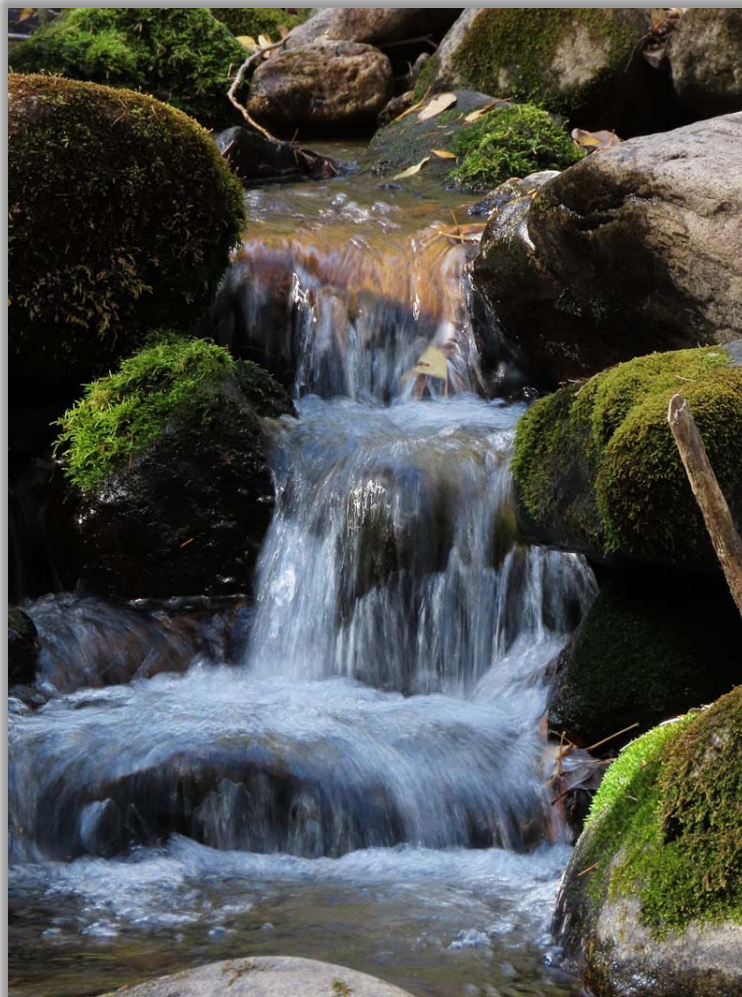




Comprehensive Annual Financial Report



For the Year Ending December 31, 2019

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December 24, 2020

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

The County's Comprehensive Annual Financial Report (CAFR) was prepared by the Department of Finance. The CAFR represents the culmination of all budgeting and accounting activities engaged in by management during the year, covering all funds and financial transactions of the County. The County assumes full responsibility for both the completeness and reliability of the information contained in the report. State law requires that all general-purpose local governments publish within six 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 is the result of the cooperative effort between RubinBrown Certified Public Accounts & Business Consultants LLP, our independent auditors, the finance department of La Plata County, and other County departments as appropriate. This report consists of management's representations concerning the finances of La Plata County. Consequently, management assumes full responsibility for the completeness and reliability of all information presented in this report. To provide a reasonable basis for making these representations, the management of La Plata County has established a comprehensive internal control framework designed to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of La Plata County's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, La Plata County's internal control system has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

La Plata County's financial statements have been audited by the certified public accounting firm of RubinBrown, Certified Public Accountants & Business Consultants LLP. 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, 2019 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 unmodified opinion that the County's financial statements for the fiscal year ended December 31, 2019 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 County's financial statements was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements but also on the audited government's internal controls and compliance with legal requirements, especially as they relate to the administration of federal awards. Single Audit schedules and the auditors' reports are available under separate cover.

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.

La Plata County Profile

La Plata County was incorporated in 1874 and is located in southwestern Colorado. The County has land area of 1,692 square miles and a 2018 population of 56,310. 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. Approximately 40.78% of La Plata County's land base is public land managed by federal, state and local agencies.

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 & 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 Board is charged with the responsibility of governing the County by complying with the Colorado General Statutes, adopting local ordinances, adopting an annual budget, and establishing local annual property tax rates. The Board also appoints the County Manager, County Attorney, members of various boards and commissions and is responsible for selecting the external auditor. Additionally, the Board has authority to call bond referendums, enter into contracts, and establish new programs.

The County Manager is the chief administrative officer of the County. The major responsibilities of the County Manager include supervising and coordinating the activities of County departments, attending Board meetings, making recommendations on appropriate matters of business, and assisting with the preparation and recommendation of the annual budget. The County Manager also ascertains that all orders and policies of the Board are implemented and represents the County in business with other agencies.

La Plata County management is responsible for establishing and maintaining an internal control structure. Internal controls are defined as the organization and methods used to: 1) safeguard assets from loss by fraud or by unintentional errors; 2) assure the reliability of the accounting data which management may use in making decisions; and 3) promote operational efficiency and encourage adherence to adopted policies.

The annual budget serves as the foundation for La Plata County financial planning and control. The budget is a legally adopted document that incorporates input from the citizens of La Plata County, the management of the County, and the decisions of the Board about which services to provide and how to pay for them. In government, the budget is an integral part of a unit's accounting system and daily operations. An annual budget ordinance, as amended by the governing body, creates a legal limit on spending authorizations.

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 County provides the full range of services required by state statutes as well as many ancillary services, including, but not limited to recording of vital document and automobile registration, public safety, Sheriff, jail administration, Coroner, emergency management; court facilities; building inspection; road and bridge operations; welfare and public health services

Factors Affecting Financial Condition

La Plata County experienced solid growth in 2019. Unemployment at the end of the year is estimated at 2.5%, and job growth was flat. Retail trade grew at a steady pace, with sales tax revenue up 5.29% over 2018 excluding out of state filers. Tourism is large contributor to the County's economy. The County benefits greatly from the tourist industry and is the gateway to the many year round outdoor activities. You can find everything from skiing, snowboarding, and snowshoeing in the winter. Summer recreational activities in the County include camping, mountaineering, mountain biking, back packing, rafting, and quality water fishing to name a few. In the agricultural sector, hay production, beef cattle ranching and organic produce are the primary pursuits within the county.

The construction and housing market has soften throughout the year. The median price of single-family homes was down 1% over 2018. Single-family housing permit decreased 10% over the prior year in La Plata County. Quality of life and an educated work force is anticipated to continue to attract new businesses. The labor market is among the strongest in the state. Continued growth in population is predicted. Many of the existing industries, such as education, healthcare, and government contribute long-term stability to the economic base. On the down side, the high cost of living, primarily driven by low housing inventory, may temporarily constrain growth. Low unemployment could make it more difficult to find and retain employees.

Long-Term Financial Planning:

Challenges facing the County include sustainability, economic diversity, and quality of life enhancements in an environment of limited revenues and increasing costs of providing services. Thanks to the efforts of our dedicated team at La Plata County, the organization remains in good financial condition. We have appropriately positioned ourselves for the future by being proactive and visionary. In addition, we have continued to focus on fiscal opportunities by seeking program and operational efficiencies. We have maintained an effective level of service for our customers throughout the process, as we are laying the foundation for the County's sustained success. La Plata County's workforce increased from 409.25 full time equivalents (FTEs) budgeted for 2018 to 411.25 FTEs budgeted for 2019. It is important to acknowledge the superb efforts of our employees who provide the exemplary professional service our customers expect and deserve. Through the contributions of our hard-working staff, we have achieved many of our 2019 initiatives and objectives, some of which are highlighted below. Major Initiatives: In 2019, the Board of County Commissioners continued to focus its attention on its strategic planning that included Public Health, Safety and Welfare, Land use / Economic development, Fiscal Sustainability, Strategic Collaboration and Homelessness.

Looking forward, La Plata County sees the need for constant re-evaluation of its projects and programs. These are revisited, re-evaluated, and prioritized during annual strategic planning process in preparation for the budget. The County emphasizes continual improvement of work processes and prudent stewardship of public resources, to ensure the County is providing the best services at the best value.

County highlights for 2019:

The county supported Natural Resources Conservation Services Grant for Emergency Water Shed Protection Program by facilitating over \$5,825,000 in grant dollars from the federal, state and local governments to help those citizens in the 416 fire burn areas protect their properties from soil erosion.

Facilities completed the construction of a new building for the Assessor, County Clerk and Treasure referred as the ACT Building, consolidating staff into one convenient location and freeing up space at the Old Post Office Building and eliminating \$137,000 yearly in rent. The move helped improve county operations as well as facilitate potential redevelopment of the Old Post Office Building.

Facilities also began a renovation and construction project on the Amory building to house various non-incarceration functions of the Sheriff's Office. The County leveraged the cost of the building with a \$1,000,000 grant from DOLA.

Road and Bridge completed 5.5 miles of thick overlay of County Road 250. The project included structural patching and minimal shoulder widening. The County combined several road projects into one large project to reduce an overall cost.

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 that the County can provide services to the public during unforeseen disasters.
- Assigned for future financial resource use of the tentative plans for capital outlays including the acquisition or construction of capital facilities and other capital assets.
- Unassigned fund balance comprises funds that are not otherwise 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' operating costs with a target of three months of operations to provide fiscal cash liquidity.

At December 31, 2019, the General Fund unassigned fund balance is \$37,848,190.

Awards and Acknowledgements

The Government Finance Officers Association 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, 2019. 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 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 29 consecutive fiscal years (1989-2018) ended December 31. We believe the 2019 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 Finance Department staff. Each member of the department has our sincere appreciation for their individual and team efforts in preparing this report. Also, we would like to extend our appreciation to the partners and staff of the firm of RubinBrown, Certified Public Accountants and Business Consultants LLP 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,



Adam Rogers
Director of Finance



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, 2018

Christopher P. Morrill

Executive Director/CEO

LIST OF COUNTY OFFICIALS

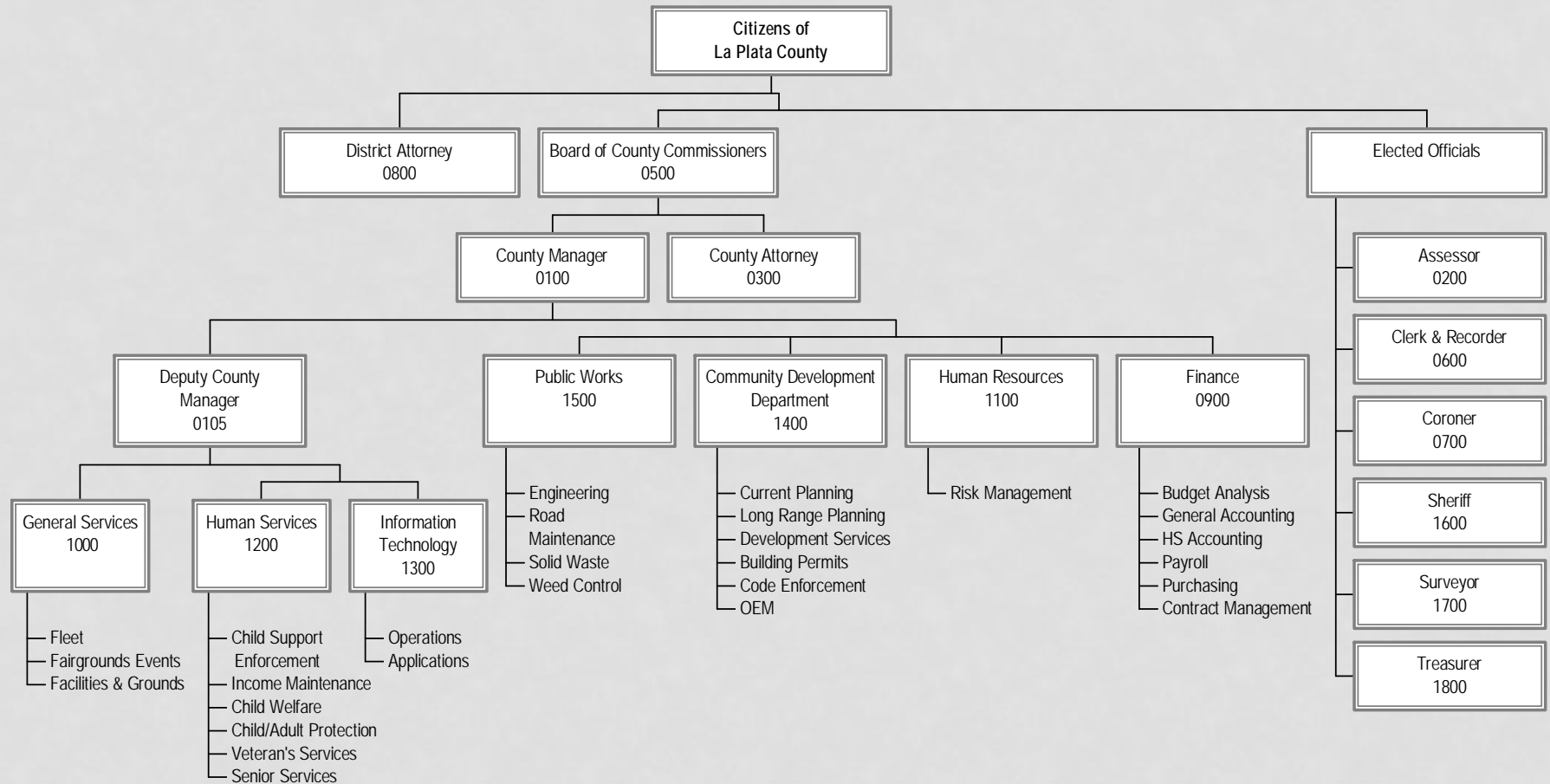
ELECTED OFFICIALS

<u>Title</u>	<u>Name</u>
Commissioner	Julie Westendorff
Commissioner	Clyde Church
Commissioner	Gwen A. Lachelt
Assessor	Carrie Woodson
Clerk & Recorder	Tiffany Lee Parker
Coroner	Jann Smith
Sheriff	Sean M. Smith
Surveyor	Steven McCormack
Treasurer & Public Trustee	Allison Aichele

APPOINTED OFFICIALS

<u>Title</u>	<u>Name</u>
County Attorney	Sheryl Rogers
County Manager	Chuck Stevens
Deputy County Manager	Mike Segrest
Director of Building & Emergency Services	Butch Knowlton
Director of Finance	Adam Rogers
Director of General Services	Lee Gurule
Director of Human Resources	Kelli Ganevsky
Director of Human Services	Martha Johnson
Director of Information Services	Alan Andrews
Director of Community Development	Neal Starkebaum
Director of Public Works	Jim Davis

LA PLATA COUNTY



Independent Auditors' Report

Board of County Commissioners
La Plata County
Durango, 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 (the County), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the County'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.

Auditors' 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 auditors' 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 the County as of December 31, 2019 and the respective changes in financial position and the respective budgetary comparison for the General Fund, Road and Bridge and Social Services Funds for the year then ended December 31, 2019, 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 on pages 14 through 25, the schedule of the County's proportionate share of the net pension liability, schedule of the County's contributions and related ratios, schedule of the County's proportionate share of the net OPEB liability and schedule of County OPEB contributions on pages 97, 98, 99 and page 100, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual fund financial statements and schedules; the schedule of electronic benefit transfer (EBT) authorizations, warrant expenditures and total expenditures; the Local Highway Finance Report; the schedule of expenditures of federal awards, as required by Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules; the schedule of EBT authorizations, warrant expenditures and total expenditures; the Local Highway Finance Report 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 fund financial statements and schedules; the schedule of EBT authorizations, warrant expenditures and total expenditures; the Local Highway Finance Report 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 December 24, 2020 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

RubinBrown LLP

December 24, 2020

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, 2019. 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 \$62,331,957 compared to \$58,946,516 in 2018, an increase of \$3,385,441. The County's assets exceeded its liabilities and deferred inflows by \$231,010,854 (net position) for the calendar year reported. Increase in total net position in 2019 is \$10,472,816.
- Total net position is comprised of the following:
 - 1) Investment in capital assets of \$121,113,679 includes property and equipment, net of accumulated depreciation.
 - 2) Net position of \$16,692,494 are restricted by constraints imposed from outside the County such as grantors, laws, or regulations.
 - 3) Net position of \$24,277,255 are unrestricted, but are invested in a joint venture.
 - 4) The balance of unrestricted net position of \$68,927,426 represents the portion available to maintain the County's continuing obligations to citizens and creditors.
- The County had \$54,351,344 in expenses related to governmental activities; program specific charges for services, grants or contributions offset \$22,075,452 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 \$81,092,991 this year. This compares to the prior year ending fund balance of \$79,329,091, showing an increase of \$1,763,900 or 2.2% during the current year.
- Approximately 78% or \$63,541,779 of the total fund balance amount is assigned, committed and unassigned and are available for spending at the government's discretion.
- During the 2019 fiscal year, the County's governmental fund type revenues were \$62,331,957 compared to \$57,601,582 in the prior year.
- At the end of the current calendar year, unassigned fund balance for the General Fund was \$37,848,190 or 101.15% of 2020 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, recreation and culture and community programs.

The government-wide financial statements are presented on pages 26 & 27 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.

