389,464	76,019,786
<b>Total Primary Government Net Position</b>	<b>\$ 188,908,987</b>	<b>\$ 191,938,491</b>	<b>\$ 193,530,017</b>	<b>\$ 197,250,162</b>	<b>\$ 198,550,776</b>

**La Plata County, Colorado**  
**Government-wide Changes in Net Position**  
**Fiscal Years 2006-2015**  
**(accrual basis of accounting)**

	Fiscal Year 2006	Fiscal Year 2007	Fiscal Year 2008	Fiscal Year 2009	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014	Fiscal Year 2015
<b>Expenses</b>										
<b>Governmental Activities</b>										
General government	\$ 8,776,033	\$ 9,310,267	\$ 10,081,860	\$ 11,324,542	\$ 12,590,925	\$ 10,570,951	\$ 10,374,610	\$ 10,514,636	\$ 10,328,052	\$ 12,919,783
Public safety	12,529,335	13,408,383	13,909,083	14,921,662	15,228,090	15,426,187	16,332,272	16,401,170	15,939,033	17,381,499
Recreation and culture	4,703,319	4,796,460	3,693,219	3,925,467	3,609,635	3,382,410	3,193,425	3,085,940	3,097,514	2,960,931
Public works	3,055,270	3,290,009	12,532,719	13,329,071	9,946,369	10,572,032	10,929,759	12,686,719	12,936,627	11,875,658
Decrease in joint venture	-	-	-	-	-	-	-	360,978	-	-
Health and welfare	11,240,436	11,690,024	4,896,385	5,551,746	5,653,873	5,581,089	5,615,860	5,607,927	5,757,071	7,701,357
Community programs	6,106,905	4,044,371	4,341,763	5,191,522	4,693,722	4,296,657	4,527,441	4,221,545	4,276,928	1,931,976
Interest on long-term debt	136,007	104,989	91,633	81,935	70,139	57,270	20,458	-	3,170	3,170
<b>Total Primary Government Expenses</b>	<b>46,547,305</b>	<b>46,644,503</b>	<b>49,546,662</b>	<b>54,325,945</b>	<b>51,792,753</b>	<b>49,886,596</b>	<b>50,993,825</b>	<b>52,878,915</b>	<b>52,338,395</b>	<b>54,774,374</b>
<b>Program Revenues</b>										
<b>Governmental Activities</b>										
Charges for Services										
General government	2,895,256	3,122,679	2,742,547	2,820,023	2,753,843	2,689,737	2,867,637	3,016,390	3,287,481	2,493,802
Public safety	688,195	709,336	845,054	813,731	860,444	930,281	897,042	835,799	660,284	1,595,067
Recreation and culture	487,274	477,721	620,385	264,190	239,027	243,891	244,614	205,462	168,745	-
Public works	81,678	270,851	267,910	86,341	60,110	52,926	46,413	241,454	844,705	328,787
Health and welfare	-	-	-	-	-	-	-	-	-	51,837
Total Charges for Services	4,152,403	4,580,587	4,475,896	3,984,285	3,913,424	3,916,835	4,055,706	4,299,105	4,961,215	4,469,493
Operating Grants and Contributions	12,390,828	11,291,178	10,280,747	18,162,203	12,765,925	12,753,984	12,572,836	11,961,803	13,230,028	13,977,048
Capital Grants and Contributions	4,392,191	3,905,903	4,026,680	2,828,191	662,256	308,532	109,228	562,211	4,019,552	1,330,453
<b>Total Primary Government Program Revenues</b>	<b>20,935,422</b>	<b>19,777,668</b>	<b>18,783,323</b>	<b>24,974,679</b>	<b>17,341,605</b>	<b>16,979,351</b>	<b>16,737,770</b>	<b>16,823,119</b>	<b>22,210,795</b>	<b>19,776,994</b>
<b>Net (Expense) Revenue</b>										
<b>Total Primary Government</b>	<b>(25,611,884)</b>	<b>(26,866,835)</b>	<b>(30,763,339)</b>	<b>(29,351,266)</b>	<b>(34,451,148)</b>	<b>(32,907,245)</b>	<b>(34,256,055)</b>	<b>(36,055,796)</b>	<b>(30,127,600)</b>	<b>(34,997,380)</b>
<b>General revenues and other changes in net position</b>										
<b>Governmental Activities:</b>										
Taxes										
Property taxes levied										
for general purposes	23,038,002	27,340,954	27,363,462	27,822,967	31,654,239	21,357,288	21,714,072	21,022,611	15,639,563	17,141,607
Sales taxes	12,874,145	13,903,657	13,639,998	12,264,867	13,528,774	12,363,979	13,596,356	14,080,460	14,870,392	15,734,279
Other taxes	176,662	178,160	189,262	168,180	283,895	299,419	336,697	316,293	2,077,512	2,099,038
Investment earnings	2,106,064	3,175,953	1,927,368	514,724	435,688	420,128	347,657	43,207	489,296	411,103
Gain (loss) on disposition of capital assets	17,057	6,592	(261,944)	-	-	-	-	-	-	-
Miscellaneous	3,390,749	2,146,353	2,137,836	1,810,220	1,095,772	1,947,870	1,290,777	888,647	770,982	911,966
<b>Total Primary Government</b>	<b>41,602,679</b>	<b>46,751,669</b>	<b>44,995,982</b>	<b>42,580,958</b>	<b>46,998,368</b>	<b>36,388,684</b>	<b>37,285,559</b>	<b>36,351,218</b>	<b>33,847,745</b>	<b>36,297,993</b>
<b>Changes in Net Position</b>	<b>\$ 15,990,795</b>	<b>\$ 19,884,834</b>	<b>\$ 14,232,643</b>	<b>\$ 13,229,692</b>	<b>\$ 12,547,220</b>	<b>\$ 3,481,439</b>	<b>\$ 3,029,504</b>	<b>\$ 295,422</b>	<b>\$ 3,720,145</b>	<b>\$ 1,300,613</b>

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

<b>Source</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
Taxes	\$ 36,088,807	\$ 41,055,912	\$ 41,192,722	\$ 40,256,015	\$ 45,466,908	\$ 34,020,684	\$ 35,647,126	\$ 35,419,368	\$ 32,589,122	\$ 35,086,641
Intergovernmental	15,979,354	12,735,290	13,997,368	16,538,111	12,935,455	12,255,999	12,280,676	12,524,014	17,130,157	14,672,893
Licenses and permits	817,770	1,142,078	931,951	520,400	449,677	388,800	660,372	765,742	1,013,603	1,050,803
Charges for services	3,290,254	3,393,629	3,530,762	3,302,681	3,313,725	3,350,386	3,473,616	3,324,857	3,107,431	3,288,273
Fines and forfeitures	2,518	-	-	-	-	-	-	-	-	-
Miscellaneous	5,337,037	5,126,793	3,946,848	2,317,105	1,529,148	2,399,722	1,666,008	931,170	1,821,358	1,296,096
Total revenues	<u>\$ 61,515,740</u>	<u>\$ 63,453,702</u>	<u>\$ 63,599,650</u>	<u>\$ 62,934,312</u>	<u>\$ 63,694,913</u>	<u>\$ 52,415,591</u>	<u>\$ 53,727,798</u>	<u>\$ 52,965,151</u>	<u>\$ 55,661,671</u>	<u>\$ 55,394,706</u>
% change from prior year	<u>22.2%</u>	<u>3.2%</u>	<u>0.2%</u>	<u>-1.0%</u>	<u>1.2%</u>	<u>-17.7%</u>	<u>2.5%</u>	<u>-1.4%</u>	<u>5.1%</u>	<u>-0.5%</u>