La Plata County maintains nine individual governmental funds. The General, Road & Bridge, Human Services and the Capital Improvement Plan fund are considered to be major funds. Information is presented in the governmental fund balance sheet and in the governmental fund statements of revenues, expenditures and changes in fund balances. The other five funds are considered non-major funds and are combined into a single, aggregated presentation. Individual fund data for these non-major governmental funds is provided in combining statements elsewhere in this report. The basic governmental fund financial statements are presented on pages 28 through 34 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 35 through 37 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 38 of this report.

Budgetary Comparisons – The County adopted the 2019 budget and appropriations were made for all of its funds on December 11th, 2018. A budgetary comparison schedule has been provided for all major funds on pages 97 through 100 and page 117, 122, 123 and 129 and 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 26 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 the general fund and non-major funds are presented in the supplementary section of this report beginning on page 104. 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

An analysis of net position may serve as a useful indicator of a government's financial health. The County's net position at calendar year-end is \$231,010,854. The following table provides a summary of the County's net position:

	Governmental Activities 2019	Percentage of Total 2019	Governmental Activities 2018	Percentage Inc/(Dec) over 2018
Assets:				
Current assets	\$ 113,184,131	43.8%	\$ 110,838,819	2.1%
Investment in joint venture	24,277,255	9.4%	21,388,133	13.5%
Capital assets	121,113,679	46.8%	113,948,257	6.3%
Total assets	258,575,065	100.0%	246,341,360	5.0%
Liabilities:				
Current liabilities	7,464,426	64.0%	5,779,784	29.1%
Long-term liabilities	4,198,811	36.0%	4,401,392	-4.6%
Total liabilities	11,663,237	100.0%	10,181,176	14.6%
Deferred Inflows	15,900,674	136.3%	15,622,146	1.8%
Net position:				
Net investment in capital assets	121,113,679	52.4%	113,948,257	6.3%
Restricted	16,692,494	7.2%	16,906,872	-1.3%
Unrestricted	93,204,681	40.3%	89,682,909	3.9%
Total net position	\$ 231,010,854	100.0%	\$ 220,538,038	4.7%

The largest portion of the County's net position (52.4%) 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 4.84 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 2019 with an offsetting amount reported in deferred inflows. If you remove those amounts from the current ratio calculation, the adjusted ratio is 13.07 to 1, which demonstrates the real liquid position of the County.

The County reported positive balances in Governmental activities net position. Net position increased by \$10,472,816 or 4.7%.

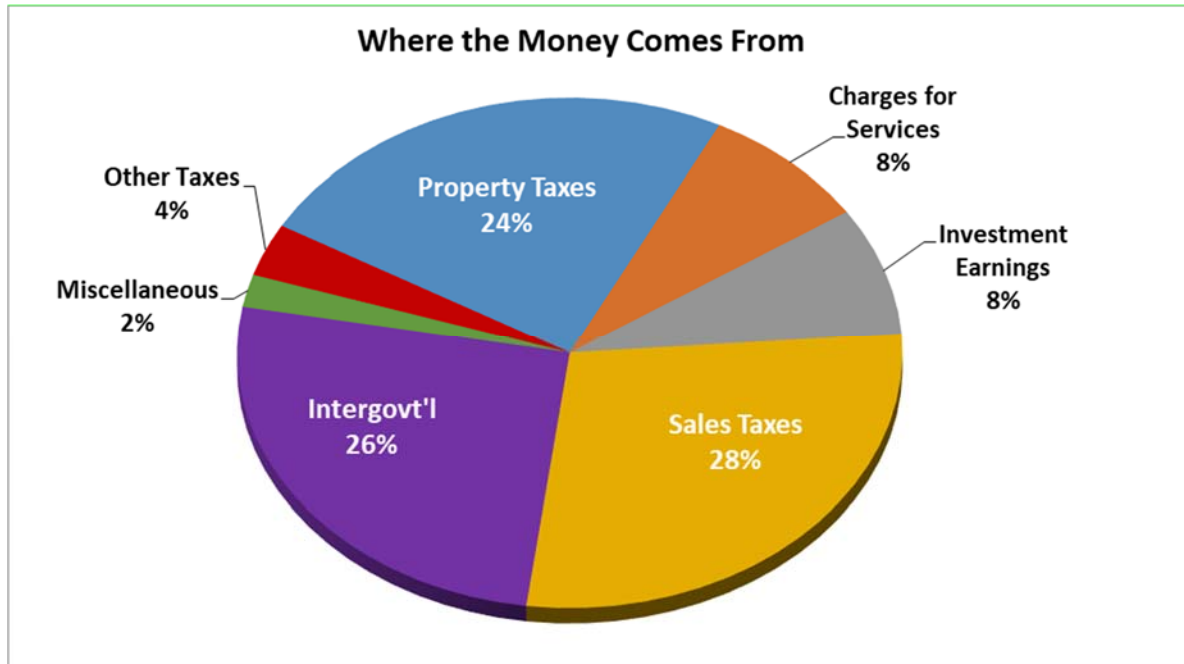
The Sixth Judicial District Attorney, a discretely presented component unit, net position is a negative \$527,664 at the fiscal year end 2019. This was attributable to the implementation of GASB Statements No. 68, Accounting and Financial Reporting for Pensions and GASB Statement No 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, requiring government employers to recognize the long-term obligation for state pension benefits and postemployment benefits other than pensions.

The following table provides a summary of the County's changes in net position for governmental activities in 2019 and 2018:

	<u>Governmental Activities 2019</u>	<u>Percentage of Total 2019</u>	<u>Governmental Activities 2018</u>	<u>(Decrease) Increase</u>
Revenues:				
<i>Program:</i>				
Charges for services	\$ 5,333,361	8.2%	\$ 5,900,632	\$ (567,271)
Operating grants	15,588,357	24.0%	15,470,779	117,578
Capital grants	1,153,734	1.8%	804,557	349,177
Total Program Revenues	<u>22,075,452</u>	<u>34.1%</u>	<u>22,175,968</u>	<u>(100,516)</u>
<i>General:</i>				
Taxes	36,240,071	55.9%	33,827,262	2,412,809
Other	6,508,637	10.0%	2,943,286	3,565,351
Total General Revenues	<u>42,748,708</u>	<u>65.9%</u>	<u>36,770,548</u>	<u>5,978,160</u>
TOTAL REVENUES	<u>64,824,160</u>	<u>100%</u>	<u>58,946,516</u>	<u>5,877,644</u>
Program Expenses:				
General government	12,926,779	23.8%	12,519,034	407,745
Public safety	18,695,116	34.4%	17,508,166	1,186,950
Recreation and culture	3,026,692	5.6%	2,899,909	126,783
Public works	10,979,526	20.2%	9,572,367	1,407,159
Health and welfare	7,078,396	13.0%	7,348,911	(270,515)
Community programs	1,640,345	3.0%	2,506,724	(866,379)
Interest and fiscal charges	4,490	0.0%	4,747	(257)
TOTAL EXPENSES	<u>54,351,344</u>	<u>100%</u>	<u>52,359,858</u>	<u>1,991,486</u>
Change in net position	<u>10,472,816</u>		<u>6,586,658</u>	<u>2,388,277</u>
Beginning net position	<u>220,538,038</u>		<u>213,951,380</u>	
Ending net position	<u>\$231,010,854</u>		<u>\$ 220,538,038</u>	

Government-wide Revenues

Governmental revenues for 2019 were \$64,824,160 compared to \$58,946,516 in 2018, an increase of \$5,877,644. The following chart presents the various sources of revenues for the fiscal year ended December 31, 2019.



Program revenues provided 40.6% to support governmental operations. This means that the County's taxpayers and other general governmental revenues funded 59.4% of the governmental activities. Property and sales tax provide general support for the County's operations with property tax providing 24% and sales tax 28%.

Government-wide Expenses by Function

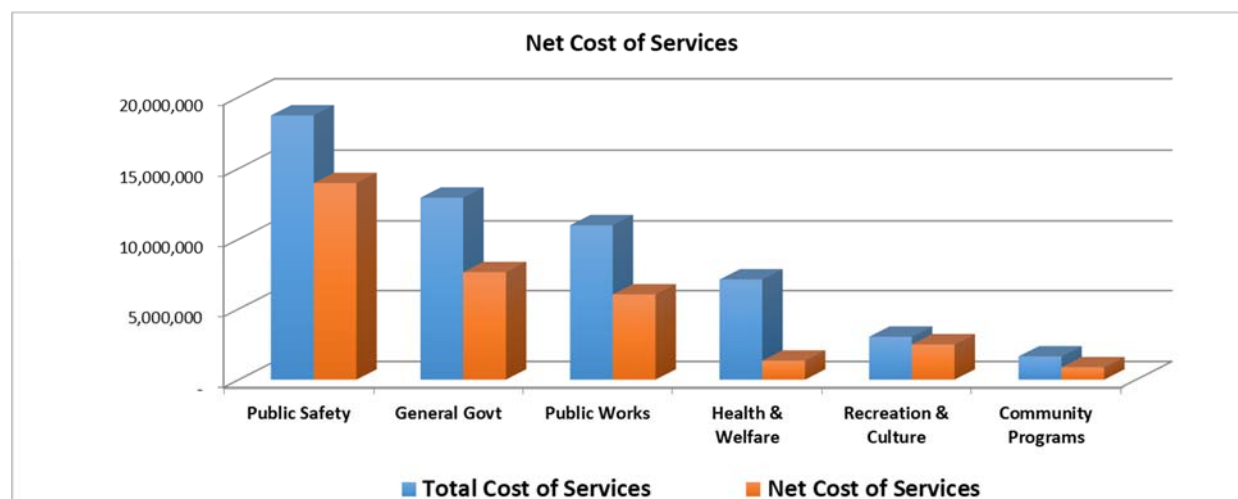
The public safety, general government, and public works functions make up approximately 78.4% of the total government activities expenses. Public safety totals 34.4% of total governmental expenses of which 27.5% was spent on the County Sheriff's Office services. The general government functions including Administration, Attorney, Assessor, Clerk & Recorder, Commissioners, Elections, Facilities & Grounds, Finance, GIS, Human Resources, IT, Planning, Procurement, Risk Management, Surveyor, and Treasurer totaled 23.8% of the total governmental expenses. Public works accounted for 20.2% of the total costs.

The following schedule presents a summary of the government-wide expenses for the fiscal year ended December 31, 2019 and the changes from the prior year.

Overall expenses for 2019 increased \$1,991,486 or 3.8% from 2018. Public safety function is the County's largest cost at \$18.70 million or 34.4% of the total expenses. General government function costs were \$12.92 million or 23.8% of the total expenses. Public works function cost was approximately \$10.98 million or 20.2% of total expenses.

Function	Governmental Activities 2019	% of Total 2019	Governmental Activities 2018	(Decrease) Increase
General government	12,926,779	23.8%	12,519,034	407,745
Public safety	18,695,116	34.4%	17,508,166	1,186,950
Recreation & culture	3,026,692	5.6%	2,899,909	126,783
Public works	10,979,526	20.2%	9,572,367	1,407,159
Health and welfare	7,078,396	13.0%	7,348,911	(270,515)
Community programs	1,640,345	3.0%	2,506,724	(866,379)
Interest and fiscal charges	4,490	0.0%	4,747	(257)
Total Expenses	\$ 54,351,344	100.0%	\$ 52,359,858	\$ 1,991,486

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 74.7%. The public safety function includes law enforcement, jail, investigations, coroner, building inspection, and emergency management services. General government is the largest function with 58.7% of the costs being supported by taxpayers. Public works is the third largest function that requires taxpayer support at 54.8%. The function includes roads and bridges, weed control, and post closure costs of the landfills.

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 \$81,092,991. Of this year-end total, \$582,327 represents inventories held for future consumption and \$276,391 are prepaid, neither category represents available, spendable resources. A total of \$16,692,494 is legally restricted for specific purposes, including economic stabilization, law enforcement, capital improvements impact fees, and Tribal mitigation impact. Committed fund balance totals \$16,581,293 and reserved by the Board of County Commissioners to use in case of an emergency or a disaster and for capital improvements. A total of \$9,112,296 is assigned and includes \$3,890,982 for 2020 budget deficit expenditures in the general fund. Finally, \$37,848,190 is unassigned, representing availability for continuing County service requirements.

The total ending fund balances of governmental funds show an increase of \$1,763,900 or 2.2% more 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 increased by almost \$3.2 million. The increase is largely related to increases in revenues.

General Fund revenues increased \$1,851,034 over 2018. The increase comes from variety of revenue sources, investment earnings increased by \$916,149. Total tax revenues increased \$985,269 or 3.9% from 2018.

Expenditures in the General Fund increased \$201,472 or 0.6% from 2018. The General Fund unassigned ending fund balance increased by \$6.16 million to \$37,848,190 in 2019 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 2019, the Road and Bridge fund spent \$7.3 million in maintaining the 653 miles of County's roads. Fund balance decreased \$1,306,243 to \$7,767,027 and is available for future road and bridge spending.

The Social Services Fund accounts for a variety of State mandated social services. In 2019, the Social Services fund spent \$5.4 million in providing services to clients, a decrease of \$266,784, or 4.7% from 2018. Fund balance increased \$201,910 to \$2,351,880 in 2019.

The Capital Improvement Plan fund balance decreased \$942,117 to just over \$5.8 million in 2019, a decrease of approximately 13.9%. The decrease in the fund balance is due to a number of large budgeted capital projects being completed in 2019.

General Fund Budgetary Highlights

The budget for the General Fund is prepared in compliance with all applicable Colorado State Statutes. On December 11, 2018, the Board of County Commissioners adopted and appropriated \$40,541,114 for the General Fund expenditures for the 2019 year. During the year, budget amendments were required due to unanticipated revenues. Most of the unanticipated revenues were the result of unexpected grant revenue or increases in grant revenue. Budget amendments increased revenues and expenditures by \$5,125,643.

	<u>Adopted Budget</u>	<u>Amendments</u>	<u>Final Budget</u>
Sources	\$ 35,415,471	\$ 6,613,777	\$ 42,029,248
Uses	40,541,114	6,613,777	47,154,891
Change in Fund Balance	<u>(5,125,643)</u>	<u>-</u>	<u>(5,125,643)</u>

Actual revenues collected were less than budgetary estimates by \$1,245,737 or 3.0%. The General Fund expenditures were \$9.55 million or 20.3% less than budgetary estimates.

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, 2019, was \$121,113,679. Net capital assets have increased by approximately 6.3% in 2019. See Note 3 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:

Governmental Activities

	<u>2019</u>	<u>2018</u>
Non-depreciable assets:		
Land	\$ 9,452,945	\$ 9,452,945
Construction in Progress	8,623,140	3,067,281
Works of Art	90,000	90,000
Total non-depreciable	<u>18,166,085</u>	<u>12,610,226</u>
Depreciable Assets:		
Buildings	80,239,907	77,589,652
Improvements	9,458,702	9,432,091
Machinery and equipment	19,935,275	19,110,190
Intangibles	314,603	314,603
Infrastructure	94,279,861	91,255,211
Total depreciable assets	<u>204,228,348</u>	<u>197,701,747</u>
Less accumulated depreciation	<u>101,280,754</u>	<u>96,363,716</u>
Book value-depreciable assets	<u>102,947,594</u>	<u>101,338,031</u>
Percentage depreciated	49.6%	48.7%
Book value - all assets	<u>\$ 121,113,679</u>	<u>\$ 113,948,257</u>

Long-term obligations

The County has long-term obligations including compensated absences, pollution remediation costs, and landfill post-closure costs. See Note 3 for additional information about the County's long-term debt. We discuss the pollution remediation costs in Note 3 and the landfill closure and post closure care liability in Note 3.

A summary of outstanding debt at year-end is as follows:

	12/31/2019	12/31/2018	\$ Change	% Change
Colorado Water debt	\$ 217,910	\$ 230,253	\$ (12,343)	-5.4%
Compensated Absences	1,721,696	1,680,005	41,691	2.5%
Pollution remediation costs	2,454,470	2,556,920	(102,450)	-4.0%
Landfill postclosure costs	314,810	416,032	(101,222)	-24.3%
Total Governmental Activities	<u>\$ 4,708,886</u>	<u>\$ 4,883,210</u>	<u>\$(174,324)</u>	<u>-3.6%</u>

Economic Factors and Next Year's Budget

La Plata County's unemployment continued to remain low at 2.5% during 2019. The total labor force for La Plata County in December 2019 was 32,305¹ of which 31,495 were employed and 810 were unemployed¹.

Revenue trends in 2019 show that La Plata County is in a good position heading into 2020. Sales tax collections have been ahead of projections in 2019, in line with positive revenue behavior in 2018. Sales tax revenue retained by the county was almost \$18.3 million in 2019 – an increase of 9.2% from 2018. While property tax revenues have not increased on pace with sales tax, this revenue source remained steady in 2018 and has remained on course in 2019. In 2019, La Plata County's total property tax revenue is \$15.6 million up 754,419 compared to 2018.

Grants and intergovernmental revenues are another cornerstone of the county's revenue base. In 2019, the county received \$1,067,530 between three Energy Impact Assistance Fund grants. The first assisted in funding the remodel of the National Guard Armory Building, which will house many La Plata County Sheriff departments. Another assisted in funding in the Mill and Overlay of 1.3 miles of County Road 318, and one mile on both County Road 329 and 330. The last grant assisted in funding the replacement of two irrigation culverts under County Road 502. In addition, the county secured \$494,902 in gaming grants to contribute to the District Attorney's Office and Sheriff's Office jail and patrol operations.