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

<b>Function</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>Fiscal Year 2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>Current:</b>										
General government	\$ 8,494,853	\$ 8,918,391	\$ 9,574,832	\$ 10,629,669	\$ 11,636,438	\$ 9,766,049	\$ 9,551,895	\$ 9,829,705	\$ 9,776,629	\$ 11,419,621
Public safety	12,247,107	13,308,782	13,933,609	14,623,385	14,844,053	14,901,413	15,515,104	16,230,442	15,767,639	16,831,509
Public works	7,861,675	8,981,938	8,974,502	8,005,211	7,942,046	7,831,786	8,339,156	10,017,083	9,720,482	8,925,096
Health and welfare	4,731,187	4,759,169	4,829,459	5,532,693	5,558,455	5,508,421	5,509,934	5,602,540	5,774,076	7,591,961
Recreation and culture	2,739,962	3,025,521	3,306,975	3,593,406	3,246,466	3,068,201	2,837,282	2,759,382	2,784,783	2,688,775
Community Programs	6,106,905	4,044,371	4,341,763	5,191,522	4,693,722	4,296,657	4,527,441	4,221,545	4,276,928	1,931,976
<b>Total Current</b>	<b>42,181,689</b>	<b>43,038,172</b>	<b>44,961,140</b>	<b>47,575,886</b>	<b>47,921,180</b>	<b>45,372,527</b>	<b>46,280,812</b>	<b>48,660,697</b>	<b>48,100,537</b>	<b>49,388,938</b>
<b>% Change From Prior Year</b>	<b>16.8%</b>	<b>2.0%</b>	<b>4.5%</b>	<b>5.8%</b>	<b>0.7%</b>	<b>-5.3%</b>	<b>2.0%</b>	<b>5.1%</b>	<b>-1.2%</b>	<b>2.7%</b>
<b>Capital Outlay</b>	<b>9,755,183</b>	<b>12,798,486</b>	<b>19,557,767</b>	<b>7,615,183</b>	<b>3,162,105</b>	<b>2,198,728</b>	<b>5,239,527</b>	<b>1,041,869</b>	<b>3,273,781</b>	<b>6,806,584</b>
<b>% Change From Prior Year</b>	<b>8.0%</b>	<b>31.2%</b>	<b>52.8%</b>	<b>-61.1%</b>	<b>-58.5%</b>	<b>-30.5%</b>	<b>138.3%</b>	<b>-80.1%</b>	<b>214.2%</b>	<b>107.9%</b>
<b>Debt Service</b>										
Principal	<sup>1</sup> 970,000	<sup>2</sup> 360,000	375,000	385,000	400,000	415,000	1,350,000	-	-	6,657
Interest	141,172	103,839	94,362	83,431	71,256	57,853	24,550	-	-	3,170
<b>Total Debt Service</b>	<b>1,111,172</b>	<b>463,839</b>	<b>469,362</b>	<b>468,431</b>	<b>471,256</b>	<b>472,853</b>	<b>1,374,550</b>	<b>-</b>	<b>-</b>	<b>9,827</b>
<b>% Change From Prior Year</b>	<b>0.5%</b>	<b>-58.3%</b>	<b>1.2%</b>	<b>-0.2%</b>	<b>0.6%</b>	<b>0.3%</b>	<b>190.7%</b>	<b>-100.0%</b>	<b>0.0%</b>	<b>100%</b>
<b>Total Expenditures</b>	<b>\$ 53,048,044</b>	<b>\$ 56,300,497</b>	<b>\$ 64,988,269</b>	<b>\$ 55,659,500</b>	<b>\$ 51,554,541</b>	<b>\$ 48,044,108</b>	<b>\$ 52,894,889</b>	<b>\$ 49,702,566</b>	<b>\$ 51,374,318</b>	<b>\$ 56,205,349</b>
<b>% Change From Prior Year</b>	<b>14.7%</b>	<b>6.1%</b>	<b>15.4%</b>	<b>-14.4%</b>	<b>-7.4%</b>	<b>-6.8%</b>	<b>10.1%</b>	<b>-6.0%</b>	<b>3.4%</b>	<b>9.4%</b>
<b>Debt Service as a Percentage of Total Non-capital Expenditures</b>	<b>2.6%</b>	<b>1.1%</b>	<b>1.0%</b>	<b>1.0%</b>	<b>1.0%</b>	<b>1.0%</b>	<b>2.9%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.02%</b>

**Notes:**

<sup>1)</sup> First year of debt service on 2004 Certificates of Purchase, Old Main Professional Building

<sup>2)</sup> 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)*

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>General Fund</b>										
Reserved	\$ 1,503,670	\$ 1,355,569	\$ 1,386,509	\$ 1,536,887	\$ 1,747,996					
Unreserved	12,778,086	16,842,929	23,951,512	28,285,373	40,111,898					
Nonspendable						360,411	303,429	27,638	129,028	196,375
Restricted						3,483,597	3,752,426	4,637,690	4,972,923	1,876,016
Committeed						-	-	-	15,541,790	6,764,859
Assigned						1,331,567	597,676	2,750,002	33,858,785	30,868,211
Unassigned						43,188,909	48,220,847	50,303,760	5,162,801	14,091,995
<b>Subtotal General Fund</b>	<b>14,281,756</b>	<b>18,198,498</b>	<b>25,338,021</b>	<b>29,822,260</b>	<b>41,859,894</b>	<b>48,364,484</b>	<b>52,874,378</b>	<b>57,719,090</b>	<b>59,665,327</b>	<b>53,797,456</b>
<b>General Fund Percentage Change</b>	<b>40.3%</b>	<b>27.4%</b>	<b>39.2%</b>	<b>17.7%</b>	<b>40.4%</b>	<b>15.5%</b>	<b>9.3%</b>	<b>9.2%</b>	<b>3.4%</b>	<b>-9.83%</b>
<b>All Other Governmental Funds Combined</b>										
Reserved	16,906,983	20,987,489	12,920,525	9,623,971	10,371,282	-	-	-	-	-
Unreserved	7,263,442	6,482,847	6,021,669	12,108,796	11,464,223	-	-	-	-	-
Nonspendable						560,636	475,455	355,077	316,647	256,684
Restricted						19,141,762	15,549,958	15,384,313	15,041,735	22,103,506
Committed						-	-	-	1,957,328	-
Assigned						-	-	-	1,037,322	1,050,043
Unassigned						-	-	-	-	-
<b>Subtotal All Other Governmental Funds Combined</b>	<b>24,170,425</b>	<b>27,470,336</b>	<b>18,942,194</b>	<b>21,732,767</b>	<b>21,835,505</b>	<b>19,702,398</b>	<b>16,025,413</b>	<b>15,739,390</b>	<b>18,353,032</b>	<b>23,410,233</b>
<b>Total Governmental Funds</b>										
Reserved	17,985,510	22,343,058	13,852,151	11,160,858	12,119,278	-	-	-	-	-
Unreserved	20,466,671	23,325,776	30,428,064	40,394,169	51,576,121	-	-	-	-	-
Nonspendable						921,047	778,884	382,715	445,675	453,059
Restricted						22,625,359	19,302,384	20,022,003	20,014,658	23,979,522
Committed						-	-	-	17,499,118	6,764,859
Assigned						1,331,567	597,676	2,750,002	34,896,080	31,918,254
Unassigned						43,188,909	48,220,847	50,303,760	5,162,801	14,091,995
<b>Total Governmental Funds</b>	<b>\$ 38,452,181</b>	<b>\$ 45,668,834</b>	<b>\$ 44,280,215</b>	<b>\$ 51,555,027</b>	<b>\$ 63,695,399</b>	<b>\$ 68,066,882</b>	<b>\$ 68,899,791</b>	<b>\$ 73,458,480</b>	<b>\$ 78,018,332</b>	<b>\$ 77,207,689</b>
<b>All Governmental Funds Percentage Change</b>	<b>28.3%</b>	<b>18.8%</b>	<b>-3.0%</b>	<b>16.4%</b>	<b>23.5%</b>	<b>6.9%</b>	<b>1.2%</b>	<b>6.6%</b>	<b>6.2%</b>	<b>-1.0%</b>

**Notes:** The County changed fund balance classifications when it implemented GASB Statement No. 54 in fiscal year 2011.