As we head into 2020, La Plata County is in a healthy position to make modest investments in bolstering the critical services that keep the community healthy, safe and well. For 2020, countywide revenues were originally projected to be almost \$81.4 million – a 10.5% increase from the 2019 budget. In total, the 2020 budget projects \$62.5 million in operating expenditures and almost \$32.5 million in proposed one-time

expenditures that include capital and contingencies. The county is using its fund balance for one-time expenditures and contingencies – the purpose for which such reserves are intended. With the onset of the COVID -19 pandemic the County is expecting revenues to remain flat to 2019 and we are currently looking at how the County will adjust to meet the needs of the citizens of La Plata County.

Contacting the County's Financial Management Team

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. 2nd Avenue, Durango, CO 81301, or via email at adam.rogers@co.laplata.co.us.

¹BLS Data Viewer at <https://www.bls.gov/lau/#cntyaa>

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LA PLATA COUNTY, COLORADO

STATEMENT OF NET POSITION

December 31, 2019

	Primary Governmental Activities	Component Unit
Assets		
Current Assets:		
Cash	\$ 179,806	\$ 106,740
Equity in treasurer's cash and investments	88,720,083	164,775
Restricted cash and investments	75,423	—
Receivables:		
Accounts	120,254	100
Taxes	15,938,613	—
Intergovernmental	7,167,571	144,385
Prepaid	276,391	—
Inventory	705,990	—
Total Current Assets	113,184,131	416,000
Non-Current Assets:		
Investment in joint venture	24,277,255	—
Capital assets:		
Nondepreciable capital assets	18,166,085	—
Depreciable capital assets, net	102,947,594	49,054
Total Non-Current Assets	145,390,934	49,054
Total Assets	258,575,065	465,054
Deferred Outflows Of Resources		
Pension	—	76,657
OPEB	—	1,866
Total Deferred Outflows Of Resources	—	78,523
Liabilities		
Current Liabilities:		
Accounts payable	4,264,787	56,746
Accrued expenses	870,077	71,150
Due to other governments	72,499	—
Accrued interest payable	713	—
Deposits payable	542,523	—
Unearned revenue	223,495	—
Liabilities payable from restricted assets	75,423	—
Claims payable	904,834	—
Current portion of long term debt	12,592	—
Compensated absences payable (current)	392,007	—
Pollution remediation obligations (current)	40,000	—
Landfill closure and post-closure care costs (current)	65,476	—
Total Current Liabilities	7,464,426	127,896
Non-Current Liabilities		
Long term debt	205,318	—
Compensated absences payable (net of current portion)	1,329,689	127,152
Pollution remediation obligations (net of current portion)	2,414,470	—
Landfill closure and post-closure costs (net of current portior	249,334	—
Pension liability	—	429,479
OPEB liability	—	20,912
Total Non-Current Liabilities	4,198,811	577,543
Total Liabilities	11,663,237	705,439
Deferred Inflows Of Resources		
Property taxes	15,900,974	—
Pension	—	364,322
OPEB	—	1,480
Total Deferred Inflows Of Resources	15,900,974	365,802
Net Position		
Net investment in capital assets	121,113,679	49,054
Restricted for:		
Required legal fund segregations	14,987,881	—
Economic stabilization (TABOR)	1,704,613	73,470
Unrestricted	93,204,681	(650,188)
Total Net Position	\$ 231,010,854	\$ (527,664)

LA PLATA COUNTY, COLORADO

STATEMENT OF ACTIVITIES For The Year Ended December 31, 2019

Function/Program	Expenses	Program Revenues			Net (Expense) Revenue And Changes In Net Position	Component Unit
		Charges For Services	Operating Grants And Contributions	Capital Grants And Contributions	Primary Governmental Activities	
Primary government:						
Governmental activities:						
General government	\$ 12,926,779	\$ 2,306,683	\$ 3,029,017	\$ —	\$ (7,591,079)	\$ —
Public safety	18,695,116	2,592,580	1,600,561	543,187	(13,958,788)	—
Recreation and culture	3,026,692	171,194	366,682	—	(2,488,816)	—
Public works	10,979,526	241,433	4,107,340	610,547	(6,020,206)	—
Health and welfare	7,078,396	20,275	5,717,014	—	(1,341,107)	—
Community programs	1,640,345	1,196	767,743	—	(871,406)	—
Interest and fiscal charges	4,490	—	—	—	(4,490)	—
Total Primary Government	54,351,344	5,333,361	15,588,357	1,153,734	(32,275,892)	—
Component Unit						
Office of the District Attorney	\$ 2,354,615	\$ —	\$ 876,398	\$ —		(1,478,217)
General Revenues						
Property taxes levied for general government purposes					15,617,247	—
Sales taxes					18,332,583	—
Other taxes					2,175,964	—
Cable franchise fees					114,277	—
Operational funding from primary government - unrestricted					—	1,506,144
Investment earnings					5,284,675	102
Miscellaneous					1,223,962	29,419
Total General Revenues					42,748,708	1,535,665
Change In Net Position					10,472,816	57,448
Net Position, Beginning Of Year					220,538,038	(585,112)
Net Position, End Of Year					\$ 231,010,854	\$ (527,664)

LA PLATA COUNTY, COLORADO

BALANCE SHEET GOVERNMENTAL FUNDS December 31, 2019

	General	Road And Bridge	Social Services	Capital Improvements	Other Governmental Funds	Total Governmental Funds
Assets						
Cash	\$ 179,406	\$ —	\$ 400	\$ —	\$ —	\$ 179,806
Equity in treasurer's cash and investments	58,225,222	6,604,753	2,167,059	6,183,771	5,365,689	78,546,494
Restricted cash and investments	69,300	—	6,123	—	—	75,423
Receivables:						
Accounts	87,120	13,189	17,784	—	825	118,918
Taxes	13,664,967	1,320,376	821,981	—	93,650	15,900,974
Intergovernmental	4,411,096	1,014,840	436,168	814,641	489,665	7,166,410
Prepays	276,391	—	—	—	—	276,391
Inventory	—	582,327	—	—	—	582,327
Total Assets	76,913,502	9,535,485	3,449,515	6,998,412	5,949,829	102,846,743
Liabilities						
Accounts payable	2,270,351	319,605	76,601	1,019,904	401,275	4,087,736
Accrued salaries and wages	643,588	87,083	120,431	—	—	851,102
Intergovernmental payable	—	—	72,499	—	—	72,499
Deposits payable	501,129	41,394	—	—	—	542,523
Unearned revenues	73,495	—	—	150,000	—	223,495
Liabilities restricted assets	69,300	—	6,123	—	—	75,423
Total Liabilities	3,557,863	448,082	275,654	1,169,904	401,275	5,852,778
Deferred Inflows Of Resources						
Property taxes	13,664,967	1,320,376	821,981	—	93,650	15,900,974
Fund Balances						
Nonspendable:						
Inventory	—	582,327	—	—	—	582,327
Prepays	276,391	—	—	—	—	276,391
Restricted:						
Economic stabilization (TABOR)	1,704,613	—	—	—	—	1,704,613
Law enforcement	206,038	—	—	—	—	206,038
Road construction and maintenance	—	6,440,065	—	—	—	6,440,065
Capital improvement impact fees	—	744,635	—	—	—	744,635
Public assistance and welfare	—	—	2,257,686	—	—	2,257,686
Child welfare	—	—	94,194	—	—	94,194
Recreation and parks	—	—	—	—	4,282,765	4,282,765
Joint county/city projects	—	—	—	—	809,632	809,632
Tribal mitigation impact	—	—	—	—	152,866	152,866
Committed:						
Emergency and disasters	10,752,785	—	—	—	—	10,752,785
General capital improvements	—	—	—	5,828,508	—	5,828,508
Assigned:						
Construction/maint of roads	—	—	—	—	171,378	171,378
Debt service	—	—	—	—	38,263	38,263
Next year's budget deficit	3,890,982	—	—	—	—	3,890,982
Capital projects	4,011,673	—	—	—	—	4,011,673
Partially self funded insurance claims	1,000,000	—	—	—	—	1,000,000
Unassigned	37,848,190	—	—	—	—	37,848,190
Total Fund Balances	\$ 59,690,672	\$ 7,767,027	\$ 2,351,880	\$ 5,828,508	\$ 5,454,904	\$ 81,092,991

LA PLATA COUNTY, COLORADO

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION GOVERNMENTAL FUNDS December 31, 2019

Total Governmental Fund Balances \$ 81,092,991

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	\$ 222,394,433	
Less accumulated depreciation	<u>(101,280,754)</u>	121,113,679

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.

37,639

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

24,277,255

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	10,299,749	
Current liabilities	<u>(1,100,860)</u>	9,198,889

Accrued interest on long term debt is not accrued at the fund level but is reported on the government-wide statement of net assets.

(713)

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.

Long term debt	(217,910)	
Compensated absences	(1,721,696)	
Pollution remediation obligations	(2,454,470)	
Landfill closure and post-closure care costs	<u>(314,810)</u>	(4,708,886)

Net Position Of Governmental Activities \$ 231,010,854

LA PLATA COUNTY, COLORADO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS For The Year Ended December 31, 2019

	General	Road And Bridge	Social Services	Capital Improvements	Other Governmental Funds	Total Governmental Funds
Revenues						
Taxes	\$ 26,334,568	\$ 4,201,580	\$ 893,866	\$ 2,000,000	\$ 2,810,057	\$ 36,240,071
Intergovernmental	5,431,189	4,380,427	4,776,315	1,705,161	448,999	16,742,091
Licenses and permits	961,730	241,433	—	—	—	1,203,163
Charges for services	4,482,635	—	—	—	—	4,482,635
Investment earnings	2,341,739	21,400	—	—	101,990	2,465,129
Miscellaneous	926,639	216,810	—	52,394	3,025	1,198,868
Total Revenues	40,478,500	9,061,650	5,670,181	3,757,555	3,364,071	62,331,957
Expenditures						
General government	11,469,363	—	—	217,192	66,400	11,752,955
Public safety	17,999,862	—	—	—	—	17,999,862
Recreation & culture	418,260	—	—	—	2,256,420	2,674,680
Public works	181,054	7,335,368	—	—	93,428	7,609,850
Health and welfare	1,576,377	—	5,468,271	—	—	7,044,648
Community programs	1,640,345	—	—	—	—	1,640,345
Capital outlay	39,680	3,032,525	—	8,756,625	—	11,828,830
Debt service:						
Principal retirement	—	—	—	—	12,343	12,343
Interest and fiscal charges	—	—	—	—	4,544	4,544
Total Expenditures	33,324,941	10,367,893	5,468,271	8,973,817	2,433,135	60,568,057
Revenues Over (Under) Expenditures	7,153,559	(1,306,243)	201,910	(5,216,262)	930,936	1,763,900
Other Financing Sources (Uses)						
Transfers in	305,011	—	—	4,274,145	—	4,579,156
Transfers out	(4,274,145)	—	—	—	(305,011)	(4,579,156)
Total Other Financing Sources (Uses)	(3,969,134)	—	—	4,274,145	(305,011)	—
Net Change in Fund Balances	3,184,425	(1,306,243)	201,910	(942,117)	625,925	1,763,900
Fund Balances, Beginning Of Year	56,506,247	9,073,270	2,149,970	6,770,625	4,828,979	79,329,091
Fund Balances, End Of Year	\$ 59,690,672	\$ 7,767,027	\$ 2,351,880	\$ 5,828,508	\$ 5,454,904	\$ 81,092,991

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, 2019

Net Changes In Fund Balances - Total Governmental Funds \$ 1,763,900

Amounts Reported For Governmental Activities In The Statement Of Activities Are Different Because:

Internal service funds are used by management to charge the costs of fleet management and self insurance to individual funds. The change in net position of those activities (excluding depreciation and related capital asset activity) of internal service funds is reported with governmental activities: Change in net position: (252,549)

Internal service funds capital asset activity:

Depreciation expense	\$ (941,134)	
Assets disposed-net of accumulated depreciation	(115,862)	(1,056,996)

Governmental funds report capital outlays as expenditures. 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 current period:

Depreciation expense (excluding internal service funds)	(4,883,207)	
Capital outlay (excluding internal service funds)	11,828,830	
Capital additions not included in capital outlay	37,846	6,983,469

The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, and donations) which increases net assets. 137,643

Governmental funds do not report the investment in the joint venture, however, the change is reported on the government-wide statement of activities. 2,722,971

Interest expense accrued in the statement of activities does not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:

Liability - 12/31/2019	(713)	
Liability - 12/31/2018	767	54

The 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 - 12/31/2019	(2,454,470)	
Liability - 12/31/2018	2,556,920	102,450

The increase 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 - 12/31/2019	(314,810)	
Liability - 12/31/2018	416,032	101,222

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 - 12/31/2019	(217,910)	
Liability - 12/31/2018	230,253	12,343

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 - 12/31/2019	(1,721,696)	
Liability - 12/31/2018	1,680,005	(41,691)

Change In Net Position Of Governmental Activities \$ 10,472,816

LA PLATA COUNTY, COLORADO

GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL For The Year Ended December 31, 2019

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Taxes	\$ 24,698,726	\$ 24,698,726	\$ 26,334,568	\$ 1,635,842
Intergovernmental	4,094,582	10,477,359	5,431,189	(5,046,170)
Licenses and permits	865,000	865,000	961,730	96,730
Charges for services	3,745,000	3,976,000	4,482,635	506,635
Investment earnings	1,000,000	1,000,000	2,341,739	1,341,739
Miscellaneous	577,634	577,634	926,639	349,005
Total Revenues	34,980,942	41,594,719	40,478,500	(1,116,219)
Expenditures				
General government	14,310,064	14,385,624	11,469,363	2,916,261
Public safety	17,853,851	24,075,431	17,999,862	6,075,569
Recreation and culture	464,077	464,077	418,260	45,817
Health and welfare	1,681,869	1,681,869	1,576,377	105,492
Public works	233,952	233,952	181,054	52,898
Community programs and pass through grants	1,966,301	1,966,301	1,640,345	325,956
Total Current Expenditures	36,510,114	42,807,254	33,285,261	9,521,993
Capital Outlay	31,000	73,492	39,680	(33,812)
Total Expenditures	36,541,114	42,880,746	33,324,941	(9,555,805)
Excess (Deficiency) Of Revenues Over (Under) Expenditures	(1,560,172)	(1,286,027)	7,153,559	8,439,586
Other Financing Sources (Uses)				
Transfers in	434,529	434,529	305,011	(129,518)
Transfers out	(4,000,000)	(4,274,145)	(4,274,145)	—
Total Other Financing Sources (Uses)	(3,565,471)	(3,839,616)	(3,969,134)	(129,518)
Net Change In Fund Balances	\$ (5,125,643)	\$ (5,125,643)	3,184,425	\$ 8,310,068
Fund Balances, Beginning Of Year			56,506,247	
Fund Balances, End Of Year			\$ 59,690,672	

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, 2019**

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Taxes	\$ 4,203,556	\$ 4,203,556	\$ 4,201,580	\$ (1,976)
Intergovernmental	5,854,253	5,899,253	4,380,427	(1,518,826)
Licenses and permits	230,000	230,000	241,433	11,433
Investment earnings	—	—	21,400	21,400
Miscellaneous	835,000	835,000	216,810	(618,190)
Total Revenues	11,122,809	11,167,809	9,061,650	(2,106,159)
Expenditures				
Public works	8,677,465	8,432,465	7,335,368	1,097,097
Capital outlay	6,042,753	6,332,753	3,032,525	3,300,228
Total Expenditures	14,720,218	14,765,218	10,367,893	4,397,325
Net Change In Fund Balances	\$ (3,597,409)	\$ (3,597,409)	(1,306,243)	\$ 2,291,166
Fund Balances, Beginning Of Year			<u>9,073,270</u>	
Fund Balances, End Of Year			<u>\$ 7,767,027</u>	

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, 2019

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Taxes	\$ 866,470	\$ 866,470	\$ 893,866	\$ 27,396
Intergovernmental	5,326,933	5,477,284	4,776,315	(700,969)
Total Revenues	6,193,403	6,343,754	5,670,181	(673,573)
Expenditures				
Health and welfare	6,031,181	6,181,532	5,468,271	713,261
Total Expenditures	6,031,181	6,181,532	5,468,271	713,261
Net Change In Fund Balances	\$ 162,222	\$ 162,222	201,910	\$ 39,688
Fund Balances, Beginning Of Year			<u>2,149,970</u>	
Fund Balances, End Of Year			<u>\$ 2,351,880</u>	

LA PLATA COUNTY, COLORADO

STATEMENT OF NET POSITION

INTERNAL SERVICE FUNDS

December 31, 2019

	Governmental Activities Internal Services Funds
Assets	
Current assets	
Equity in treasurer's cash and investments	\$ 10,173,589
Accounts receivable	1,336
Intergovernmental Receivable	1,161
Inventory	123,663
Total Current Assets	10,299,749
Noncurrent assets	
Capital assets:	
Depreciable capital assets, net	7,025,158
Total Assets	17,324,907
Liabilities	
Accrued payroll	18,975
Accounts payable	177,051
Accrued claims payable	904,834
Total Current Liabilities	1,100,860
Net Position	
Net investment in capital assets	7,025,158
Unrestricted	9,198,889
Total Net Position	\$ 16,224,047

LA PLATA COUNTY, COLORADO

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION INTERNAL SERVICE FUNDS For The Year Ended December 31, 2019

	Governmental Activities Internal Services Funds
Operating Revenues	
Charges for services	\$ 1,630,560
Insurance deposits	4,522,355
Miscellaneous revenue	3,313
Total Operating Revenues	<u>6,156,228</u>
Operating Expenses	
Equipment maintenance	1,210,727
Depreciation	941,134
Medical claims	5,294,625
Total Operating Expenses	<u>7,446,486</u>
Operating Loss	(1,290,258)
Non-Operating Revenues	
Gain on sale of capital assets	111,532
Investment earnings	96,575
Total Nonoperating Revenues	<u>208,107</u>
Change In Net Position	(1,082,151)
Net Position, Beginning Of Year	<u>17,306,198</u>
Net Position, End Of Year	<u>\$ 16,224,047</u>

LA PLATA COUNTY, COLORADO

STATEMENT OF CASH FLOWS INTERNAL SERVICE FUNDS For The Year Ended December 31, 2019

	Governmental Activities Internal Services Funds
Cash Flows From Operating Activities:	
Cash received from customers	\$ 6,179,172
Cash payments for goods and services	(1,067,701)
Cash payments for claims	(4,858,672)
Net Cash Provided By Operating Activities	<u>252,799</u>
Cash Flows From Capital And Related Financing Activities:	
Cash sales of capital assets	227,395
Payments for capital acquisitions	(1,328,701)
Net Cash Used In Capital And Related Financing Activities	<u>(1,101,306)</u>
Cash Flows From Investing Activities:	
Investment earnings	<u>96,575</u>
Net Decrease In Cash And Cash Equivalents	(751,932)
Cash And Cash Equivalents, Beginning Of Year	<u>10,925,521</u>
Cash And Cash Equivalents, End Of Year	<u><u>\$ 10,173,589</u></u>
Reconciliation Of Operating Income To Net Cash Provided By Operating Activities	
Operating Income	\$ (1,290,258)
Adjustments:	
Depreciation	941,134
Change In Assets	
Accounts receivable	(876)
Intergovernmental receivable	(799)
Prepays	13,909
Inventory	10,710
Change In Liabilities	
Accounts payable	1,082
Accrued incurred/unreported claims	435,953
Accrued wages	<u>141,944</u>
Net Cash Provided By Operating Activities	<u><u>\$ 252,799</u></u>

LA PLATA COUNTY, COLORADO

STATEMENT OF FIDUCIARY NET POSITION December 31, 2019

	<u>Agency Funds</u>
Assets	
Equity in treasurer's cash and investments	<u>\$ 1,963,189</u>
Liabilities	
Accounts payable	427,292
Due to component unit	164,775
Deposits held for others	<u>1,371,122</u>
Total Liabilities	<u>\$ 1,963,189</u>

LA PLATA COUNTY, COLORADO

NOTES TO BASIC FINANCIAL STATEMENTS For The Year Ended December 31, 2019

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.

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 (GAAP) 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:

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.

LA PLATA COUNTY, COLORADO

Notes To Basic Financial Statements (*Continued*)

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.

Blended Component Units

La Plata County is fiscally accountable and exercises operational responsibility for:

The ***Durango Hills Local Improvement 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 substantively the same governing body and operational responsibility. 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 substantively the same governing body and operational responsibility. 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".

LA PLATA COUNTY, COLORADO

Notes To Basic Financial Statements (*Continued*)

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. La Plata 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 the County's benefit programs and the DA's office is covered through the County's risk management arrangements. The Board of County Commissioners approves the DA's budget and any debt issuances. 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.

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.

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.

LA PLATA COUNTY, COLORADO

Notes To Basic Financial Statements (*Continued*)

The statement of activities presents a comparison between direct expenses and program revenues for each function of the County's governmental activities and for each identifiable activity of the business-type activities of the County. Direct expenses are those that are specifically associated with a function and therefore 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.

LA PLATA COUNTY, COLORADO

Notes To Basic Financial Statements (*Continued*)

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.

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.

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. The County has elected to show this as a major fund for comparability.

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:

Nonmajor Governmental Funds - In addition to the major funds listed above, the County also has five nonmajor 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*.

LA PLATA COUNTY, COLORADO

Notes To Basic Financial Statements (*Continued*)

Fiduciary Funds - Fiduciary funds are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, or other governmental units. 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.

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 property tax revenues to be measureable and available if collected within 60 days after year-end and all other revenues excluding grants are considered 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-term debt and compensated absences, which are recognized when matured.

LA PLATA COUNTY, COLORADO

Notes To Basic Financial Statements (*Continued*)

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.

Assets, Liabilities, Deferred Outflows/Inflows Of Resources, And Fund Equity

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.

LA PLATA COUNTY, COLORADO

Notes To Basic Financial Statements (*Continued*)

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.

The County categorizes the fair value measurements of its investments within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on valuation inputs used to measure the fair value of the asset into three levels:

Level 1: inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access.

Level 2: inputs, other than quoted prices included within level 1, that are observable for an asset or liability, either directly or indirectly. Level 2 inputs are valued using matrix pricing

Level 3: are unobservable inputs for an asset or liability. The County measures level 3 inputs using other valuation techniques that attempts to maximize the use of relevant observable inputs and maximizes the use of unobservable inputs.

Receivables

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

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.

LA PLATA COUNTY, COLORADO

Notes To Basic Financial Statements (*Continued*)

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.

Restricted Assets

These assets primarily consist of cash being held in trust by the Social Services Fund for individuals totaling \$6,123, the La Plata County jail inmate commissary funds of \$34,835 and an addition \$34,465 for the La Plata County Extension Office funds.

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 acquisition value. 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.

LA PLATA COUNTY, COLORADO

Notes To Basic Financial Statements (*Continued*)

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 land, works of art 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 replacements. Depreciation is computed using the straight-line method over the following useful lives:

<u>Estimated Lives By Asset Clas</u>	<u>Governmental Activities</u>	<u>Discretely Presented Component Unit</u>
Buildings	60 Years	—
Improvements	30 Years	—
Machinery and equipment	5 - 30 Years	5 - 15 Years
Infrastructure	20 - 60 Years	—
Intangibles	3 - 10 Years	—

At the inception of capital leases at the governmental fund reporting level, expenditures and any "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.

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, as well as for 25% of sick leave that has been earned but not taken by County employees who either have 20 years of service with the County or are age 62 or older.

LA PLATA COUNTY, COLORADO

Notes To Basic Financial Statements (*Continued*)

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, 2019, for employees of the proprietary funds have not been accrued since they would not have a material effect on the financial statements.

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.

Deferred Outflow Of Resources Or Deferred Inflow Of Resources

Deferred outflows of resources represent a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources or expense/expenditure until then. The deferred outflows related to PERA pension and OPEB are reported in the government wide statement of Net Position. Deferred inflows of resources represent an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources, such as revenue, until that time. Property taxes are reported as a receivable and are deferred inflows of resources at December 31.

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.

- Nonspendable 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 by external parties (such as grantors or bondholders), constitutional provisions or enabling legislation.
- Committed fund balance - the portion of fund balance constrained through a resolution or policy adopted 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 nonspendable, restricted, committed or assigned. The County will only report a positive unassigned fund balance in the General Fund.

When both restricted and unrestricted amounts of fund balance are available for use when an expense 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.

LA PLATA COUNTY, COLORADO

Notes To Basic Financial Statements (*Continued*)

Net Position - Net position represents the difference between assets, deferred outflows of resources and liabilities and deferred inflows of resources. 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 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.

Operating Revenues And Expenses

Operating revenues of proprietary funds 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. Nonoperating 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.

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 nonoperating 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.

Estimates

The preparation of the financial statements in conformity with GAAP 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.

Recent Accounting Pronouncements

GASB issued Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*. This statement postpones by one year the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018.

2. Stewardship, Compliance And Accountability

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.

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.

LA PLATA COUNTY, COLORADO

Notes To Basic Financial Statements (*Continued*)

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 2019.

Stewardship

Expenditures in the Employee Medical Self Insurance Fund, an Internal Service Fund of the County, and the Joint Sales Tax Fund, a nonmajor special revenue fund of the County, exceeded appropriations during 2019 by \$894,625 and \$19,414, respectively. This may be a violation of Colorado State Statutes.

3. Detailed Notes On All Funds

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 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 102% of the amount of public deposits. Banking institutions are monitored by the Colorado Division of Banking and must report monthly on all public deposits held. Pledged collateral must be held in joint custody of the bank and the Colorado Division of Banking in accordance with the Public Deposit Protection Act in a safekeeping account held by a third party, usually the Federal Reserve Bank.

LA PLATA COUNTY, COLORADO

Notes To Basic Financial Statements (*Continued*)

The pledged collateral cannot be released unless approval is obtained by the Colorado Division of Banking. Eligible public depository banks are examined by the Division of Banking and audited annually by an independent auditor. 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 \$8,752,721 and the bank balance was \$8,952,393. Of the bank balance, \$317,016 was covered by federal depository insurance and \$8,635,377 was uninsured but collateralized with securities held by a third party as required by the CPDPA. The carrying amount of deposits for the Sixth Judicial District Attorney, a discretely presented component unit was \$106,740 and the bank balance was \$106,919. Of the bank balance, \$106,919 was covered by federal depository insurance.

Credit Risk - The County's investment policy is to apply the 'prudent investor 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- or equivalent by at least two NRSROs), Prime Commercial Paper (rated at least A-1); eligible bankers acceptances; general obligations and revenue obligations; repurchase agreements; local government investment pools authorized under C.R.S. 24-75-701 and C.R.S. 24-75-702, money market mutual funds registered under the Investment Company Act of 1940; and nonnegotiable certificates of deposit.

As of December 31, 2019, the County's investments in local government investment pools (COLOTRUST) were rated AAAM by Standard & Poor's. To obtain financial statements for COLOTRUST, you may visit their website at www.colotrust.com.

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

LA PLATA COUNTY, COLORADO

Notes To Basic Financial Statements (*Continued*)

Concentration of Credit Risk - The County's formal investment policy provides that the combined exposure to corporate bonds, commercial paper and eligible bankers acceptances shall not exceed 50% of the portfolio, with no more than 5% held in any one issuer. Exposure to general obligations and revenue obligations shall not exceed 30% of the portfolio with no more than 5% held in any one issuer.

Foreign Currency Risk - The County does not invest in any foreign investments. As of December 31, 2019, the County's investments were as follows:

	Weighted Avg WMkt Dur (Yrs)	S&P/ Moody Rating	% Of Portfolio	Fair Value/ Carrying Amount
Local government investment pool-ColoTrust Plus	—	AAAm	44.05%	\$ 36,195,890
Federal Home Loan Banks (FHLB)	1.82	AA+/Aa1	4.34%	3,567,478
Federal National Mortgage Association	1.71	AA+/Aa1	7.38%	6,062,626
United States Treasury Notes	1.36	AA+/Aa1	17.24%	14,166,765
Federal Farm Credit Banks (FFCB)	1.80	AA+/Aa1	6.12%	5,030,635
Corporate - Commonwealth Bank of Australia/NY	0.20	AA-/Aa3	1.22%	1,000,644
Corporate - Toronto-Dominion Bank	1.41	AA-/Aa1	1.24%	1,021,320
Corporate - Toyota Motor Credit Corp	1.13	AA-/Aa3	2.45%	2,015,104
Corporate - Wells Fargo Bank NA	1.01	Aa+/Aa2	2.45%	2,014,025
Corporate - Microsoft Corp 1.85%	1.03	AA+/Aa1	2.45%	2,014,093
Corporate - Apple Inc	0.10	AA+/Aa1	1.22%	999,968
Corporate - US Bank NA/Cincinnati OH	1.61	AA-/A1	2.47%	2,030,733
Corporate - Walmart Inc.	0.47	AA/Aa2	1.22%	1,005,060
Corporate - Australia & New Zealand Banking Group	2.73	AA-/Aa3	1.24%	1,018,507
Corporate - Royal Bank of Canada	0.81	AA-/Aa2	1.22%	1,001,911
Corporate - Bank of Montreal	1.25	A+/Aa2	1.24%	1,016,333
Corporate - Canadian Imperial Bank of Commerce	2.37	A+/Aa2	1.24%	1,014,929
Corporate - City of New York NY	3.41	AA/Aa1	1.22%	998,810
Total			100.00%	\$ 82,174,831

At December 31, 2019, investments were measured at fair value using:

	December 31, 2019	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Investments By Fair Value Level				
U.S. Treasury notes/bonds	\$ 14,166,765	\$ —	\$ 14,166,765	\$ —
FHLB	3,567,478	—	3,567,478	—
FNMA	6,062,626	—	6,062,626	—
Federal Farm Credit Banks	5,030,635	—	5,030,635	—
Corporate bonds	17,151,437	—	17,151,437	—
Total Investments By Fair Value Level	45,978,941	\$ —	\$ 45,978,941	\$ —
Investments Held At Net Asset Value				
Local government investment pool	36,195,890			
Total Investments	\$ 82,174,831			

LA PLATA COUNTY, COLORADO

Notes To Basic Financial Statements (*Continued*)

Cash And Investment Reconciliation

	<u>Carrying Amounts</u>		<u>Cash And Cash Equivalents</u>
		From statement of net position:	
Cash on hand	\$ 9,647	Cash and cash deposits	\$ 179,806
Deposits	8,752,721	Equity in treasurer's cash and investments	88,720,083
Investments	82,174,831	Restricted cash and investments	75,423
		Statement of fiduciary assets and liabilities	<u>1,961,887</u>
Total	<u><u>\$ 90,937,199</u></u>	Total	<u><u>\$ 90,937,199</u></u>

Receivables

Accounts receivable relate to amounts collected in 2020 which the County earned or were entitled to during the 2019 fiscal year. The County believes all amounts recorded are fully collectible.

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.

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. Collections for other districts are accounted for in the agency funds. Property taxes are reported as a receivable and are deferred inflows of resources at December 31.

LA PLATA COUNTY, COLORADO

Notes To Basic Financial Statements (Continued)

Capital Assets

Capital assets activity for governmental activities (including \$7,025,158 of net capital assets related to the internal service funds) for the year ended December 31, 2019, is as follows:

	Balance December 31, 2018	Transfers	Additions	Deletions	Balance December 31, 2019
Governmental activities:					
Capital assets not being depreciated:					
Land	\$ 9,452,945	\$ —	\$ —	\$ —	\$ 9,452,945
Construction in progress	3,067,281	(2,665,379)	8,341,821	(120,583)	8,623,140
Works of art	90,000	—	—	—	90,000
Capital assets not being depreciated	12,610,226	(2,665,379)	8,341,821	(120,583)	18,166,085
Depreciable capital assets:					
Buildings	77,589,652	2,638,768	11,487	—	80,239,907
Improvements	9,432,091	26,611	—	—	9,458,702
Machinery and equipment	19,110,190	—	1,848,250	(1,023,165)	19,935,275
Intangibles	314,603	—	—	—	314,603
Infrastructure	91,255,211	—	3,024,650	—	94,279,861
Depreciable capital assets	197,701,747	2,665,379	4,884,387	(1,023,165)	204,228,348
Total Capital Assets	210,311,973	—	13,226,208	(1,143,748)	222,394,433
Accumulated depreciation:					
Buildings	17,430,992	—	1,488,034	—	18,919,026
Improvements	4,449,051	—	355,468	—	4,804,519
Machinery and equipment	11,576,697	—	1,124,680	(907,303)	11,794,074
Intangibles	103,145	—	44,943	—	148,088
Infrastructure	62,803,831	—	2,811,216	—	65,615,047
Total Accumulated Depreciation	96,363,716	—	5,824,341	(907,303)	101,280,754
Governmental activities capital	\$ 113,948,257	\$ —	\$ 7,401,867	\$ (236,445)	\$ 121,113,679

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

	Total
Governmental activities depreciation expense:	
General government	\$ 1,132,133
Public safety	835,550
Recreation and culture	352,012
Public works	3,470,898
Health and welfare	33,748
Total Governmental Activities Depreciation Expense	\$ 5,824,341

LA PLATA COUNTY, COLORADO

Notes To Basic Financial Statements (*Continued*)

The following are the changes in capital asset activity in discretely presented component units for the year ended December 31, 2019:

	Balance December 31, 2018			Balance December 31, 2019
	Additions	Deletions		
Depreciable capital assets:				
Machinery and equipment	\$ 133,973	\$ 48,524	\$ 38,323	\$ 144,174
Less: accumulated depreciation	122,219	8,142	35,241	95,120
Component unit capital assets, net	\$ 11,754	\$ 40,382	\$ 3,082	\$ 49,054

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 to move unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, and to provide additional resources for current operations or debt service.

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

Interfund transfers for the year ended December 31, 2019, consisted of the following:

	Transfers From		
	General Fund	Nonmajor Govt'l Fund	Total
Transfers to:			
General fund	\$ —	\$ 305,011	\$ 305,011
Capital improvement fund	4,274,145	—	4,274,145
Total	\$ 4,274,145	\$ 305,011	\$ 4,579,156

During the 2019 year, the Joint Sales Tax fund transferred \$295,011 to the General Fund for Durango City Senior Services operations and \$10,000 to the General Fund for the Durango Landfill post closure costs. The General Fund transferred \$4,274,145 to the Capital Improvement Fund for 2019 Capital Projects.