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

<b>Fiscal Year</b>	<b>Property</b>	<b>Specific Ownership</b>	<b>Sales</b>	<b>Cable Franchise</b>	<b>Lodging</b>	<b>Total</b>
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	92,042	189,262	41,189,848
2009	25,928,320	1,799,726	12,264,867	97,888	168,087	40,258,888
2010	29,902,937	1,751,302	13,528,774	103,442	180,453	45,466,908
2011	19,872,965	1,484,323	12,363,979	101,201	198,218	34,020,686
2012	20,229,749	1,478,205	13,596,356	109,943	226,754	35,641,007
2013	19,630,764	1,586,837	14,080,460	111,441	204,852	35,614,354
2014	15,639,563	1,531,022	14,870,392	108,759	281,315	32,431,051
2015	17,141,607	1,556,164	15,734,279	106,991	274,019	34,813,060

**La Plata County, Colorado**  
**Property Tax Levies and Collections**  
**Tax years 2005-2014**  
**Fiscal years 2006-2015**

<b>Tax Year</b>	<b>Fiscal Year Collected</b>	<b>Current Tax Levy</b> <sup>1</sup>	<b>Current Tax Collection</b>	<b>% of Levy Collected</b>	<b>Delinquent Tax Collections</b>	<b>Total Tax Collections</b>	<b>% of Total Tax Collection To Levy</b>	<b>Outstanding Delinquent Taxes</b> <sup>2</sup>	<b>% of Delinquent Taxes to Tax Levy</b>
2005	2006	21,219,346	21,040,717	99.16%	6,506	21,047,223	99.16%	(71,242)	-0.34%
2006	2007	25,630,329	25,587,337	99.83%	511,838	26,099,174	99.83%	(80,813)	-0.32%
2007	2008	25,128,403	24,608,842	99.76%	176,854	24,785,696	97.93%	336,833	1.34%
2008	2009	25,855,265	25,324,930	97.95%	464,515	25,789,446	97.95%	(2,261)	-0.01%
2009	2010	30,098,236	30,019,139	99.74%	49,502	30,068,641	99.74%	23,633	0.08%
2010	2011	20,096,506	20,020,342	99.62%	14,770	20,035,112	99.62%	31,660	0.16%
2011	2012	20,425,024	20,387,120	99.81%	20,165	20,407,285	99.81%	21,661	0.11%
2012	2013	19,450,108	19,299,614	99.23%	12,309	19,311,923	99.23%	125,870	0.65%
2013	2014	15,776,463	15,630,474	99.07%	12,309	15,642,783	99.07%	130,846	0.83%
2014	2015	17,135,880	16,980,749	99.09%	11,017	16,991,766	99.09%	138,918	0.81%

(1) As certified by the Board of County Commissioners, includes General, Road and Bridge, and Social Services Funds, as well as Local Improvement District funds.

(2) Outstanding delinquent taxes are reported negative due to abatements of prior year taxes.

**La Plata County, Colorado**  
**Assessed Value and Estimated Actual Value of Taxable Property (in Thousands)**  
**Tax Years 2005-2014**  
**Fiscal Years 2006-2015**

<b>Assessment/ Fiscal Year</b>	<b>Vacant Property</b>	<b>Residential Property</b>	<b>Commercial Property</b>	<b>Industrial Property</b>	<b>Agricultural Property</b>	<b>Natural Resources</b>	<b>Oil &amp; Gas</b>	<b>Other</b>
2005/2006	164,537	408,600	280,577	46,065	12,750	2,783	1,510,431	57,342
2006/2007	165,544	436,296	289,643	50,881	13,002	3,765	1,982,319	66,595
2007/2008	230,111	546,744	369,900	46,304	12,666	4,909	1,597,384	77,977
2008/2009	217,035	588,523	386,761	50,875	12,767	4,440	1,637,188	120,402
2009/2010	218,947	627,914	403,858	52,575	12,633	5,028	1,941,632	199,112
2010/2011	219,829	635,055	400,987	45,774	12,643	11,528	956,182	72,799
2011/2012	169,770	577,163	375,127	15,006	13,138	10,937	1,163,229	69,779
2012/2013	165,008	582,114	370,910	16,026	13,064	10,450	1,045,119	72,606
2013/2014	139,718	547,468	355,529	15,442	13,778	12,129	686,641	71,711
2014/2015	136,017	556,214	358,921	19,125	14,637	11,507	830,854	79,016

<b>Assessment/ Fiscal Year</b>	<b>Total Assessed</b>	<b>Estimated Actual Value</b>	<b>Ratio of Assessed Value to Total Est. Actual Value</b>	<b>Oil and Gas As % of Total</b>	<b>La Plata County only Mill Levy</b>
2005/2006	2,483,085	8,804,386	28.2%	60.8%	8.500
2006/2007	3,008,045	9,779,128	30.8%	65.9%	8.500
2007/2008	2,885,995	11,252,387	25.6%	55.3%	8.693 <sup>1</sup>
2008/2009	3,017,991	11,996,568	25.2%	54.2%	8.564 <sup>1</sup>
2009/2010	3,461,699	13,183,765	26.3%	56.1%	8.674 <sup>1</sup>
2010/2011	2,354,797	11,703,823	20.1%	40.6%	8.500
2011/2012	2,394,149	10,306,419	23.2%	48.6%	8.500
2012/2013	2,275,297	10,742,115	21.2%	45.9%	8.500
2013/2014	1,842,416	9,760,082	18.9%	37.3%	8.500
2014/2015	2,006,292	10,072,411	19.9%	41.4%	8.500

Sources: La Plata County Assessor's Abstract & La Plata County Certification of Levies and Revenue

<sup>1</sup>One-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.



**La Plata County, Colorado**  
**Property Tax Rates**  
**Direct and Overlapping Governments**  
**Tax Years 2005-2014**  
**Fiscal Years 2006-2015**

<b>Collection Year:</b>		<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
La Plata County	mill	8.500	8.500	8.500	8.693	8.564	8.674	8.500	8.500	8.500	8.500
	tax \$	18,140,996	21,106,223	25,568,291	25,087,956	25,846,078	30,026,777	20,015,775	19,340,023	15,660,540	17,038,980
<b><u>Municipalities:</u></b>											
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 \$	774,172	949,080	972,396	1,248,819	1,279,024	1,347,238	1,344,677	1,219,564	1,178,797	1,202,738
Town of Bayfield	mill	5.950	5.950	5.950	5.950	5.950	5.950	5.950	5.950	5.950	5.950
	tax \$	131,330	157,513	212,115	245,627	240,482	249,010	229,066	210,669	196,965	199,296
Town of Ignacio	mill	3.337	3.192	3.084	2.978	2.918	2.747	2.780	3.559	3.813	4.107
	tax \$	16,342	16,906	16,404	19,335	20,460	21,153	22,184	26,751	27,400	29,759
<b><u>School Districts:</u></b>											
Durango 9R	mill	16.617	16.347	14.556	15.189	14.765	14.484	16.368	17.017	19.090	19.090
	tax \$	26,337,033	29,954,630	30,424,187	30,269,840	29,957,375	31,850,209	26,847,994	25,417,181	24,508,106	25,914,491
Bayfield 10R	mill	22.764	19.429	16.450	16.450	16.364	15.814	17.045	21.219	23.222	21.599
	tax \$	5,541,416	5,456,837	6,168,019	6,142,706	6,249,134	7,074,726	4,979,766	6,134,289	5,340,928	5,476,870
Ignacio 11JT	mill	4.183	6.217	4.246	4.463	4.032	3.574	7.761	10.671	13.173	11.470
	tax \$	1,279,416	2,299,053	2,305,286	2,319,418	2,448,082	2,914,008	2,010,902	5,256,193	4,328,688	4,513,733
<b><u>Special Districts:</u></b>											
Animas Fire Protection- Bonded Indebtedness	mill	0.692	0.631	0.526	0.486	0.480	0.454	0.373	0.524	0.000	0.000
	tax \$	439,630	506,154	491,804	451,821	452,671	482,698	300,908	387,106	-	-
Animas Fire Protection	mill	5.069	5.069	5.207	5.232	5.119	5.069	5.069	5.069	0.000	0.000
	tax \$	2,941,314	3,449,902	4,196,518	3,978,531	3,913,896	4,471,782	3,128,438	2,872,952	-	-
Animas La Plata Water Conservancy	mill	0.286	0.249	0.254	0.219	0.226	0.229	0.243	0.295	0.325	0.333
	tax \$	152,234	160,308	170,545	180,518	191,763	204,647	215,908	232,434	240,866	251,057
Animas Mosquito Control	mill	0.990	0.990	0.990	0.990	0.990	0.990	0.990	0.990	0.990	0.990
	tax \$	419,328	508,366	521,894	646,004	655,768	686,670	678,815	611,458	582,696	592,932
Aspen Trails Metro	mill	18.650	14.224	13.989	11.777	10.659	10.391	5.000	5.000	5.000	5.000
	tax \$	21,623	24,835	25,083	28,178	31,144	31,065	14,909	13,570	12,915	12,947
Aspen Trails Metro Bonds	mill	0.000	0.000	0.000	0.000	0.000	0.000	5.405	5.842	6.240	6.240
	tax \$	-	-	-	-	-	-	16,117	15,855	16,118	16,158
Durango Conference Center	mill	1.500	1.500	1.500	1.500	1.500	1.500	2.000	2.000	2.000	2.000
	tax \$	-	-	-	-	-	-	-	-	-	-

**La Plata County, Colorado**  
**Property Tax Rates**  
**Direct and Overlapping Governments**  
**Tax Years 2005-2014**  
**Fiscal Years 2006-2015**