LA PLATA COUNTY, COLORADO

Notes To Basic Financial Statements (*Continued*)

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, 2019:

	December 31, 2018	Additions	Deletions	December 31, 2019	Amounts Due In One Year
Governmental Activities:					
Colorado water debt	\$ 230,253	\$ —	\$ 12,343	\$ 217,910	\$ 12,592
Compensated absences	1,680,005	2,838,652	2,796,961	1,721,696	392,007
Pollution remediation obligation	2,556,920	—	102,450	2,454,470	40,000
Landfill closure and postclosure care costs	416,032	—	101,222	314,810	65,476
Total Governmental Activity	\$ 4,883,210	\$ 2,838,652	\$ 3,012,976	\$ 4,708,886	\$ 510,075
Component Unit:					
Compensated absences	\$ 112,873	\$ 157,335	\$ 143,056	\$ 127,152	\$ 27,889

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; any costs not paid for by a third party will be paid for by general revenues. The landfill closure and post-closure care liability will be paid for by general revenues.

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:

Year	Principal	Interest	Total Debt Service
2020	\$ 12,592	\$ 4,296	\$ 16,888
2021	12,845	4,042	16,887
2022	13,103	3,784	16,887
2023	13,366	3,521	16,887
2024 - 2028	70,971	13,465	84,436
2029 - 2033	78,396	6,040	84,436
2034	16,637	250	16,887
Total	\$ 217,910	\$ 35,398	\$ 253,308

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 or termination, an employee is paid 25% of accumulated sick leave if they have 20+ years of service with the County or are age 62 or older. 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. Sick leave also carries over from one year to the next, although it may not exceed 720 hours for all employees.

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 environmental issues subject to that order, 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 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.

LA PLATA COUNTY, COLORADO

Notes To Basic Financial Statements (*Continued*)

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. (which subsequently reorganized as BG Retail, LLC), the former owner of the property, seeking reimbursement of the cost of pre-cleanup investigation, past and future 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 BG Retail 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 BG Retail to reimburse La Plata County for 75% of past recoverable response costs totaling 694,787.00 (i.e. \$521,090.25) which BG Retail had paid as of January 2013.

The Court's March 2011 order further 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 \$2,987,195, for a total of \$3,002,195. Based upon the judge's determination that Brown Retail Group is required to reimburse a minimum of \$445,275 in future response costs, the County has recorded a corresponding reduction of \$445,275 in the total liability, reducing the net future liability for pollution cleanup to \$2,454,470. By Court order, Brown Group advanced La Plata County \$445,275 in future cleanup costs in April 2012, and this deposit is being held to cover future recovery costs.

The County's remediation costs which BG Retail's \$445,275 deposit is intended to offset, total, to date, \$386,712 in cleanup activities, and \$42,400 in legal fees and costs. BG Retail has disputed that certain of those expenses fall outside the scope of remediation expenses allowed by the court's order. Following negotiations with BG Retail, the County agreed to withdraw \$40,687 of those expenses from its demand for reimbursement, and BG Retail disputes at least another \$19,751.

LA PLATA COUNTY, COLORADO

Notes To Basic Financial Statements (*Continued*)

The estimated total current cost of cleanup/remediation activities of \$2,454,470 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, 2019. 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 do not apply to the County's ongoing liability related to closed landfills. Note 3 (below) includes information related to the County's responsibility for landfill closure and post-closure care costs.

Landfill Closure And Post-closure 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 post-closure care costs that will be incurred after the date the landfills no longer accept waste.

LA PLATA COUNTY, COLORADO

Notes To Basic Financial Statements (*Continued*)

The estimated liability for landfill closure and post-closure care costs has a balance of \$314,810 as of December 31, 2019, which is based on the following assumptions:

Landfill Sites	Estimated Closure And Post-Closure Care Costs	Percent Filled	Calculated Liability
Tiffany	\$ 1,000	100%	\$ 1,000
Marvel	1,722	100%	1,722
Durango	9,600	100%	9,600
Bayfield	<u>302,488</u>	100%	<u>302,488</u>
Totals	<u><u>\$ 314,810</u></u>		<u><u>\$ 314,810</u></u>

The estimated total current cost of the landfill closure and post-closure care of \$314,810 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, 2019. 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 post-closure 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.

Lease Obligations

Lease with Related Party - 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. Effective February 2016 a third lease amendment was negotiated extending the lease terms through February 28, 2019. The lease amendment also secured approximately 750 square feet of additional space. The county extended the lease, upon the same terms, for an additional one-year period, from March 1, 2019 through February 29, 2020. The amount paid for the lease during 2019 totaled \$94,195.

Pensions***Defined Contribution Plan***

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.

The total payroll for the County and the District Attorney's employees that are enrolled in CCOERA in calendar year 2019 was \$22,116,209. Contributions to CCOERA were calculated using the CCOERA eligible payroll amount of \$20,726,959. Both the employer and the covered employees made the required contributions, amounting to \$1,274,095 from the employer and \$1,274,095 from employees, or \$2,548,190 total.

Defined Benefit Pension Plan

Summary Of Significant Accounting Policies

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.

During the 2018 legislative session, the Colorado General Assembly passed significant pension reform through Senate Bill (SB) 18-200: *Concerning Modifications to the Public Employees' Retirement Association Hybrid Defined Benefit Plan Necessary to Eliminate with a High Probability the Unfunded Liability of the Plan Within the Next Thirty Years*. A brief description of some of the major changes to plan provisions required by SB 18-200 for the SDTF are listed below. The bill was signed into law by Governor Hickenlooper on June 4, 2018. A full copy of the bill can be found online at www.leg.colorado.gov.

- Increases employer contribution rates for the SDTF by 0.25% on July 1, 2019.
- Increases employee contribution rates for the SDTF by a total of 2% (to be phased in over a period of 3 years starting on July 1, 2019).
- As specified in C.R.S. § 24-51-413, the State is required to contribute \$225 million each year to PERA starting on July 1, 2018. A portion of the direct distribution payment is allocated to the SDTF based on the proportionate amount of annual payroll of the SDTF to the total annual payroll of the SDTF, School Division Trust Fund, Judicial Division Trust Fund, and Denver Public Schools Division Trust Fund. For fiscal year 2019, the University's allocation of the direct distribution was \$0.9 million.
- Modifies the retirement benefits, including temporarily suspending and reducing the annual increase for all current and future retirees, increases the highest average salary for employees with less than five years of service credit on December 31, 2019 and raises the retirement age for new employees.

LA PLATA COUNTY, COLORADO

Notes To Basic Financial Statements (*Continued*)

- Member contributions, employer contributions, the direct distribution from the State, and the annual increases will be adjusted based on certain statutory parameters beginning July 1, 2020, and then each year thereafter, to help keep PERA on path to full funding in 30 years.
- Expands eligibility to participate in the PERA DC Plan to certain new members of the State Division hired on or after January 1, 2019, who are classified State College and University employees. Beginning January 1, 2021, and every year thereafter, employer contribution rates for the SDTF will be adjusted to include a defined contribution supplement based on the employer contribution amount paid to defined contribution plan participant accounts that would have otherwise gone to the defined benefit trusts to pay down the unfunded liability plus any defined benefit investment earnings thereon.

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.

Benefits provided as of December 31, 2018. 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% and then multiplied by years of service credit

LA PLATA COUNTY, COLORADO

Notes To Basic Financial Statements (*Continued*)

- The value of the retiring employee's member contribution account plus a 100% 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% 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% or 100% 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.

As of December 31, 2018, 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, unless PERA has a negative investment year, in which case the annual increase for the next three years is the lesser of 1.5% or the average of the Consumer Price 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 will receive the lesser of an annual increase of 1.5% or the average CPI-W for the prior calendar year, not to exceed 10% of PERA's Annual Increase Reserve (AIR) for the SDTF. The automatic adjustment provision may raise or lower the aforementioned AI for a given year by up to one-quarter of 1% based on the parameters specified C.R.S. § 24-51-413. 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.

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.

LA PLATA COUNTY, COLORADO

Notes To Basic Financial Statements (*Continued*)

Contributions provisions as of December 31, 2019: 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 for the SDTF are established under C.R.S. § 24-51-401, et seq. and § 24-51-413. Employee contribution rates for the period of January 1 through December 31, 2019 are summarized in the table below:

	January 1, 2019 Through June 30, 2019	July 1, 2019 Through June 30, 2020
Employer contribution rate (all employees except state troopers)	8.00%	8.75%
State troopers only	10.00%	10.75%

The employer contribution requirements for all employees except State Troopers are summarized in the table below:

	January 1, 2019 Through June 30, 2019	July 1, 2019 Through June 30, 2020
Employer contribution rate ¹	10.15%	10.40%
Amount of employer contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51- 208(1)(f) ¹	-1.02%	-1.02%
Amount apportioned to the SDTF ¹	9.13%	9.38%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411 ¹	5.00%	5.00%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411 ¹	5.00%	5.00%
Total Employer Contribution Rate To The SDTF¹	19.13%	19.38%

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

As specified in C.R.S. § 24-51-413, the State is required to contribute \$225 million each year to PERA starting on July 1, 2018. A portion of the direct distribution payment is allocated to the SDTF based on the proportionate amount of annual payroll of the SDTF to the total annual payroll of the SDTF, School Division Trust Fund, Judicial Division Trust Fund, and Denver Public Schools Division Trust Fund. A portion of the direct distribution allocated to the SDTF is considered a nonemployer contribution for financial reporting purposes.

LA PLATA COUNTY, COLORADO

Notes To Basic Financial Statements (*Continued*)

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 is statutorily committed to pay the contributions to the SDTF. Employer contributions recognized by the SDTF from Sixth Judicial District Attorney were \$26,358 for the year ended December 31, 2019.

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

At December 31, 2019, the Sixth Judicial District Attorney reported a liability of \$429,479 for its proportionate share of the net pension liability. The net pension liability for the SDTF was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017. Standard update procedures were used to roll-forward the total pension liability to December 31, 2018. 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 2017 relative to the total contributions of participating employers to the SDTF.

At December 31, 2018, the Sixth Judicial District Attorney proportion was 0.0037744239%, which was a decrease of 0.0008436861% from its proportion measured as of December 31, 2017.

LA PLATA COUNTY, COLORADO

Notes To Basic Financial Statements (*Continued*)

For the year ended December 31, 2019, the Sixth Judicial District Attorney recognized pension expense of \$65,166. At December 31, 2019, the Sixth Judicial District Attorney reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Difference between expected and actual experience	\$ 4,121	\$ 221,777
Changes of assumptions or other inputs	22,614	48,665
Net difference between projected and actual earnings on pension plan investments	21,693	—
Changes in proportion and differences between contributions recognized and proportionate share of contributions	1,871	93,880
Contributions subsequent to the measurement date	26,358	—
Total	\$ 76,657	\$ 364,322

\$26,358 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, 2019. 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, 2019	Total
2020	\$ (155,702)
2021	(171,264)
2022	1,066
2023	11,877
Total	\$ (314,023)

LA PLATA COUNTY, COLORADO

Notes To Basic Financial Statements (*Continued*)

Actuarial assumptions. The total pension liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.40 %
Real wage growth	1.10 %
Wage inflation	3.50 %
Salary increases, including wage inflation	3.50 – 9.17 %
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25 %
Discount rate	4.72 %
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07 and DPS benefit structure (automatic)	0% thorough 2019 and 1.5% compounded annually thereafter
PERA benefit structure hired after 12/31/06 (ad hoc, substantively automatic)	Financed by the Annual Increase Reserve (AIR)

A discount rate of 7.25% was used in the roll-forward calculation of the total pension liability to the measurement date of December 31, 2018.

Healthy mortality assumptions for active members reflect the RP-2014 White Collar Employee Mortality Table, a table specifically developed for actively working people. To allow for an appropriate margin of improved mortality prospectively, the mortality rates incorporate a 70% factor applied to male rates and a 55% factor applied to female rates.

Healthy, post-retirement mortality assumptions reflect the RP-2014 Healthy Annuitant Mortality Table, adjusted as follows:

- **Males:** Mortality improvement projected to 2018 using the MP-2015 projection scale, a 73% factor applied to rates for ages less than 80, a 108% factor applied to rates for ages 80 and above, and further adjustments for credibility.
- **Females:** Mortality improvement projected to 2020 using the MP-2015 projection scale, a 78% factor applied to rates for ages less than 80, a 109% factor applied to rates for ages 80 and above, and further adjustments for credibility.

For disabled retirees, the mortality assumption was changed to reflect 90% of the RP-2014 Disabled Retiree Mortality Table.

LA PLATA COUNTY, COLORADO

Notes To Basic Financial Statements (*Continued*)

The actuarial assumptions used in the December 31, 2017, valuations were based on the results of the 2016 experience analysis for the periods January 1, 2012, through December 31, 2015, as well as, the October 28, 2016, actuarial assumptions workshop and were adopted by the PERA Board during the November 18, 2016, Board meeting.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four or five years for PERA. Recently, this assumption has been reviewed more frequently. The most recent analyses were outlined in presentations to PERA's Board on October 28, 2016.

Several factors were considered in evaluating the long-term rate of return assumption for the SDTF, including long-term historical data, estimates inherent in current market data, and 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.

As of the most recent adoption of the long-term expected rate of return by the PERA Board, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	10 Year Expected Geometric Real Rate Of Return
U.S. Equity – Large Cap	21.20%	4.30%
U.S. Equity – Small Cap	7.42%	4.80%
Non U.S. Equity – Developed	18.55%	5.20%
Non U.S. Equity – Emerging	5.83%	5.40%
Core Fixed Income	19.32%	1.20%
High Yield	1.38%	4.30%
Non U.S. Fixed Income-Developed	1.84%	0.60%
Emerging Market Debt	0.46%	3.90%
Core Real Estate	8.50%	4.90%
Opportunity Fund	6.00%	3.80%
Private Equity	8.50%	6.60%
Cash	1.00%	0.20%
Total	100.00%	

LA PLATA COUNTY, COLORADO

Notes To Basic Financial Statements (*Continued*)

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 7.25%.

Discount rate. The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.50%.
- Employee contributions were assumed to be made at the current member contribution rate. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date, including current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point, the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions included reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- Employer contributions and the amount of total service costs for future plan members were based upon a process used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.

LA PLATA COUNTY, COLORADO

Notes To Basic Financial Statements (*Continued*)

- The AIR balance was excluded from the initial fiduciary net position, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. As the ad hoc post-retirement benefit increases financed by the AIR are defined to have a present value at the long-term expected rate of return on plan investments equal to the amount transferred for their future payment, AIR transfers to the fiduciary net position and the subsequent AIR benefit payments have no impact on the Single Equivalent Interest Rate (SEIR) determination process when the timing of AIR cash flows is not a factor (i.e., the plan's fiduciary net position is not projected to be depleted). When AIR cash flow timing is a factor in the SEIR determination process (i.e., the plan's fiduciary net position is projected to be depleted), AIR transfers to the fiduciary net position and the subsequent AIR benefit payments were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the end of the month.

Based on the above assumptions and methods, the projection test indicates the SDTF's fiduciary net position was projected to be depleted in 2038 and, as a result, the municipal bond index rate was used in the determination of the discount rate. The long-term expected rate of return of 7.25% on pension plan investments was applied to periods through 2038 and the municipal bond index rate, the December average of the Bond Buyer General Obligation 20-year Municipal Bond Index published weekly by the Bond Buyer, was applied to periods on and after 2038 to develop the discount rate. For the measurement date, the municipal bond index rate was 3.43%, resulting in a discount rate of 7.25%.

As of the prior measurement date, the long-term expected rate of return on plan investments of 7.25% and the municipal bond index rate of 3.43% were used in the discount rate determination resulting in a discount rate of 4.72%, 2.53% higher compared to the current measurement date.

LA PLATA COUNTY, COLORADO

Notes To Basic Financial Statements (*Continued*)

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 4.72%, 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 (3.72%) or 1- percentage-point higher (5.72%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net pension liability	\$ 553,917	\$ 429,479	\$ 341,116

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.

Defined Benefit Other Post Employment Benefit (OPEB) Plan

Summary Of Significant Accounting Policies

OPEB. Sixth Judicial District Attorney participates in the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit OPEB fund administered by the Public Employees' Retirement Association of Colorado (PERA). The net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the HCTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefits paid on behalf of health care participants are recognized when due and/or payable in accordance with the benefit terms. Investments are reported at fair value.

General Information About The OPEB Plan

Plan description. Eligible employees of the Sixth Judicial District Attorney are provided with OPEB through the HCTF—a cost-sharing multiple-employer defined benefit OPEB plan administered by PERA. The HCTF is established under Title 24, Article 51, Part 12 of the Colorado Revised Statutes (C.R.S.), as amended. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. Title 24, Article 51, Part 12 of the C.R.S., as amended, 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 the premium subsidies. 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.

Benefits provided. The HCTF provides a health care premium subsidy to eligible participating PERA benefit recipients and retirees who choose to enroll in one of the PERA health care plans, however, the subsidy is not available if only enrolled in the dental and/or vision plan(s). The health care premium subsidy is based upon the benefit structure under which the member retires and the member's years of service credit. For members who retire having service credit with employers in the Denver Public Schools (DPS) Division and one or more of the other four Divisions (State, School, Local Government and Judicial), the premium subsidy is allocated between the HCTF and the Denver Public Schools Health Care Trust Fund (DPS HCTF). The basis for the amount of the premium subsidy funded by each trust fund is the percentage of the member contribution account balance from each division as it relates to the total member contribution account balance from which the retirement benefit is paid.

C.R.S. § 24-51-1202 et seq. specifies the eligibility for enrollment in the health care plans offered by PERA and the amount of the premium subsidy. The law governing a benefit recipient's eligibility for the subsidy and the amount of the subsidy differs slightly depending under which benefit structure the benefits are calculated. All benefit recipients under the PERA benefit structure and all retirees under the DPS benefit structure are eligible for a premium subsidy, if enrolled in a health care plan under PERACare. Upon the death of a DPS benefit structure retiree, no further subsidy is paid.

LA PLATA COUNTY, COLORADO

Notes To Basic Financial Statements (*Continued*)

Enrollment in the PERACare is voluntary and is available to benefit recipients and their eligible dependents, certain surviving spouses, and divorced spouses and guardians, among others. Eligible benefit recipients may enroll into the program upon retirement, upon the occurrence of certain life events, or on an annual basis during an open enrollment period.

PERA Benefit Structure

The maximum service-based premium subsidy is \$230 per month for benefit recipients who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is \$115 per month for benefit recipients who are 65 years of age or older or who are under 65 years of age and entitled to Medicare. The basis for the maximum service-based subsidy, in each case, is for benefit recipients with retirement benefits based on 20 or more years of service credit. There is a 5% reduction in the subsidy for each year less than 20. The benefit recipient pays the remaining portion of the premium to the extent the subsidy does not cover the entire amount.

For benefit recipients who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, C.R.S. § 24-51-1206(4) provides an additional subsidy. According to the statute, PERA cannot charge premiums to benefit recipients without Medicare Part A that are greater than premiums charged to benefit recipients with Part A for the same plan option, coverage level, and service credit. Currently, for each individual PERACare enrollee, the total premium for Medicare coverage is determined assuming plan participants have both Medicare Part A and Part B and the difference in premium cost is paid by the HCTF or the DPS HCTF on behalf of benefit recipients not covered by Medicare Part A.

DPS Benefit Structure

The maximum service-based premium subsidy is \$230 per month for retirees who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is \$115 per month for retirees who are 65 years of age or older or who are under 65 years of age and entitled to Medicare. The basis for the maximum subsidy, in each case, is for retirees with retirement benefits based on 20 or more years of service credit. There is a 5% reduction in the subsidy for each year less than 20. The retiree pays the remaining portion of the premium to the extent the subsidy does not cover the entire amount.

LA PLATA COUNTY, COLORADO

Notes To Basic Financial Statements (*Continued*)

For retirees who have not participated in Social Security and who are not otherwise eligible for premium- free Medicare Part A for hospital-related services, the HCTF or the DPS HCTF pays an alternate service- based premium subsidy. Each individual retiree meeting these conditions receives the maximum \$230 per month subsidy reduced appropriately for service less than 20 years, as described above. Retirees who do not have Medicare Part A pay the difference between the total premium and the monthly subsidy.

Contributions. Pursuant to Title 24, Article 51, Section 208(1)(f) of the C.R.S., as amended, certain contributions are apportioned to the HCTF. PERA-affiliated employers of the State, School, Local Government, and Judicial Divisions are required to contribute at a rate of 1.02% of PERA-includable salary into the HCTF.

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the Sixth Judicial District Attorney is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from Sixth Judicial District Attorney were \$1,326 for the year ended December 31, 2019.

OPEB Liabilities, OPEB Expense, And Deferred Outflows Of Resources And Deferred Inflows Of Resources Related To OPEB

At December 31, 2019, the Sixth Judicial District Attorney reported a liability of \$20,912 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2017. Standard update procedures were used to roll-forward the total OPEB liability to December 31, 2018. The Sixth Judicial District Attorney proportion of the net OPEB liability was based on Sixth Judicial District Attorney contributions to the HCTF for the calendar year 2018 relative to the total contributions of participating employers to the HCTF.

At December 31, 2018, the Sixth Judicial District Attorney proportion was 0.0015370648%, which was a decrease of 0.00001319696%% from its proportion measured as of December 31, 2017.

LA PLATA COUNTY, COLORADO

Notes To Basic Financial Statements (*Continued*)

For the year ended December 31, 2019, the Sixth Judicial District Attorney recognized OPEB expense of \$1,473. At December 31, 2019, the Sixth Judicial District Attorney reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Difference between expected and actual experience	\$ 76	\$ 32
Changes of assumptions or other inputs	147	—
Net difference between projected and actual earnings on OPEB plan investments	120	—
Changes in proportion and differences between contributions recognized and proportionate share of contributions	197	1,448
Contributions subsequent to the measurement date	1,326	—
Total	\$ 1,866	\$ 1,480

\$1,326 reported as deferred outflows and deferred inflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2019. Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended December 31, 2019:	Total
2020	\$ 189
2021	189
2022	189
2023	105
2024	259
Thereafter	9
Total	\$ 940

LA PLATA COUNTY, COLORADO

Notes To Basic Financial Statements (*Continued*)

Actuarial assumptions. The total OPEB liability in the December 31, 2016 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.40 percent
Real wage growth	1.10 percent
Wage inflation	3.50 percent
Salary increases, including wage inflation	3.50 percent in aggregate
Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation	7.25 percent
Discount rate	7.25 percent
Health care cost trend rates	
PERA benefit structure:	
Service-based premium subsidy	0.00 percent
PERACare Medicare plans	5.00 percent
Medicare Part A premiums	3.00 percent for 2018, gradually rising to 4.25 percent in 2023
DPS benefit structure:	
Service-based premium subsidy	0.00 percent
PERACare Medicare plans	N/A
Medicare Part A premiums	N/A

Calculations are based on the benefits provided under the terms of the substantive plan in effect at the time of each actuarial valuation and on the pattern of sharing of costs between employers of each fund to that point.

The actuarial assumptions used in the December 31, 2017, valuations were based on the results of the 2016 experience analysis for the periods January 1, 2012, through December 31, 2015, as well as, the October 28, 2016, actuarial assumptions workshop and were adopted by the PERA Board during the November 18, 2016, Board meeting. In addition, certain actuarial assumptions pertaining to per capita health care costs and their related trends are analyzed and reviewed by PERA's actuary, as discussed below.

LA PLATA COUNTY, COLORADO

Notes To Basic Financial Statements (*Continued*)

In determining the additional liability for PERACare enrollees who are age sixty-five or older and who are not eligible for premium-free Medicare Part A, the following monthly costs/premiums are assumed for 2018 for the PERA Benefit Structure:

Medicare Plan	Cost For Members Without Medicare Part A	Premium For Members Without Medicare Part A
Self-Funded Medicare Supplement Plans	\$ 376	\$ 367
Kaiser Permanente Medicare Advantage HMO	602	236
Rocky Mountain Health Plans Medicare HMO	611	251
UnitedHealthcare Medicare HMO	686	213

The 2018 Medicare Part A premium is \$422 per month.

In determining the additional liability for PERACare enrollees in the PERA Benefit Structure who are age sixty-five or older and who are not eligible for premium-free Medicare Part A, the following chart details the initial expected value of Medicare Part A benefits, age adjusted to age 65 for the year following the valuation date:

Medicare Plan	Cost For Members Without Medicare Part A
Self-Funded Medicare Supplement Plans	\$ 289
Kaiser Permanente Medicare Advantage HMO	300
Rocky Mountain Health Plans Medicare HMO	270
UnitedHealthcare Medicare HMO	400

All costs are subject to the health care cost trend rates, as discussed below.

Health care cost trend rates reflect the change in per capita health costs over time due to factors such as medical inflation, utilization, plan design, and technology improvements. For the PERA benefit structure, health care cost trend rates are needed to project the future costs associated with providing benefits to those PERACare enrollees not eligible for premium-free Medicare Part A.

LA PLATA COUNTY, COLORADO

Notes To Basic Financial Statements (*Continued*)

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models and heuristics developed by health plan actuaries and administrators, and projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services. Effective December 31, 2017, the health care cost trend rates for Medicare Part A premiums were revised to reflect the current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

The PERA benefit structure health care cost trend rates that were used to measure the total OPEB liability are summarized in the table below:

Year	PERACare Medicare Plans	Medicare Part A Premiums
2019	5.00%	3.50%
2020	5.00%	3.75%
2021	5.00%	4.00%
2022	5.00%	4.25%
2023	5.00%	4.50%
2024	5.00%	4.75%
2025+	5.00%	5.00%

Mortality assumptions for the determination of the total pension liability for each of the Division Trust Funds as shown below are applied, as applicable, in the determination of the total OPEB liability for the HCTF. Affiliated employers of the State, School, Local Government, and Judicial Divisions participate in the HCTF.

Healthy mortality assumptions for active members were based on the RP-2014 White Collar Employee Mortality Table, a table specifically developed for actively working people. To allow for an appropriate margin of improved mortality prospectively, the mortality rates incorporate a 70% factor applied to male rates and a 55% factor applied to female rates.

Healthy, post-retirement mortality assumptions for the State and Local Government Divisions were based on the RP-2014 Healthy Annuitant Mortality Table, adjusted as follows:

- **Males:** Mortality improvement projected to 2018 using the MP-2015 projection scale, a 73% factor applied to rates for ages less than 80, a 108% factor applied to rates for ages 80 and above, and further adjustments for credibility.

LA PLATA COUNTY, COLORADO

Notes To Basic Financial Statements (*Continued*)

- **Females:** Mortality improvement projected to 2020 using the MP-2015 projection scale, a 78% factor applied to rates for ages less than 80, a 109% factor applied to rates for ages 80 and above, and further adjustments for credibility.

Healthy, post-retirement mortality assumptions for the School and Judicial Divisions were based on the RP-2014 White Collar Healthy Annuitant Mortality Table, adjusted as follows:

- Males: Mortality improvement projected to 2018 using the MP-2015 projection scale, a 93% factor applied to rates for ages less than 80, a 113% factor applied to rates for ages 80 and above, and further adjustments for credibility.
- Females: Mortality improvement projected to 2020 using the MP-2015 projection scale, a 68% factor applied to rates for ages less than 80, a 106% factor applied to rates for ages 80 and above, and further adjustments for credibility.

For disabled retirees, the mortality assumption was based on 90% of the RP-2014 Disabled Retiree Mortality Table.

The following health care costs assumptions were updated and used in the measurement of the obligations for the HCTF:

- Initial per capita health care costs for those PERACare enrollees under the PERA benefit structure who are expected to attain age 65 and older ages and are not eligible for premium-free Medicare Part A benefits were updated to reflect the change in costs for the 2018 plan year.
- The health care cost trend rates for Medicare Part A premiums were revised to reflect the then-current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four or five years for PERA. Recently, this assumption has been reviewed more frequently. The most recent analyses were outlined in presentations to PERA's Board on October 28, 2016.

LA PLATA COUNTY, COLORADO

Notes To Basic Financial Statements (*Continued*)

Several factors were considered in evaluating the long-term rate of return assumption for the HCTF, including long-term historical data, estimates inherent in current market data, and 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.

As of the most recent adoption of the long-term expected rate of return by the PERA Board, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate Of Return
U.S. Equity - Large Cap	21.20%	4.30%
U.S. Equity - Small Cap	7.42%	4.80%
Non U.S. Equity - Developed	18.55%	5.20%
Non U.S. Equity - Emerging	5.83%	5.40%
Core Fixed Income	19.32%	1.20%
High Yield	1.38%	4.30%
Non U.S. Fixed Income - Develop	1.84%	0.60%
Emerging Market Debt	0.46%	3.90%
Core Real Estate	8.50%	4.90%
Opportunity Fund	6.00%	3.80%
Private Equity	8.50%	6.60%
Cash	1.00%	0.20%
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 7.25%.

LA PLATA COUNTY, COLORADO

Notes To Basic Financial Statements (*Continued*)

Sensitivity of the Sixth Judicial District Attorney proportionate share of the net OPEB liability to changes in the Health Care Cost Trend Rates. The following presents the net OPEB liability using the current health care cost trend rates applicable to the PERA benefit structure, as well as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rates:

	1% Decrease In Trend Rates	Current Trend Rates	1% Increase In Trend Rates
PERACare Medicare trend rate	4.00%	5.00%	6.00%
Initial Medicare Part A trend rate	2.25%	3.25%	4.25%
Ultimate Medicare Part A trend rate	4.00%	5.00%	6.00%
Net OPEB Liability	\$ 20,335	\$ 20,912	\$ 21,577

Discount rate. The discount rate used to measure the total OPEB liability was 7.25%. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2018, measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.50%.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date. For future plan members, employer contributions were reduced by the estimated amount of total service costs for future plan members.
- Employer contributions and the amount of total service costs for future plan members were based upon a process used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Transfers of a portion of purchase service agreements intended to cover the costs associated with OPEB benefits were estimated and included in the projections.

LA PLATA COUNTY, COLORADO

Notes To Basic Financial Statements (*Continued*)

- Benefit payments and contributions were assumed to be made at the end of the month.

Based on the above assumptions and methods, the projection test indicates the HCTF's fiduciary net position was projected to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25% on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25%.

Sensitivity of the Sixth Judicial District Attorney proportionate share of the net OPEB liability to changes in the discount rate. The following presents the proportionate share of the net OPEB liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.25%) or one-percentage-point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net OPEB liability	\$ 20,334	\$ 20,912	\$ 21,577

OPEB plan fiduciary net position. Detailed information about the HCTF'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.

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.

LA PLATA COUNTY, COLORADO

Notes To Basic Financial Statements (*Continued*)

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 nonfederal 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.

Road construction and maintenance - 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.

LA PLATA COUNTY, COLORADO

Notes To Basic Financial Statements (*Continued*)

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.

Committed Fund Balance

Emergency and disasters - Funds set aside by formal action of the La Plata County Board of County Commissioners to be used to ensure the maintenance of services to the public during nonroutine and unforeseen disaster situations such as fires and other weather-related events, as well as other environmental or other natural disasters that cause disruptions in public services.

General capital improvements - Pursuant to the terms of the voter approval for the County's sales tax and subsequent Resolution 1984-142, the fund was established for the deposit of all or any part of the revenue from the County sales taxes and to be used solely to provide capital improvements for the County. Expenditures are limited to continuing capital improvements as determined by the Board of County Commissioners.

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.

Debt service -Funds to account for the accumulation of resources for, and the payment of, long-term debt principal and interest.

Next year's budget deficit - As part of the 2020 budget adoption process, the 2020 general fund revenues and transfers in were estimated at \$44,886,559 and expenditures and transfers out were estimated at \$48,777,541 demonstrating a projected deficit of \$3,890,982. 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.

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 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 nonroutine 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.

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.

LA PLATA COUNTY, COLORADO

Notes To Basic Financial Statements (*Continued*)

The calculated amount of the General Fund balance components at December 31, 2019:

General Fund - Fund Balance	
Nonspendable:	
Prepays	\$ 276,391
Restricted:	
Economic stabilization (TABOR)	1,704,613
Law enforcement	206,038
Committed:	
Emergency and disasters	10,752,785
Assigned:	
Next year's budget deficit	3,890,982
Capital projects	4,011,673
Partially self funded Insurance claims	1,000,000
Unassigned	37,848,190
Total General Fund Balance	<u>\$ 59,690,672</u>

The County is in compliance with its fund balance policies at December 31, 2019.

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 BlueCross BlueShield and Delta Dental for third-party administration services for medical and dental plans, respectively. Medical claims exceeding \$100,000 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 \$904,834 reported in the employee medical self-insurance fund represents the amount due to the County's third party administrators at December 31, 2019 for the 2018 claims year and an estimate for incurred but not reported claims.

LA PLATA COUNTY, COLORADO

Notes To Basic Financial Statements (*Continued*)

Changes in the funds claims liability amount in calendar 2019 and 2018 were:

	<u>2019</u>	<u>2018</u>
Liability at January 1,	\$ 468,881	\$ 229,304
Add: Current-year claims and changes in estimates	5,730,576	4,675,831
Less: Claim payments	<u>(5,294,625)</u>	<u>(4,436,254)</u>
Balance At December 31,	<u>\$ 904,832</u>	<u>\$ 468,881</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 Basic Financial Statements (*Continued*)

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. The County's discretely presented and blended component units are included within the County's coverage through CWCP and CAPP. There were no settlements on behalf of La Plata County in excess of insurance coverage for the last five fiscal years.

In 2016, La Plata County entered into an agreement with CTSI to increase the deductible for the CAPP insurance coverage to \$100,000 per claim. The County has always participated in the pool's standard insurance program that provides a \$500 deductible for most property and liability insurance claims. After consultation with CTSI and analysis by the County, the County determined it would be beneficial for the County to participate in CAPP's partially self-funded option program. Under this program, the County will self-fund a portion of its anticipated property and casualty claims for the program year 2018 while having CAPP continue to provide claims adjudication and management services and loss control and prevention programs for the County.

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 Uniform Guidance was conducted for the calendar year 2019, 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.

LA PLATA COUNTY, COLORADO

Notes To Basic Financial Statements (*Continued*)

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 2019, the amount of funding provided pursuant to the agreement was \$177,030.