<b>Collection Year:</b>		<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
Business Improvement Center	tax \$	141,636	150,619	150,021	199,861	203,037	203,037	277,177	249,498	240,353	241,815
Durango Fire Protection	mill	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	5.700	5.700
	tax \$	-	-	-	-	-	-	-	-	3,034,251	3,192,756
Durango Hills Local Improvement	mill	18.573	15.731	16.538	16.369	17.241	16.515	15.951	20.204	20.379	20.379
	tax \$	50,405	51,288	54,304	65,655	68,991	72,443	72,168	76,525	73,694	74,481
Durango West Metropolitan I	mill	47.200	38.800	22.400	17.960	17.960	17.540	17.430	18.450	20.200	20.300
	tax \$	140,033	136,218	79,322	79,703	79,921	79,319	79,628	79,700	79,716	79,530
Durango West Metropolitan II	mill	25.410	21.822	20.977	17.403	17.469	16.726	17.361	0.000	0.000	0.000
	tax \$	208,378	210,544	200,708	205,902	207,581	207,126	214,760	-	-	-
Durango West Metropolitan II Bonds	mill	0.000	0.000	0.000	0.000	0.000	0.000	0.000	18.254	0.000	0.000
	tax \$	-	-	-	-	-	-	-	202,454	-	-
Edgemont Ranch Metropolitan	mill	5.874	14.402	12.963	10.892	10.469	10.605	7.874	7.874	7.874	7.876
	tax \$	33,666	128,260	148,516	210,138	234,836	226,086	170,386	135,211	133,819	137,657
Edgemont Ranch Bonds	mill	0.000	0.000	0.000	0.000	0.000	0.000	2.691	3.391	3.426	3.600
	tax \$	-	-	-	-	-	-	58,231	58,230	58,225	62,921
El Rancho Florida Metropolitan Bonds	mill	0.000	0.000	0.000	0.000	0.000	0.000	0.000	29.035	25.333	20.589
	tax \$	-	-	-	-	-	-	-	93,701	97,038	63,863
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 \$	282,197	360,275	447,073	391,103	389,324	470,256	281,547	273,289	212,380	243,388
Florida Water Conservancy	mill	0.119	0.099	0.086	0.086	0.086	0.074	0.074	0.073	0.073	0.066
	tax \$	40,609	43,691	47,064	42,772	43,231	44,834	27,948	27,076	21,155	22,068
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 \$	378,762	583,157	606,152	827,775	835,635	842,619	845,208	668,649	549,179	549,343
Fort Lewis Fire Protection	mill	5.900	5.900	5.900	5.900	5.900	5.900	7.400	7.400	7.400	7.400
	tax \$	165,150	191,814	204,462	253,809	269,048	290,386	407,806	408,939	413,150	420,737
Hermosa Cliffs Fire Protection	mill	9.524	8.961	8.643	8.243	8.075	8.021	6.890	6.907	0.000	0.000
	tax \$	449,080	544,099	602,874	743,893	796,464	877,210	758,217	583,689	-	-

**La Plata County, Colorado**  
**Property Tax Rates**  
**Direct and Overlapping Governments**  
**Tax Years 2005-2014**  
**Fiscal Years 2006-2015**

<b>Collection Year:</b>		<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
Hermosa Cliffs Fire Bonds	mill	0.000	0.000	0.000	0.000	0.000	0.000	1.029	1.312	0.000	0.000
	tax \$	-	-	-	-	-	-	113,237	110,873	-	-
Ignacio-Allison-Oxford Cemetery	mill	0.244	0.244	0.244	0.244	0.244	0.244	0.244	0.244	0.244	0.244
	tax \$	50,474	60,738	91,782	88,517	104,681	143,426	72,928	89,647	58,435	70,611
Ignacio Community Library	mill	1.000	1.500	1.500	1.500	1.500	1.500	1.500	1.500	1.500	1.500
	tax \$	305,861	554,702	814,397	779,549	910,745	1,223,003	633,554	738,852	492,905	590,287
La Plata County Palo Verde Public Improvement District #3	mill	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	8.448	4.840
	tax \$	-	-	-	-	-	-	-	-	5,000	5,000
La Plata County Palo Verde Public Imp District #3 Bond	mill	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	62.934	16.860
	tax \$	-	-	-	-	-	-	-	-	37,246	17,419
La Plata Archuleta Water	mill	0.000	0.000	0.000	0.000	0.000	0.000	5.000	5.000	5.000	5.000
	tax \$	-	-	-	-	-	-	2,589,468	2,748,969	1,964,008	2,238,777
La Plata Water Conservancy	mill	0.295	0.295	0.295	0.295	0.295	0.295	0.295	0.295	0.295	0.295
	tax \$	7,148	8,245	8,817	10,848	11,477	12,008	13,802	13,327	13,549	14,094
Los Pinos Fire Protection	mill	3.520	3.520	3.520	3.520	3.520	3.520	3.520	3.520	3.520	3.520
	tax \$	1,693,744	1,962,154	2,738,232	2,493,126	2,732,576	3,560,534	1,800,840	2,068,496	1,369,200	1,627,641
Los Pinos Fire/Mt. Allison	mill	1.500	1.500	1.500	1.500	1.500	1.500	1.500	0.000	0.000	0.000
	tax\$	31,512	35,061	56,885	65,239	68,657	107,897	71,325	-	-	-
Montezuma Dolores County Metropolitan Rec Dist.	mill	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.777
	tax\$	-	-	-	-	-	-	-	-	-	38,129
Pine River Cemetery	mill	0.123	0.112	0.091	0.091	0.091	0.079	0.079	0.075	0.150	0.150
	tax \$	29,942	31,456	34,121	33,981	34,751	35,342	23,080	21,682	34,499	38,036
Pine River Library	mill	2.500	2.500	2.500	2.500	2.500	2.500	2.500	2.500	2.500	2.504
	tax \$	608,572	702,151	937,389	933,542	954,708	1,118,428	730,385	722,735	574,986	634,940
Purgatory Metropolitan	mill	27.313	27.313	27.313	27.313	27.313	27.313	27.313	27.313	27.313	27.313
	tax \$	330,853	399,506	403,027	625,166	688,863	879,343	888,728	661,908	510,574	514,718
Purgatory Metropolitan Subdistrict	mill	0.000	0.000	0.000	0.000	15.000	15.000	15.000	15.000	15.000	15.000
	tax \$	-	-	-	-	184,944	253,484	255,821	160,804	123,884	125,356

**La Plata County, Colorado**  
**Property Tax Rates**  
**Direct and Overlapping Governments**  
**Tax Years 2005-2014**  
**Fiscal Years 2006-2015**

<b>Collection Year:</b>		<b><u>2006</u></b>	<b><u>2007</u></b>	<b><u>2008</u></b>	<b><u>2009</u></b>	<b><u>2010</u></b>	<b><u>2011</u></b>	<b><u>2012</u></b>	<b><u>2013</u></b>	<b><u>2014</u></b>	<b><u>2015</u></b>
SW Colorado TV Translator	mill	0.777	0.777	0.777	0.777	0.777	0.777	0.777	0.777	0.777	0.000
	tax \$	19,483	22,445	23,944	29,427	31,079	32,865	37,682	36,102	36,680	-
SW Water Conservancy	mill	0.254	0.225	0.205	0.207	0.216	0.200	0.272	0.309	0.368	0.362
	tax \$	542,096	558,694	616,647	597,401	651,886	692,339	640,505	698,516	678,009	725,660
Tamarron Metro	mill	40.000	40.000	50.000	50.000	50.000	50.079	37.000	13.239	13.239	13.000
	tax \$	205,006	339,136	694,766	717,886	892,058	960,989	710,535	166,878	140,748	139,094
Tamarron Metro Bonds	mill	0.000	0.000	0.000	0.000	0.000	0.000	13.006	37.000	37.000	37.000
	tax \$	-	-	-	-	-	-	249,763	466,384	393,359	395,884
Three Springs Metro #1	mill	0.000	0.000	35.000	35.000	35.000	35.000	44.000	10.000	4.275	4.275
	tax \$	-	-	136,969	358,953	499,689	576,021	684,619	131,152	51,544	57,029
Three Springs Metro #1 Bonds	mill	0.000	0.000	0.000	0.000	0.000	0.000	0.000	34.000	45.725	45.725
	tax \$	-	-	-	-	-	-	-	445,917	551,312	609,979
Three Springs Metro #2	mill	0.000	0.000	0.000	35.000	35.000	35.000	44.000	44.000	50.000	50.000
	tax \$	-	-	-	409	436	10,398	35,070	29,000	12,145	21,435
Upper Pine River Fire Bonds	mill	0.000	0.000	0.000	0.000	0.000	0.000	1.182	1.182	1.182	1.182
	tax \$	-	-	-	-	-	-	374,399	365,453	293,740	320,702
Upper Pine River Fire Protection	mill	6.739	6.507	6.132	6.132	6.132	6.132	4.950	4.950	10.900	10.900
	tax \$	1,835,561	2,035,186	2,524,470	2,511,689	2,543,406	2,958,796	1,567,915	1,530,452	2,708,767	2,957,403
<b>Total tax to be collected</b>		<b>\$ 63,745,002</b>	<b>\$ 73,699,246</b>	<b>\$ 82,694,484</b>	<b>\$ 82,885,097</b>	<b>\$ 84,723,901</b>	<b>\$ 95,238,172</b>	<b>\$ 74,492,191</b>	<b>\$ 75,802,153</b>	<b>\$ 67,057,569</b>	<b>\$ 71,479,714</b>

Source: La Plata County Certification of Levies and Revenue

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

Taxpayer	Type of Business	2015			2006		
		2014 Assessed Valuation	Rank	Percentage of Total Assessed Valuation	2005 Assessed Valuation	Rank	Percentage of Total Assessed Valuation
BP America Production Co	Energy	\$ 492,445,260	1	24.55%	\$ 826,090,650	1	33.27%
Samson Resources Company	Energy	121,172,800	2	6.04%	74,356,330	6	2.99%
Williams Four Corners LLC	Energy	63,040,960	3	3.14%	23,293,700	9	0.94%
XTO Energy Inc.	Energy	45,217,140	4	2.25%	85,592,010	5	3.45%
Conoco Phillips Company	Energy	36,454,200	5	1.82%	123,112,280	2	4.96%
Burlington Resources Oil & Gas	Energy	33,906,680	6	1.69%	45,090,260	8	1.82%
Red Cedar	Energy	29,298,580	7	1.46%			
Red Willow Production Company	Energy	24,908,800	8	1.24%	90,696,430	3	3.65%
Four Star Oil & Gas Co	Energy	17,622,950	9	0.88%			
La Plata Electric Association	Utility	17,345,600	10	0.86%	18,525,500	10	0.75%
Chevron Texaco	Energy	-			89,660,080	4	3.61%
44 Canyon LLC	Energy	-			46,778,510	7	1.88%
Total Assessed Valuation for 10 largest taxpayers		<u>\$ 881,412,970</u>		<u>43.93%</u>	<u>\$ 1,423,195,750</u>		<u>57.32%</u>
Total Assessed Valuation for all taxpayers		<u>\$ 2,006,291,720</u>		<u>100.00%</u>	<u>\$ 2,483,085,200</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**

<b>Fiscal Year</b>	<b>County Direct Rate</b>	<b>State of Colorado</b>
2006	2.0%	2.9%
2007	2.0%	2.9%
2008	2.0%	2.9%
2009	2.0%	2.9%
2010	2.0%	2.9%
2011	2.0%	2.9%
2012	2.0%	2.9%
2013	2.0%	2.9%
2014	2.0%	2.9%
2015	2.0%	2.9%

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

<b>Taxpayer - Type of Business</b>	<b>2015</b>			<b>2006</b>		
	<b>2015 Sales Tax Collected</b>	<b>Rank</b>	<b>Percentage of Total Taxes Collected</b>	<b>2006 Sales Tax Collected</b>	<b>Rank</b>	<b>Percentage of Total Taxes Collected</b>
Food & Beverage	\$ 2,026,741	1	12.88%	\$ 1,064,791	4	8.27%
General Merchandise	1,685,115	2	10.71%	1,706,723	1	13.26%
Food Services & Drinking Places	1,413,661	3	8.98%	1,177,321	3	9.14%
Bldg. Material & Garden Supplies/Equ	1,174,726	4	7.47%	1,219,068	2	9.47%
Manufacturing	1,060,019	8	6.74%	505,288	9	3.92%
Accommodation	882,070	5	5.61%	623,235	6	4.84%
Auto Dealers	724,665	7	4.61%	615,886	7	4.78%
Utilities	695,841	6	4.42%	463,728	10	3.60%
Wholesale Trade	639,981	9	4.07%	767,155	5	5.96%
Real Estate	548,014	10	3.48%	380,414	12	2.95%
<hr/>						
Total Sales Taxes Collected by 10 Largest Businesses	\$ 10,850,833		68.96%	\$ 8,523,609		66.21%
Total Sales Taxes Collected by All Businesses	\$ 15,734,279		100.00%	\$ 12,874,018		100.00%

Source: Colorado State Department of Revenue

**La Plata County, Colorado**  
**Ratios of Outstanding Debt by Type**  
**Fiscal Years 2006-2015**

<b>Fiscal Year</b>	<b>General Obligation</b>	<b>Sales Tax Revenue</b>	<b>Certificates of Participation</b>	<b>Total</b>	<b>Per Capita Personal Income</b>	<b>Population</b>	<b>Debt Per Capita</b>	<b>Percentage of Personal Income</b>	<b>Percentage of Actual Taxable Value of Property</b>
2006	-	-	3,285,000	3,285,000	36,493	48,752	67.38	0.18%	0.04%
2007	-	-	2,925,000	2,925,000	38,263	49,758	58.78	0.15%	0.03%
2008	-	-	2,550,000	2,550,000	44,176	50,291	52.31	0.12%	0.02%
2009	-	-	2,165,000	2,165,000	40,971	51,105	42.36	0.10%	0.02%
2010	-	-	1,765,000	1,765,000	42,032	51,495	34.28	0.08%	0.01%
2011	-	-	1,350,000	1,350,000	43,834	51,924	26.00	0.06%	0.01%
2012	-	-	-	-	43,834 <sup>1</sup>	52,401	-	0.00%	0.00%
2013	-	-	-	-	45,476	-	-	0.00%	0.00%
2014	-	-	-	-	46,633	-	-	0.00%	0.00%
2015	-	-	-	-	46,633	-	-	0.00%	0.00%

**Notes:**

(1) 2012 percentage calculated using 2011 personal income data, which is the most recent available.



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

<b>Assessment Year Fiscal/Budget Year</b>	<b><u>2005 2006</u></b>	<b><u>2006 2007</u></b>	<b><u>2007 2008</u></b>	<b><u>2008 2009</u></b>	<b><u>2009 2010</u></b>
Assessed Value	\$ 2,483,085,000	\$ 3,008,045,050	\$ 2,885,995,180	\$ 3,017,991,395	\$ 3,461,698,940
Actual Value	\$ 8,804,386,479	\$ 9,779,128,089	\$ 11,252,386,999	\$ 11,996,568,139	\$ 13,183,765,037
Legal Debt Margin:					
Debt limitation - 1.5% of total assessed value					
Debt limitation - 3% of total actual value	264,131,594	293,373,843	337,571,610	359,897,284	395,512,951
Debt applicable to limitation:					
Total debt	\$ 3,285,000	\$ 2,925,000	\$ 2,550,000	\$ 2,165,000	\$ 1,765,000
Less: Certificates of participation	3,285,000	2,925,000	2,550,000	2,165,000	1,765,000
Total debt applicable to debt limitation	-	-	-	-	-
Legal debt margin	\$ 264,131,594	\$ 293,373,843	\$ 337,571,610	\$ 359,897,284	\$ 395,512,951

<b>Assessment Year Fiscal/Budget Year</b>	<b><u>2010 2011</u></b>	<b><u>2011 2012</u></b>	<b><u>2012 2013</u></b>	<b><u>2013 2014</u></b>	<b><u>2014 2015</u></b>
Assessed Value	\$ 2,354,797,050	\$ 2,394,149,370	\$ 2,275,296,810	\$ 1,842,416,460	\$ 2,006,291,720
Actual Value	\$ 11,703,822,835	\$ 10,306,419,000	\$ 10,742,115,112	\$ 9,760,081,610	\$ 10,072,410,619
Legal Debt Margin:					
Debt limitation - 1.5% of total assessed value					
Debt limitation - 3% of total actual value	351,114,685	309,192,570	322,263,453	292,802,448	302,172,319
Debt applicable to limitation:					
Total debt	\$ 1,350,000	\$ -	\$ -	\$ -	\$ -
Less: Certificates of participation	1,350,000	-	-	-	-
Total debt applicable to debt limitation	-	-	-	-	-
Legal debt margin	\$ 351,114,685	\$ 309,192,570	\$ 322,263,453	\$ 292,802,448	\$ 302,172,319