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 - In March 2015, La Plata County entered into a lease agreement with the U.S. General Services Administration (GSA) for the remodel and lease of 6,655 square feet of the County Courthouse to the GSA for use by the U.S. District Court, U.S. Marshal's Service (USMS) 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 entered into a lease agreement signed by the County on March 10, 2015 and by the GSA on April 3, 2015. Under the terms of the lease agreement which began February 2017, the GSA paid rent of \$171,721 for 2019.

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% interest in all airport property. Per a 2002 agreement, fiscal administration of the airport was delegated to the City.

The County's equity interest in the Durango-La Plata County Airport was \$24,334,112 at December 31, 2019. Complete financial statements for the airport operations can be found in the joint ventures separately issued financial statements for the year ended December 31, 2019, 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.

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.

8. Subsequent Events

In January 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a "Public Health Emergency of International Concern," which continues to spread throughout the world and has adversely impacted global commercial activity and contributed to significant declines and volatility in financial markets. At the current time, the economic fallout of the COVID-19 pandemic crisis is still largely unknown. La Plata County's staff and elected officials have reviewed early information about federal economic stimulus and recovery funds and are developing response plans based on emerging epidemiological data. Impacts related to property taxes and other revenue, if any, are anticipated to be delayed to future years based on the statutory assessment cycle. The County is projecting a decrease in revenues of approximately 8.2% consisting of (property taxes, fees, etc.) Operational changes in various County departments in response to the pandemic may affect expenditure trends for some time.

In May 2020, the County and the municipalities within were notified by the State that a per capita share of the Coronavirus Relief Fund, which was established by the federal CARES Act to provide state, local, and tribal governments resources to navigate the impact of the COVID-19 outbreak. For LaPlata County, the fund is expected to provide \$3,951,301 to cover unbudgeted expenses incurred due to the public health emergency between March 1 and December 30, 2020. The County entered into a cooperative agreement with municipalities within the County to establish amounts from the fund that will be available to each unit of local government for eligible expenses.

Required Supplementary Information

LA PLATA COUNTY, COLORADO

SCHEDULE OF SIXTH JUDICIAL DISTRICT ATTORNEY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY PERA SCHDTF PENSION PLAN For The Year Ended December 31, 2019 Last Ten Fiscal Years*

	2018	2017	2016	2015	2014
Sixth Judicial District Attorney's proportion of the net pension liability	0.0037744239%	0.0046181100%	0.0045629900%	0.0044966100%	0.0048281650%
Net pension liability	\$ 429,479	\$ 924,451	\$ 838,136	\$ 473,540	\$ 454,162
Sixth Judicial District Attorney's covered payroll	130,000	135,500	130,000	130,000	130,000
Sixth Judicial District Attorney's proportionate share of the net pension liability as a percentage of its covered payroll	330.37%	682.25%	644.72%	364.26%	349.36%
Plan fiduciary net position as a percentage of the total pension liability covered payroll	55.1%	43.2%	42.6%	56.1%	59.8%

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.

* The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.

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 SIXTH JUDICIAL DISTRICT ATTORNEY'S CONTRIBUTIONS PERA SCHDTF PENSION PLAN For The Year Ended December 31, 2019 Last Ten Fiscal Years*

	December 31, 2019	December 31, 2018	December 31, 2017	December 31, 2016	December 31, 2015
Contractually required contribution	\$ 26,358	\$ 26,195	\$ 26,195	\$ 25,025	\$ 23,855
Contributions in relation to the contractually required contribution	(26,358)	(26,195)	(27,258)	(25,025)	(23,855)
Contribution deficiency (excess)	<u>\$ —</u>	<u>\$ —</u>	<u>\$ (1,063)</u>	<u>\$ —</u>	<u>\$ —</u>
Sixth Judicial District Attorney's covered payroll	\$ 130,000	\$ 130,000	\$ 135,500	\$ 130,000	\$ 130,000
Contributions as a percentage of covered payroll	20.28%	20.15%	19.33%	19.25%	18.35%

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 SIXTH JUDICIAL DISTRICT ATTORNEY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY - HEALTH CARE TRUST FUND For The Year Ended December 31, 2019 Last Ten Fiscal Years*

	Measurement Date		
	December 31, 2018	December 31, 2017	December 31, 2016
Sixth Judicial District Attorney's proportion of the net OPEB liability	0.0015370648%	0.0016690344%	0.0016464039%
Sixth Judicial District Attorney's proportionate share of the net OPEB liability (asset)	\$ 20,912	\$ 21,691	\$ 21,346
Sixth Judicial District Attorney's covered payroll	\$ 130,000	\$ 135,500	\$ 130,000
Sixth Judicial District Attorney's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	16.09%	16.01%	16.42%
Plan fiduciary net position as a percentage of the total OPEB liability	17.00%	17.53%	16.72%

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.

* The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.

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 SIXTH JUDICIAL DISTRICT ATTORNEY CONTRIBUTIONS - HEALTH CARE TRUST FUND For The Year Ended December 31, 2019 Last Ten Fiscal Years*

	December 31, 2019	December 31, 2018	December 31, 2017
Contractually required contribution	\$ 1,326	\$ 1,466	\$ 1,382
Contributions in relation to the contractually required contribution	(1,326)	(1,466)	(1,382)
Contribution deficiency (excess)	\$ —	\$ —	\$ —
Sixth Judicial District Attorney's covered payroll	\$ 130,000	\$ 130,000	\$ 135,500
Contributions as a percentage of covered payroll	1.02%	1.13%	1.02%

This schedule is presented to illustrate the requirement to show information for 10 years.

However, until a full 10 year trend is compiled the Sixth Judicial District Attorney presents information for those years for which information is available.

* The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.

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

* The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.

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 - ADDITIONAL BUDGETARY DETAIL

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. The following schedule is used to present the budget to actual for the fund in greater detail than the one provided in the main financial statements.

LA PLATA COUNTY, COLORADO

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

For The Year Ended December 31, 2019

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	2019			
	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Taxes				
General property and delinquent taxes	\$ 13,547,955	\$ 13,547,955	\$ 13,427,679	\$ (120,276)
Specific ownership	1,400,000	1,400,000	1,432,571	32,571
Sales tax (net)	9,290,771	9,290,771	10,853,941	1,563,170
Cable franchise fees	100,000	100,000	114,277	14,277
Lodger's tax	330,000	330,000	448,275	118,275
Retail marijuana tax	30,000	30,000	57,825	27,825
Total Taxes	24,698,726	24,698,726	26,334,568	1,635,842
Intergovernmental Revenue				
Federal Grant / share revenue	2,208,359	6,865,004	2,762,199	(4,102,805)
State Grant / share revenue	1,886,223	2,948,605	2,640,911	(307,694)
Other entities	—	663,750	28,079	(635,671)
Total Intergovernmental Revenue	4,094,582	10,477,359	5,431,189	(5,046,170)
Licenses And Permits				
Ambulance licenses	—	—	100	100
Building permits	800,000	800,000	894,120	94,120
Liquor licenses	8,000	8,000	9,610	1,610
Medical Marijuana licenses	9,000	9,000	7,700	(1,300)
Recreational Marijuana licenses	48,000	48,000	50,200	2,200
Total Licenses And Permits	865,000	865,000	961,730	96,730
Charges For Services				
Alternatives to incarceration	72,000	72,000	87,170	15,170
Assessor's fees	25,150	25,150	24,823	(327)
Booking fees	55,600	55,600	57,802	2,202
Charges for services to DHS	200,000	200,000	205,354	5,354
Clerk and recorder's fees	1,274,000	1,291,000	1,501,687	210,687
Drug Offender's Fees	18,000	18,000	12,688	(5,312)
Election Reimbursements	45,000	89,000	97,964	8,964
Inmate medical/phone reimbursements	50,001	50,001	57,036	7,035
Jail bond fees	10,000	10,000	7,267	(2,733)
Jail room and board	800,000	970,000	1,217,728	247,728
Law enforcement assistance fund	6,500	6,500	5,814	(686)
Miscellaneous charges	13,399	13,399	9,018	(4,381)
Oil and gas fees	80,000	80,000	19,250	(60,750)
Other security services	35,000	35,000	20,630	(14,370)
Parking/Traffic fines	10,300	10,300	10,840	540
Planning fees	52,000	52,000	41,065	(10,935)
Prisoner transportation	40,000	40,000	58,745	18,745
Public trustee's fees	60,000	60,000	63,038	3,038
Senior center activities	13,000	13,000	14,611	1,611
Sheriff's fees	87,350	87,350	107,622	20,272
Surveyor's fees	17,500	17,500	6,975	(10,525)
Treasurer's fees	725,200	725,200	784,019	58,819
Useful public service program	50,000	50,000	48,448	(1,552)
Utility allocation	—	—	16,980	16,980
Victim impact panel fees	5,000	5,000	6,061	1,061
Total Charges For Services	3,745,000	3,976,000	4,482,635	506,635
Investment Earnings	1,000,000	1,000,000	2,341,739	1,341,739

LA PLATA COUNTY, COLORADO

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

For The Year Ended December 31, 2019

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	2019			
	Original Budget	Final Budget	Actual	Variance With Final Budget
Miscellaneous Revenue				
Building rentals	\$ 315,059	\$ 315,059	\$ 384,456	\$ 69,397
Fairgrounds rentals	123,000	123,000	171,194	48,194
Forfeitures	5,000	5,000	24,007	19,007
Insurance refunds	—	—	59,869	59,869
Other Miscellaneous Revenues	25,000	25,000	163,583	138,583
Prisoner commissary collections	30,000	30,000	43,594	13,594
Senior meal donations-Bayfield	9,000	9,000	9,183	183
Senior meal donations-Durango	62,000	62,000	61,925	(75)
Senior services-other	8,500	8,500	8,705	205
Vending machine commissions	75	75	123	48
Total Miscellaneous Revenue	577,634	577,634	926,639	349,005
Total Revenue	34,980,942	41,594,719	40,478,500	(1,116,219)
Expenditures				
General Government				
Board of County Commissioners				
Personnel Expenditures	361,851	361,851	344,971	16,880
Operating Expenditures	93,770	93,770	87,951	5,819
	455,621	455,621	432,922	22,699
County Clerk and Recorder				
Personnel Expenditures	956,795	956,795	946,100	10,695
Operating Expenditures	207,038	259,598	240,385	19,213
	1,163,833	1,216,393	1,186,485	29,908
County Clerk and Recorder - Elections				
Personnel Expenditures	82,026	82,026	80,081	1,945
Operating Expenditures	178,550	232,550	197,830	34,720
	260,576	314,576	277,911	36,665
County Treasurer				
Personnel Expenditures	325,354	325,354	320,129	5,225
Operating Expenditures	201,850	201,850	169,025	32,825
	527,204	527,204	489,154	38,050
Public Trustee's Office				
Personnel Expenditures	68,645	68,645	69,685	(1,040)
Operating Expenditures	5,500	5,500	4,945	555
	74,145	74,145	74,630	(485)
County Assessor				
Personnel Expenditures	997,575	997,575	975,421	22,154
Operating Expenditures	167,447	167,447	155,862	11,585
	1,165,022	1,165,022	1,131,283	33,739

LA PLATA COUNTY, COLORADO

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

For The Year Ended December 31, 2019

Page 3 Of 6

	2019			
	Original Budget	Final Budget	Actual	Variance With Final Budget
County Surveyor				
Personnel Expenditures	\$ 20,968	\$ 20,968	\$ 20,354	\$ 614
Operating Expenditures	1,500	1,500	1,200	300
	22,468	22,468	21,554	914
Administrative Offices				
Personnel Expenditures	689,993	689,993	632,662	57,331
Operating Expenditures	381,045	381,045	81,096	299,949
	1,071,038	1,071,038	713,758	357,280
County Attorney's Office				
Personnel Expenditures	852,819	852,819	780,189	72,630
Operating Expenditures	266,390	291,390	219,220	72,170
	1,119,209	1,144,209	999,409	144,800
Finance				
Personnel Expenditures	451,159	451,159	451,053	106
Operating Expenditures	168,790	168,790	139,180	29,610
	619,949	619,949	590,233	29,716
Information Services				
Personnel Expenditures	1,180,935	1,180,935	1,151,906	29,029
Operating Expenditures	471,102	471,102	457,459	13,643
	1,652,037	1,652,037	1,609,365	42,672
Procurement/Warehouse				
Personnel Expenditures	148,633	148,633	135,700	12,933
Operating Expenditures	7,248	7,248	3,091	4,157
	155,881	155,881	138,791	17,090
Building Maintenance				
Personnel Expenditures	1,284,232	1,209,232	1,113,913	95,319
Operating Expenditures	1,033,775	1,098,775	672,790	425,985
	2,318,007	2,308,007	1,786,703	521,304
Building Maintenance - OMPO				
Operating Expenditures	34,572	34,572	35,642	(1,070)
Human Resources				
Personnel Expenditures	355,711	355,711	347,976	7,735
Operating Expenditures	247,525	247,525	235,620	11,905
	603,236	603,236	583,596	19,640
Planning Department				
Personnel Expenditures	928,420	928,420	819,337	109,083
Operating Expenditures	166,244	166,244	107,843	58,401
	1,094,664	1,094,664	927,180	167,484
Risk Management				
Personnel Expenditures	77,617	77,617	88,964	(11,347)
Operating Expenditures	394,985	394,985	381,783	13,202
	472,602	472,602	470,747	1,855
Budget Contingency/Reserves	1,500,000	1,500,000	—	1,500,000
Total General Government	14,310,064	14,431,624	11,469,363	2,962,261

LA PLATA COUNTY, COLORADO

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

For The Year Ended December 31, 2019

Page 4 Of 6

	2019			
	Original Budget	Final Budget	Variance With Actual Final Budget	
Public Safety				
Sheriff-Patrol				
Personnel Expenditures	\$ 2,716,190	\$ 2,736,190	\$ 2,980,700	\$ (244,510)
Operating Expenditures	1,296,584	1,431,751	1,396,249	35,502
	4,012,774	4,167,941	4,376,949	(209,008)
Sheriff-Detentions				
Personnel Expenditures	4,234,191	4,234,191	4,494,652	(260,461)
Operating Expenditures	2,264,233	2,615,703	2,524,427	91,276
	6,498,424	6,849,894	7,019,079	(169,185)
Sheriff-Admin				
Personnel Expenditures	976,081	976,081	992,590	(16,509)
Operating Expenditures	253,546	253,546	273,821	(20,275)
	1,229,627	1,229,627	1,266,411	(36,784)
Sheriff-Special Investigations				
Personnel Expenditures	494,645	494,645	454,508	40,137
Operating Expenditures	390,030	390,030	371,106	18,924
	884,675	884,675	825,614	59,061
Sheriff-Criminal Investigations				
Personnel Expenditures	655,408	655,408	629,502	25,906
Operating Expenditures	103,046	103,046	67,348	35,698
	758,454	758,454	696,850	61,604
Sheriff-Special Operations				
Personnel Expenditures	1,045,686	1,045,686	374,803	670,883
	1,045,686	1,045,686	374,803	670,883
Alternatives to Incarceration				
Personnel Expenditures	346,928	346,928	332,244	14,684
Operating Expenditures	65,014	65,014	46,753	18,261
	411,942	411,942	378,997	32,945
County Coroner				
Personnel Expenditures	127,953	127,953	127,996	(43)
Operating Expenditures	202,888	207,831	146,126	61,705
	330,841	335,784	274,122	61,662
Building Inspection Department				
Personnel Expenditures	630,998	630,998	613,640	17,358
Operating Expenditures	108,804	108,804	80,599	28,205
	739,802	739,802	694,239	45,563
Emergency Management Office				
Personnel Expenditures	145,136	145,136	133,176	11,960
Operating Expenditures	163,566	5,873,566	453,478	5,420,088
	308,702	6,018,702	586,654	5,432,048
Pmt to Component Unit - District Attorney	1,632,926	1,632,926	1,506,144	126,782
Total Public Safety	17,853,851	24,075,431	17,999,862	6,075,569

LA PLATA COUNTY, COLORADO

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

For The Year Ended December 31, 2019

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	2019			
	Original Budget	Final Budget	Variance With Actual Final Budget	
Recreation And Culture				
Fairgrounds				
Personnel Expenditures	\$ 131,935	\$ 131,935	\$ 120,966	\$ 10,969
Operating Expenditures	244,810	244,810	214,977	29,833
	376,745	376,745	335,943	40,802
Extension Office				
Operating Expenditures	87,332	87,332	82,317	5,015
Total Recreation And Culture	464,077	464,077	418,260	45,817
Health And Welfare				
Senior Services				
Personnel Expenditures	662,218	662,218	613,185	49,033
Operating Expenditures	260,190	260,190	253,944	6,246
	922,408	922,408	867,129	55,279
Senior Services - non Joint Sales Tax				
Personnel Expenditures	41,401	41,401	36,909	4,492
Operating Expenditures	112,835	112,835	70,166	42,669
	154,236	154,236	107,075	47,161
Veterans Services				
Personnel Expenditures	71,090	71,090	71,227	(137)
Operating Expenditures	12,060	12,060	8,872	3,188
	83,150	83,150	80,099	3,051
San Juan Basin Health	522,074	522,074	522,074	—
Total Health And Welfare	1,681,869	1,681,869	1,576,377	105,492
Public Works				
Landfill Closure and Waste Management				
Operating Expenditures	181,400	181,400	129,616	51,784
Weed Control				
Personnel Expenditures	22,330	22,330	22,083	247
Operating Expenditures	30,222	30,222	29,355	867
	52,552	52,552	51,438	1,114
Total Public Works	233,952	233,952	181,054	52,898
Community Programs				
Public Service Agencies	882,301	882,301	872,602	9,699
Lodger's tax to DATO	330,000	330,000	448,275	(118,275)
Total Community Programs	1,212,301	1,212,301	1,320,877	(108,576)

LA PLATA COUNTY, COLORADO

**GENERAL FUND - SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE****For The Year Ended December 31, 2019****Page 6 Of 6**

	2019			
	Original Budget	Final Budget	Variance With Actual	Final Budget
Pass Through Of Grants Received Of CDBG funds	\$ 754,000	\$ 754,000	\$ 319,468	\$ 434,532
Capital Outlay	31,000	73,492	39,680	33,812
Total Expenditures	36,541,114	42,926,747	33,324,941	9,601,806
Excess Of Revenues Over Expenditures	(1,560,172)	(1,332,028)	7,153,559	(5,821,531)
Other Financing Sources (Uses)				
Transfers in-Joint Sales Tax fund	434,529	434,529	305,011	(129,518)
Transfers out-Capital Improvement	(4,000,000)	(4,274,145)	(4,274,145)	—
Total Other Financing Sources (Uses)	(3,565,471)	(3,839,616)	(3,969,134)	(129,518)
Net Change In Fund Balances	\$ (5,125,643)	\$ (5,171,644)	3,184,425	\$ (5,951,049)
Fund Balance, Beginning Of Year			56,506,247	
Fund Balances, End Of Year			\$ 59,690,672	

LA PLATA COUNTY, COLORADO

NONMAJOR 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 nonmajor Special Revenue Funds.