**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**  
**Fiscal Years 2005-2014**

<b>Fiscal Year</b>	<b>Gross Sales Tax Revenue</b>	<b>Revenue Available for Debt Service</b> <sup>1</sup>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>	<b>Coverage</b>
2006	12,874,145	9,471,990	615,000	29,213	644,213	14.7
2007 <sup>2</sup>	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
2010	13,528,774	N/A	N/A	N/A	N/A	N/A
2011	12,363,979	N/A	N/A	N/A	N/A	N/A
2012	13,596,356	N/A	N/A	N/A	N/A	N/A
2013	14,080,460	N/A	N/A	N/A	N/A	N/A
2014	14,870,392	N/A	N/A	N/A	N/A	N/A
2015	15,734,279	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 fully paid off in 2006

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

<b><u>Fiscal Year</u></b>	<b><u>Population</u></b>	<b><u>Personal Income <sup>1</sup></u></b>	<b><u>Per Capita Personal Income</u></b>	<b><u>Unemployment Rate</u></b>	<b><u>Median Age</u></b>	<b><u>K-12 School Enrollment <sup>2</sup></u></b>	<b><u>Higher Education Enrollment <sup>3</sup></u></b>
2006	48574	1,831,720	37,710	3.4	37.7	6704	3907
2007	49343	1,993,825	40,407	2.8	38.0	6602	3935
2008	50291	2,221,658	44,176	3.6	38.2	6900	3746
2009	51105	2,093,812	40,971	6.0	38.8	7031	3685
2010	51495	2,164,463	42,032	7.1	39.1	6831	3864
2011	51924	2,276,033	43,834	7.0	38.5	6658	3853
2012	52401	2,382,999	45,476	6.5	38.7	6658	3836
2013	53446	2,465,663	45,476	5.5	38.7	6383	4065
2014	54629	2,484,802	46,633	4.2	38.8	6680	4021
2015	54688	2,534,109	46,633	5.5	38.4	6911	4065

**Notes:**

(1) in thousands of dollars

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

(3) Higher Education Enrollment is for Fort Lewis College

**Sources:**

DOLA State Demography Office Population Data 1 year increments 2000-2040

Bureau of Economic Analysis

Bureau of Labor Statistics

CDE Enrollment - pupil membership by county district/grade

Fort Lewis College

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

<u>Employer</u>	<u>Type of Business</u>	<u>Estimate 2015</u>		<u>Estimate 2006</u>	
		<u>Employees FT &amp; PT</u>	<u>Percentage of total County Employment</u>	<u>Employees</u>	<u>Percentage of total County Employment</u>
Durango School District 9-R	Education	632	1.93%	660	2.61%
Fort Lewis College	Education	570	1.74%	650	2.57%
Mercury Payment Systems	Finance	630	1.92%	N/A	0.00%
Southern Ute Indian Tribe - Administration	Government	845	2.58%	419	1.66%
La Plata County	Government	401	1.22%	374	1.48%
Mercy Regional Medical Center	Health	1,200	3.66%	750	2.97%
Crossfire	Oil & Gas	322	0.98%	N/A	0.00%
BP America	Oil & Gas	221	0.67%	N/A	0.00%
Durango Mountain Resort	Recreation	479	1.46%	300	1.19%
Sky Ute Lodge and Casino, Museum	Recreation	400	1.22%	516	2.04%
<b>Total Principal Employers</b>		<b>5,700</b>	<b>17.38%</b>	<b>2,193</b>	<b>8.67%</b>
<b>Total County Employment</b>		<b>32,793</b>	<b>100.00%</b>	<b>25,280</b>	<b>100.00%</b>

**La Plata County, Colorado**  
**Full-time Equivalent County Employees by Function/Program**  
**Fiscal Years 2006 - 2015**

Department	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	% Change 2015 over 2014
Commissioners	4.10	4.10	5.10	5.12	5.13	5.00	5.10	5.00	5.00	3.00	-40.0%
Clerk/Elections	19.35	16.63	18.80	16.88	14.10	16.16	18.50	16.00	16.00	16.00	0.0%
Treasurer/Trustee	5.40	5.12	5.00	5.00	5.29	5.00	5.10	5.00	5.00	5.00	0.0%
Assessor	20.59	20.45	20.45	20.20	18.94	18.80	19.00	19.00	17.00	17.00	0.0%
Administration	5.30	4.19	5.18	5.16	5.01	5.03	6.20	5.00	5.00	7.00	40.0%
Attorney	0.00	0.00	0.00	6.00	6.00	5.75	5.10	6.00	6.00	6.00	0.0%
Facilities & Grounds	10.00	10.01	10.01	10.01	10.00	10.00	10.00	11.00	11.00	12.00	9.1%
Finance	5.03	4.02	4.00	5.00	5.00	3.75	3.80	4.50	5.00	5.00	0.0%
Information Services	8.50	10.00	10.00	10.00	10.00	9.02	9.00	9.00	9.00	9.00	0.0%
Procurement	4.10	3.79	3.79	4.02	4.02	4.00	4.00	2.75	2.50	2.50	0.0%
GIS	8.00	8.00	8.00	7.00	7.00	5.00	5.00	5.00	5.00	5.00	0.0%
Human Resources/Risk Mgt	4.08	4.11	4.08	4.11	4.11	4.11	4.10	4.00	4.00	4.00	0.0%
County Surveyor	0.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	0.0%
Construction Management	0.00	1.17	1.27	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Sustainability Office	0.00	0.00	1.00	1.00	1.00	0.00	0.00	0.00	0.00	0.00	0.0%
<b>General Government Total</b>	<b>94.45</b>	<b>92.59</b>	<b>97.68</b>	<b>100.50</b>	<b>96.60</b>	<b>92.62</b>	<b>95.90</b>	<b>93.25</b>	<b>91.50</b>	<b>92.50</b>	<b>1.1%</b>
Building Inspection / OEM	11.75	11.75	14.00	14.00	11.00	8.00	7.75	8.00	8.00	8.00	0.0%
Criminal Investigations	8.60	9.90	10.90	10.68	10.79	10.40	11.00	10.00	11.00	11.00	0.0%
Special Investigations	6.64	5.80	5.76	5.57	5.53	5.50	5.50	6.00	5.00	5.00	0.0%
Special Services	22.53	24.10	23.20	22.44	22.29	21.50	21.70	21.25	22.25	22.25	0.0%
Public Safety	34.92	34.90	34.92	34.13	34.15	33.25	33.50	32.00	32.00	34.00	6.3%
Alternative to Incarceration	4.85	5.30	5.48	5.34	5.34	5.30	5.40	5.00	5.00	5.00	0.0%
Detentions	46.61	49.60	60.60	62.16	62.14	62.50	62.60	59.00	59.00	59.00	0.0%
Coroner	1.30	2.10	1.55	1.50	1.50	1.50	1.50	1.50	1.50	1.50	0.0%
District Attorney	24.30	25.10	25.10	25.10	25.50	25.50	25.00	25.00	25.00	25.00	0.0%
<b>Public Safety Total</b>	<b>161.50</b>	<b>168.55</b>	<b>181.51</b>	<b>180.92</b>	<b>178.24</b>	<b>173.45</b>	<b>173.95</b>	<b>167.75</b>	<b>168.75</b>	<b>170.75</b>	<b>1.2%</b>
Road & Bridge, Eng.	53.37	51.89	52.64	53.70	49.89	46.33	48.40	41.00	41.00	41.00	0.0%
<b>Public Works Total</b>	<b>53.37</b>	<b>51.89</b>	<b>52.64</b>	<b>53.70</b>	<b>49.89</b>	<b>46.33</b>	<b>46.33</b>	<b>46.33</b>	<b>46.33</b>	<b>41.00</b>	<b>-11.5%</b>
CERF	9.50	10.07	9.10	9.10	9.10	9.04	9.10	9.00	9.00	9.00	0.0%
<b>Internal Service Funds</b>	<b>9.50</b>	<b>10.07</b>	<b>9.10</b>	<b>9.10</b>	<b>9.10</b>	<b>9.04</b>	<b>9.10</b>	<b>9.00</b>	<b>9.00</b>	<b>9.00</b>	<b>0.0%</b>
Human Services	58.45	58.41	59.40	58.75	58.75	60.00	63.93	61.75	63.38	64.75	2.2%
<b>Health &amp; Welfare Total</b>	<b>58.45</b>	<b>58.41</b>	<b>59.40</b>	<b>58.75</b>	<b>58.75</b>	<b>60.00</b>	<b>63.93</b>	<b>61.75</b>	<b>63.38</b>	<b>64.75</b>	<b>2.2%</b>
Extension Office	3.65	1.80	2.42	2.42	0.77	0.00	0.80	0.00	0.00	0.00	0.0%
Weed	1.81	1.50	1.70	1.67	1.49	1.30	1.50	1.00	1.00	1.50	50.0%
Fairgrounds	10.34	10.80	10.61	10.60	10.34	10.00	10.00	9.00	9.00	9.00	0.0%
Senior Center Ops & Act	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Planning	15.33	17.21	18.30	18.30	18.28	11.99	11.70	11.75	10.75	11.00	2.3%
Senior Services	9.17	7.70	8.41	8.72	8.52	8.59	9.50	8.00	8.00	8.00	0.0%
Veterans' Services Office	1.00	1.00	1.00	1.09	1.08	1.00	1.10	1.00	1.00	1.00	0.0%
<b>Auxiliary Services</b>	<b>41.30</b>	<b>40.01</b>	<b>42.44</b>	<b>42.80</b>	<b>40.48</b>	<b>32.88</b>	<b>34.60</b>	<b>30.75</b>	<b>29.75</b>	<b>30.50</b>	<b>2.5%</b>
<b>Grand Total</b>	<b>418.57</b>	<b>421.52</b>	<b>442.77</b>	<b>445.77</b>	<b>433.06</b>	<b>414.32</b>	<b>423.81</b>	<b>408.83</b>	<b>408.71</b>	<b>408.50</b>	<b>-0.1%</b>

Source: La Plata County Annual Budget

Notes: Numbers include regular and temporary employees.

**La Plata County, Colorado**  
**Operating Indicators by Function/Program**  
**Fiscal Years 2006 - 2015**

<b><u>Function/Program</u></b>	<b><u>2006</u></b>	<b><u>2007</u></b>	<b><u>2008</u></b>	<b><u>2009</u></b>	<b><u>2010</u></b>	<b><u>2011</u></b>	<b><u>2012</u></b>	<b><u>2013</u></b>	<b><u>2014</u></b>	<b><u>2015</u></b>
<b>General Government</b>										
<u>Clerk &amp; Recorder</u>										
# Vehicle Transactions Processed	96,000	98,829	98,951	89,672	91,592	100,468	92,650	93,865	95,504	95,863
# Titles Issued (69% printed by staff)	20,600	23,230	19,083	14,472	13,624	14,955	15,853	17,553	18,679	17,795
# documents recorded	25,000	20,874	18,969	19,550	16,500	15,889	17,762	17,096	15,069	15,622
# of registered voters	36,000	33,658	37,615	37,185	37,243	38,590	41,516	41,785	40,154	41,677
# of votes cast	24,000	1,485	28,117	4,644	20,892	11,694	29,416	15,473	29,123	12,924
# of marriage licenses issued	550	526	528	515	506	554	573	571	632	637
<u>Treasurer</u>										
Receipts processed	58,000	36,913	37,980	37,740	37,954	37,995	59,790	26,366	25,934	29,540
<u>Assessor</u>										
# of property accounts maintained/assessed	61,000	Unavailable	46,293	Unavailable	46,589	46,503	46,657	46,420	46,580	74,436
Assessed value (in thousands)	3,008,034	2,885,995	3,017,991	3,461,699	2,354,797	2,394,149	2,275,296	1,842,416	2,004,585	2,220,914
<u>Geographic Information Services</u>										
# of recorded documents processed	6,000	5,429	4,024	1,196	325	5,440	7,039	1,486	226	128
# of rural addresses assigned	850	481	314	191	182	565	281	527	338	147
<b>Public Safety</b>										
<u>Building Inspection</u>										
# of permits issued	1,050	951	781	601	577	535	544	580	655	815
# of inspections completed	5,000	4,662	4,651	3,553	2,632	2,414	2,435	2,536	3,369	3,604
<u>Emergency Management</u>										
Search & Rescue Missions	38	71	37	14	23	30	34	35	37	34
<u>Sheriff - Public Safety</u>										
# of incidents investigated	21,000	Unavailable	25,530	3,552	23,652	23,227	22,561	23,224	23,640	28,694
# of arrests	950	Unavailable	946	Unavailable	594	705	586	678	804	1,224
# of citations	200	Unavailable	223	Unavailable	134	131	110	146	97	199
<u>Alternative to Incarceration</u>										
# of inmates under Day Reporting Supervision	125	88	93	89	102	124	99	45	11	0
# of inmates in Community Custody program	140	178	185	145	298	55	104	108	95	39
Pretrial management		245	255	222	270	371	333	299	304	337

**La Plata County, Colorado**  
**Operating Indicators by Function/Program**  
**Fiscal Years 2006 - 2015**

<b><u>Function/Program</u></b>	<b><u>2006</u></b>	<b><u>2007</u></b>	<b><u>2008</u></b>	<b><u>2009</u></b>	<b><u>2010</u></b>	<b><u>2011</u></b>	<b><u>2012</u></b>	<b><u>2013</u></b>	<b><u>2014</u></b>	<b><u>2015</u></b>
<b><u>Detentions</u></b>										
Total # of inmates booked into facility	3,200	3,087	2,900	Unavailable	3,020	2,943	2,033	2,662	2,858	3,294
average daily inmate population	180	186	181	140	149	166	148	114	111	118
<b>Public Works</b>										
<b><u>Maintenance Support</u></b>										
gallons of dust palliative applied	1,100,000	1,000,000	1,200,000	1,098,307	920,642	1,100,000	865,672	920,642	988,547	1,461,306
tons of road base hauled and placed	125,000	120,000	120,000	101,608	105,297	106,676	79,197	110,568	64,708	33,335
# of gallons of highway paint used	12,500	12,500	12,750	12,500	12,000	9,500	12,500	12,000	12,500	12,500
<b><u>Convenience Center</u></b>										
Customers served - Bayfield	2,800	2,841	2,506	2,116	2,159	2,117	2,154	1,493	2,091	2,010
Customers served - Marvel	750	713	699	550	421	543	523	340	498	475
<b>Health &amp; Welfare</b>										
<b><u>Human Services</u></b>										
Child Welfare - # of assessments opened	270	303	283	172	315	266	273	262	283	272
Adult Protective Services - # of investigations	100	90	89	101	88	99	88	87	96	141
Child Support - \$ of payments collected	\$3,160,000	\$3,044,044	\$3,570,909	\$3,147,432	\$3,248,125	\$3,302,905	\$3,429,662	\$3,828,881	\$3,671,529	\$3,775,730
<b>Community Programs</b>										
Conservation Trust Funds	\$238,000	\$204,000	\$234,250	\$150,000	\$0	\$0	\$0	\$0	\$0	\$0
Public Service Agency Funds	\$4,650,264	\$2,379,166	\$3,113,539	\$3,155,684	\$2,894,774	\$2,973,186	\$3,200,905	\$2,461,494	\$1,931,976	\$1,852,663
<b>Auxiliary Services</b>										
<b><u>Senior Services</u></b>										
# of meals provided	38,800	39,899	41,549	43,010	41,247	37,745	40,812	43,769	45,011	49,519
# of transportation rides provided	5,000	6,474	5,571	6,114	6,226	5,584	5,955	5,788	6,549	6,951
<b><u>Veterans Services</u></b>										
Compensation Claims	n/a	168	57	144	196	201	91	192	140	202
<b><u>Weed Management</u></b>										
# of miles treated for noxious weeds	1,206	1,309	680	675	**			672	675	435
# of acres treated for noxious weeds					505	Unavailable	451	90	105	273
small group bookings (less than 500 participants)	1,800	Unavailable	2,548	3,347	2,562	1,633	1,053	131	125	76
large bookings (more than 500 participants)	65	Unavailable	74	31	12	365	357	0	0	0

**La Plata County, Colorado**  
**Operating Indicators by Function/Program**  
**Fiscal Years 2006 - 2015**

<b><u>Function/Program</u></b>	<b><u>2006</u></b>	<b><u>2007</u></b>	<b><u>2008</u></b>	<b><u>2009</u></b>	<b><u>2010</u></b>	<b><u>2011</u></b>	<b><u>2012</u></b>	<b><u>2013</u></b>	<b><u>2014</u></b>	<b><u>2015</u></b>
<b><u>Planning</u></b>										
Major projects reviewed	95	119	91	55	28	48	35	100	122	116
Oil & Gas (Major & Minor)	90	232	230	82	31	35	42	25	62	56
Minor/Administrative Projects reviewed	90	106	134	80	92	62	71	108	126	159
<b><u>Internal Service Funds</u></b>										
<b><u>Capital Equipment Replacement Fund</u></b>										
<i>(prior to 2005, vehicles were in R &amp; B Fleet division)</i>										
Vehicles maintained (self propelled mobile units)	230	233	237	243	246	305	301	307	311	317



**La Plata County, Colorado**  
**Capital Asset Statistics by Function/Program**  
**Fiscal Years 2006 - 2015**

		2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>General Government</b>											
Clerk	Number of business locations	3	3	3	3	2	2	2	2	2	2
Facilities & Grounds	Facilities maintained	7	17	17	17	17	17	17	17	17	20
Procurement	Warehouses operated	1	1	1	1	1	1	1	1	1	1
<b>Public Safety</b>											
Detentions	Jail bed capacity	197	197	197	293	293	293	293	293	293	293
<b>Public Works</b>											
	Miles of Roadways maintained	654.68	654.68	658	658	658	658	656	672	656	656
	Bridges	53	53	53	53	53	53	48	48	49	49
<b>Internal Service Funds</b>											
CERF	Number of fleet vehicles maintained	230	233	237	243	246	305	301	307	311	317

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

## **SINGLE AUDIT SECTION**



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

June 21, 2016

To the Board of County Commissioners  
La Plata County, Colorado

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of La Plata County, Colorado, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise La Plata County, Colorado's basic financial statements, and have issued our report thereon dated June 21, 2016.

### **Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered La Plata County, Colorado's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of La Plata County, Colorado's internal control. Accordingly, we do not express an opinion on the effectiveness of La Plata County, Colorado's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether La Plata County, Colorado's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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*.



La Plata County, Colorado  
June 21, 2016

**Purpose of this Report**

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

*Chadwick, Steinkirchner, Davis & Co., P.C.*

Grand Junction, Colorado





INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

June 21, 2016

To the Board of County Commissioners  
La Plata County, Colorado

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

We have audited La Plata County, Colorado's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of La Plata County, Colorado's major federal programs for the year ended December 31, 2015. La Plata County, Colorado's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of La Plata County, Colorado's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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 La Plata County, Colorado's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of La Plata County, Colorado's compliance.

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

In our opinion, La Plata County, Colorado, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2015.

**Report on Internal Control over Compliance**

Management of La Plata County, Colorado, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered La Plata County, Colorado's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of La Plata County, Colorado's internal control over compliance.



La Plata County, Colorado  
June 21, 2016

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Chadwick, Steinkirchner, Davis & Co., P.C.*

Grand Junction, Colorado

**La Plata County, Colorado**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended December 31, 2015**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity ID Number	Expenditures as of 12/31/15	Amounts Passed- Through to Subrecipients
Department of Agriculture				
<b>Passed through the Colorado Department of Human Services</b>				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561		338,362	
Direct				
Schools and Roads - Grants to States	10.665		190,577	
Total Department of Agriculture			<u>528,939</u>	
Department of Health and Human Services				
<b>Passed through the Area Agency on Aging</b>				
Special Programs for Aging-Title III, Part B - Grants for Supportive Services and Senior Centers	93.044		27,163	
Special Programs for Aging-Title III, Part C - Nutrition Services	93.045		98,834	
Nutrition Service Incentive Program	93.053		<u>32,297</u>	
Area Agency on Aging Cluster				158,294
Special Programs for Aging - Title III, Part E - National Family Caregiver Support	93.052			24,282
<b>Passed through the Colorado Department of Human Services</b>				
Promoting Safe and Stable Families	93.556		127,344	
Temporary Assistance for Needy Families	93.558		723,626	58,699
Child Support Enforcement	93.563		348,702	
Low-Income Home Energy Assistance	93.568		321,174	
Child Care and Development Block Grant	93.575		78,840	
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596		<u>195,600</u>	
Child Care and Development Block Grant Cluster				274,440
Child Welfare Services - State Grants	93.645		12,674	
Foster Care Title IV-E	93.658		566,307	
Adoption Assistance	93.659		102,051	
Social Services Block Grant	93.667		85,918	
Chafee Foster Care Independence Program	93.674		45,964	
Medical Assistance Program	93.778		309,884	
Colorado Department of Regulatory Agencies				
<b>Passed through Division of Insurance</b>				
Special Programs for Aging-Title IV and Title II - Discretionary Projects	93.048		4,000	
Centers for Medicare and Medicaid Services (CMS)				
Research Demonstrations, and Evaluations	93.779		<u>9,345</u>	
Total Department of Health and Human Services			<u>3,114,003</u>	

**La Plata County, Colorado**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended December 31, 2015**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity ID Number	Expenditures as of 12/31/15	Amounts Passed- Through to Subrecipients
Department of Interior				
<b>Direct</b>				
Payments in Lieu of Taxes	15.226		584,888	
Total Department of Interior			<u>584,888</u>	
Department of Homeland Security				
<b>Passed through the Colorado Department of Local Affairs</b>				
Emergency Management Performance Grants	97.042	14EM-15-34	56,282	
Total Department of Homeland Security			<u>56,282</u>	
Department of Housing and Urban Development				
<b>Passed through the Colorado Department of Local Affairs</b>				
Community Development Block Grants/State's program	14.228	F11CDB11-581	153,346	153,346
Community Development Block Grants/State's program	14.228	F15CDB15-600	327,480	327,480
Total Department of Housing and Urban Development			<u>480,826</u>	
Department of Justice				
<b>Direct</b>				
Office of Justice Programs				
Bulletproof Vest Partnership Program	16.607		2,348	
State Criminal Alien Assistance Program	16.606		12,653	
Department of Justice / Criminal Division				
Equitable Sharing Program	16.922		79,961	
Total Department of Justice			<u>94,962</u>	
Environmental Protection Agency				
Cooperative Agreement				
Office of Solid Waste and Emergency Response				
Superfund State, Political Subdivision, and Indian				
Tribe Site-Specific Cooperative Agreements	66.802		197,792	
Total Environmental Protection Agency			<u>197,792</u>	
Other Federal Assistance				
<b>Direct</b>				
Office of National Drug Control Policy, Dept of Treasury,				
Dept of Justice High Intensity Drug Trafficking				
Areas Program	95.001	G14RM0023A	356,854	
Total Office of National Drug Control Policy			<u>356,854</u>	
Total Federal Assistance			<u>5,414,546</u>	



**La Plata County, Colorado**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended December 31, 2015**

Notes to Schedule:

**Basis of Presentation**

The Schedule of Expenditures of Federal Awards (the SEFA) 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 the Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). 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. Specifically, the SEFA 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 component units (the reporting entity), while the SEFA 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.

**Clusters of Programs**

The following programs are reported as clusters:	<u>CFDA #</u>	<u>Expenditures</u>
<b>Aging Cluster</b>		
Special Programs for Aging-Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	\$ 27,163
Special Programs for Aging-Title III, Part C - Nutrition Services	93.045	98,834
Nutrition Service Incentive Program	93.053	32,297
Total		<u>\$ 158,294</u>
<b>CCDF Cluster</b>		
Child Care and Development Block Grant	93.575	\$ 78,840
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	195,600
Total		<u>\$ 274,440</u>

La Plata County, Colorado

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year ended December 31, 2015

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued:

Unmodified Opinion

Internal control over financial reporting:

Material weakness(es) identified? \_\_\_\_\_

yes ✓ no

Significant deficiency(ies) identified

not considered to be material weaknesses? \_\_\_\_\_

yes ✓ none reported

Noncompliance material to financial statements noted? \_\_\_\_\_

yes ✓ no

Federal Awards

Internal Control over major programs:

Material weakness(es) identified? \_\_\_\_\_

yes ✓ no

Significant deficiency(ies) identified

not considered to be material weaknesses? \_\_\_\_\_

yes ✓ none reported

Type of auditor's report issued on compliance for major programs:

Unmodified Opinion

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

yes ✓ no

Identification of major programs:

CFDA	
<u>Number(s)</u>	<u>Name of Federal Program or Cluster</u>
93.558	Temporary Assistance for Needy Families
14.228	Community Development Block Grants/State's Program

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 750,000

Auditee qualified as low-risk auditee? \_\_\_\_\_

✓yes \_\_\_\_\_ no

La Plata County, Colorado

SCHEDULE OF FINDINGS AND QUESTIONED COSTS – CONTINUED

Year ended December 31, 2015

---

SECTION II – FINDINGS UNDER GENERALLY ACCEPTED GOVERNMENT AUDITING  
STANDARDS

No findings under Generally Accepted Government Auditing Standards in 2015.

SECTION III – FINDINGS AND QUESTIONED COSTS UNDER 2 CFR 200.516(a)

No findings under 2 CFR 200.516(a).

La Plata County, Colorado

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Year ended December 31, 2015

---

No prior year audit findings.