NonMajor 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 11% 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 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, 2019

	Joint Sales Tax	Durango Hills Road Improvement District	Palo Verde Public Improvement District	Conservation Trust Fund	Tribal Impact Mitigation	Total Nonmajor Special Revenue Funds
Assets						
Equity in treasurer's cash and investments	\$ 712,962	\$ 178,833	\$ 38,263	\$ 4,282,765	\$ 152,866	\$ 5,365,689
Receivables:						
Accounts receivable	—	825	—	—	—	825
Property taxes receivable	—	76,669	16,981	—	—	93,650
Intergovernmental receivable	489,665	—	—	—	—	489,665
Total Assets	1,202,627	256,327	55,244	4,282,765	152,866	5,949,829
Liabilities						
Accounts payable	392,995	8,280	—	—	—	401,275
Deferred Inflows of Resources						
Property taxes	—	76,669	16,981	—	—	93,650
Fund Balances						
Restricted:						
Recreation and parks	—	—	—	4,282,765	—	4,282,765
Joint County/City projects	809,632	—	—	—	—	809,632
Tribal mitigation impact	—	—	—	—	152,866	152,866
Assigned:	—	—	—	—	—	—
Construction/maintenance of roads	—	171,378	—	—	—	171,378
Debt service	—	—	38,263	—	—	38,263
Total Fund Balances	\$ 809,632	\$ 171,378	\$ 38,263	\$ 4,282,765	\$ 152,866	\$ 5,454,904

LA PLATA COUNTY, COLORADO

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS For The Year Ended December 31, 2019

	Joint Sales Tax	Durango Hills Road Improvement District	Palo Verde Public Improvement District	Conservation Trust Fund	Tribal Impact Mitigation	Total Nonmajor Special Revenue Funds
Revenues						
Property taxes	\$ —	\$ 72,274	\$ 16,443	\$ —	\$ —	\$ 88,717
Sales taxes	2,708,642	—	—	—	—	2,708,642
Other taxes	—	10,326	2,372	—	—	12,698
Intergovernmental	—	—	—	366,682	82,317	448,999
Investment earnings	7,926	—	—	94,064	—	101,990
Miscellaneous	—	3,025	—	—	—	3,025
Total Revenues	2,716,568	85,625	18,815	460,746	82,317	3,364,071
Expenditures						
General government	66,400	—	—	—	—	66,400
Public works	—	92,029	1,399	—	—	93,428
Recreation and culture	2,246,432	—	—	9,988	—	2,256,420
Debt Service						
Principal retirement	—	—	12,343	—	—	12,343
Interest and fiscal charges	—	—	4,544	—	—	4,544
Total Expenditures	2,312,832	92,029	18,286	9,988	—	2,433,135
Revenues Over Expenditures	403,736	(6,404)	529	450,758	82,317	930,936
Other Financing Sources (Uses)						
Transfers in/(out)	(305,011)	—	—	—	—	(305,011)
Total Other Financing Sources (Uses)	(305,011)	—	—	—	—	(305,011)
Net Change In Fund Balances	98,725	(6,404)	529	450,758	82,317	625,925
Fund Balances Beginning Of Year	710,907	177,782	37,734	3,832,007	70,549	4,828,979
Fund Balances End Of Year	\$ 809,632	\$ 171,378	\$ 38,263	\$ 4,282,765	\$ 152,866	\$ 5,454,904

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, 2019

	2019			
	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Sales taxes	\$ 2,476,477	\$ 2,476,477	\$ 2,708,642	\$ 232,165
Investment income	4,000	4,000	7,926	3,926
Total Revenues	2,480,477	2,480,477	2,716,568	236,091
Expenditures				
Telecommunication Infrastructure	156,705	156,705	—	156,705
Durango Public Library	2,017,124	2,017,124	2,232,115	(214,991)
SW Council of Govt (SWCOG)	24,824	24,824	14,317	10,507
Misc Expenditures	94,765	94,765	66,400	28,365
Total Expenditures	2,293,418	2,293,418	2,312,832	(19,414)
Revenues Over Expenditures	187,059	187,059	403,736	255,505
Other Financing Sources (Uses)				
Transfers out	(434,529)	(434,529)	(305,011)	129,518
Total Other Financing Sources (Uses)	(434,529)	(434,529)	(305,011)	129,518
Net Change In Fund Balances	\$ (247,470)	\$ (247,470)	98,725	\$ 385,023
Fund Balances, Beginning Of Year			710,907	
Fund Balances, End Of Year			\$ 809,632	

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, 2019

	2019			
	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Property Taxes	\$ 74,475	\$ 74,475	\$ 72,274	\$ (2,201)
Other Taxes	6,455	6,455	10,326	3,871
Miscellaneous	2,750	2,750	3,025	275
Total Revenues	83,680	83,680	85,625	1,945
Expenditures				
Public works	94,100	106,100	92,029	14,071
Total Expenditures	94,100	106,100	92,029	14,071
Net Change In Fund Balances	\$ (10,420)	\$ (22,420)	(6,404)	\$ (16,016)
Fund Balances, Beginning Of Year			<u>177,782</u>	
Fund Balances, End Of Year			<u>\$ 171,378</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, 2019

	2019			
	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Property Taxes	\$ 16,981	\$ 16,981	\$ 16,443	\$ (538)
Other Taxes	1,130	1,130	2,372	1,242
Total Revenues	18,111	18,111	18,815	704
Expenditures				
Public works	18,111	18,111	1,399	16,712
Debt Service				
Principal retirement	12,343	12,343	12,343	—
Interest and fiscal charges	4,544	4,544	4,544	—
Total Expenditures	34,998	34,998	18,286	16,712
Net Change In Fund Balances	<u>\$ (16,887)</u>	<u>\$ (16,887)</u>	529	<u>\$ (16,008)</u>
Fund Balances, Beginning Of Year			<u>37,734</u>	
Fund Balances, End Of Year			<u>\$ 38,263</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, 2019

	2019			
	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Intergovernmental:				
Southern Ute Indian tribe payment	\$ —	\$ —	\$ 82,317	\$ 82,317
Total Revenues	—	—	82,317	82,317
Net Change In Fund Balances	\$ —	\$ —	82,317	\$ 82,317
Fund Balances, Beginning Of Year			<u>70,549</u>	
Fund Balances, End Of Year			<u>\$ 152,866</u>	

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, 2019

	2019			
	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Lottery funds	\$ 338,000	\$ 338,000	\$ 366,682	\$ 28,682
Investment earnings	20,000	20,000	94,064	74,064
Total Revenues	358,000	358,000	460,746	102,746
Expenditures				
Parks & recreational sites	3,000,000	3,000,000	9,988	2,990,012
Total Expenditures	3,000,000	3,000,000	9,988	2,990,012
Net Change In Fund Balances	\$ (2,642,000)	\$ (2,642,000)	450,758	\$ 3,092,758
Fund Balances, Beginning Of Year			<u>3,832,007</u>	
Fund Balances, End Of Year			<u>\$ 4,282,765</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. The fund was established for the deposit of all or any part of the revenue from the County sales taxes and to be used solely to provide capital improvements for the County. Expenditures are limited to continuing capital improvements as determined by the Board of County Commissioners.

LA PLATA COUNTY, COLORADO

**CAPITAL IMPROVEMENT PLAN FUND - SCHEDULE OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL****For The Year Ended December 31, 2019**

	2019			
	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Taxes	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ —
Intergovernmental	2,898,084	2,911,940	1,705,161	(1,206,779)
Miscellaneous	144,394	144,394	52,394	(92,000)
Total Revenues	5,042,478	5,056,334	3,757,555	(1,298,779)
Expenditures				
General government	6,312,411	6,312,411	217,192	6,095,219
Capital Outlay:				
General government	2,573,019	2,586,875	5,325,169	(2,738,294)
Public safety	5,484,196	5,758,341	3,431,456	2,326,885
Total Expenditures	14,369,626	14,657,627	8,973,817	5,683,810
Revenues Over/(Under) Expenditure	(9,327,148)	(9,601,293)	(5,216,262)	4,385,031
Other Financing Sources				
Transfers in from General Fund	4,000,000	4,274,145	4,274,145	—
Total Other Financing Sources	4,000,000	4,274,145	4,274,145	—
Net Change In Fund Balances	\$ (5,327,148)	\$ (5,327,148)	(942,117)	\$ 4,385,031
Fund Balances, Beginning Of Year			<u>6,770,625</u>	
Fund Balances, End Of Year			<u>\$ 5,828,508</u>	

PROPRIETARY FUNDS

INTERNAL SERVICE FUNDS

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

Capital Equipment Replacement Fund

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

Employee Health Insurance Fund

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

LA PLATA COUNTY, COLORADO

INTERNAL SERVICE FUNDS - COMBINING STATEMENT OF NET POSITION December 31, 2019

	Capital Equipment Replacement Fund	Employee Medical Self Insurance Fund	Total
Assets			
Current assets:			
Equity in treasurer's cash and investments	\$ 6,318,275	\$ 3,855,314	\$ 10,173,589
Accounts receivable	—	1,336	1,336
Intergovernmental receivable	1,161	—	1,161
Inventory	123,663	—	123,663
Total Current Assets	6,443,099	3,856,650	10,299,749
Noncurrent assets:			
Capital Assets:			
Depreciable capital assets, net	7,025,158	—	7,025,158
Total Assets	13,468,257	3,856,650	17,324,907
Liabilities			
Accrued payroll	18,975	—	18,975
Accounts payable	177,051	—	177,051
Accrued claims payable	—	904,834	904,834
Total Current Liabilities	196,026	904,834	1,100,860
Net Position			
Net investment in capital assets	7,025,158	—	7,025,158
Unrestricted	6,247,073	2,951,816	9,198,889
Total Net Position	\$ 13,272,231	\$ 2,951,816	\$ 16,224,047

LA PLATA COUNTY, COLORADO

INTERNAL SERVICE FUNDS - COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION For The Year Ended December 31, 2019

	Capital Equipment Replacement Fund	Employee Medical Self Insurance Fund	Total
Operating Revenues			
Charges for services	\$ 1,630,560	\$ —	\$ 1,630,560
Insurance deposits	—	4,522,355	4,522,355
Miscellaneous revenue	3,313	—	3,313
Total Operating Revenues	1,633,873	4,522,355	6,156,228
Operating Expenses			
Equipment maintenance	1,210,727	—	1,210,727
Depreciation	941,134	—	941,134
Medical claims	—	5,294,625	5,294,625
Total Operating Expenses	2,151,861	5,294,625	7,446,486
Operating Income (Loss)	(517,988)	(772,270)	(1,290,258)
Non-Operating Revenues			
Gain (loss) on sale of capital assets	111,532	—	111,532
Investment earnings	—	96,575	96,575
Total Non-Operating Revenues	111,532	96,575	208,107
Change In Net Position	(406,456)	(675,695)	(1,082,151)
Net Position, Beginning Of Year	13,678,687	3,627,511	17,306,198
Net Position, End Of Year	\$ 13,272,231	\$ 2,951,816	\$ 16,224,047

LA PLATA COUNTY, COLORADO

INTERNAL SERVICE FUNDS - COMBINING STATEMENT OF CASH FLOWS For The Year Ended December 31, 2019

	Equipment Replacement Fund	Medical Self Insurance Fund	Total
Cash Flows From Operating Activities			
Cash received from customers	\$ 1,657,813	\$ 4,521,359	\$ 6,179,172
Cash payments for goods and services	(1,067,701)	—	(1,067,701)
Cash payments for claims	—	(4,858,672)	(4,858,672)
Net Cash Provided By Operating Activities	590,112	(337,313)	252,799
Cash Flows From Capital And Related Financing Activities			
Cash sales of capital assets	227,395	—	227,395
Payments for capital acquisitions	(1,328,701)	—	(1,328,701)
Net Cash Used In Capital And Related Financing Activities	(1,101,306)	—	(1,101,306)
Cash Flows From Investing Activities			
Investment earnings	—	96,575	96,575
Net Increase In Cash And Cash Equivalents	(511,194)	(240,738)	(751,932)
Cash And Cash Equivalents, Beginning Of Year	6,829,469	4,096,052	10,925,521
Cash And Cash Equivalents, End Of Year	\$ 6,318,275	\$ 3,855,314	\$ 10,173,589
Reconciliation Of Operating Income (Loss) To Net Cash Provided By Operating Activities			
Operating Income (Loss)	\$ (517,988)	\$ (772,270)	\$ (1,290,258)
Adjustments:			
Depreciation	941,134	—	941,134
(Increase) Decrease In Assets:			—
Accounts receivable	120	(996)	(876)
Intergovernmental receivable	(799)	—	(799)
Prepays	13,909	—	13,909
Inventory	10,710	—	10,710
Increase (Decrease) In Liabilities:			
Accounts payable	1,082	—	1,082
Accrued incurred/unreported claims/deferred revenues	—	435,953	435,953
Accrued wages	141,944	—	141,944
Net Cash Provided By Operating Activities	\$ 590,112	\$ (337,313)	\$ 252,799

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, 2019

	2019			
	Original Budget	Final Budget	Variance With Actual Final Budget	
Revenues				
Charges for Services	\$ 1,635,187	\$ 1,635,187	\$ 1,630,560	\$ (4,627)
Intergovernmental	—	363	—	(363)
Sales of capital assets	191,359	191,359	142,225	(49,134)
Miscellaneous	—	—	3,313	3,313
Total Revenues	1,826,546	1,826,909	1,776,098	(50,811)
Expenses				
Personnel costs	630,245	630,245	548,379	81,866
Equipment maintenance	890,303	839,417	665,518	173,899
Capital outlay	1,241,863	1,292,749	1,240,361	52,388
Total Expenditures	2,762,411	2,762,411	2,454,258	308,153
Change in Fund Balance	\$ (935,865)	\$ (935,502)	(678,160)	\$ 257,342
Reconciliation to GAAP Net Income:				
Net difference between sales proceeds and gain on sales of capital assets			(30,693)	
Capitalization of asset purchases			1,243,531	
Depreciation			(941,134)	
Change in Net Position			\$ (406,456)	

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, 2019

	Original Budget	Final Budget	Actual	Variance With Final Budget
Operating Revenues				
Insurance deposits	\$ 4,535,000	\$ 4,535,000	\$ 4,522,355	\$ (12,645)
Operating Expenses				
Medical claims	4,400,000	4,400,000	5,294,625	(894,625)
Operating Income (Loss)	135,000	135,000	(772,270)	907,270
Non-Operating Revenues				
Investment earnings	12,525	12,525	96,575	84,050
Change in Net Position	<u>\$ 147,525</u>	<u>\$ 147,525</u>	<u>(675,695)</u>	<u>\$ 823,220</u>
Net Position, Beginning of Year			<u>3,627,511</u>	
Net Position, End of Year			<u>\$ 2,951,816</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, 2019**

	December 31,				December 31,
	2018	Additions	Deductions		2019
Assets					
Equity in treasurer's cash and investments	\$ 1,998,652	\$ 66,515,271	\$ 66,550,733	\$	1,963,189
Liabilities					
Accounts payable	1,281,196	29,490,554	29,487,183		1,284,567
Due to component unit	89,053	2,352,997	2,277,275		164,775
Deposits held for others	628,403	34,671,720	34,786,275		513,848
Total Liabilities	\$ 1,998,652	\$ 66,515,271	\$ 66,550,733	\$	1,963,189

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.

LA PLATA COUNTY, COLORADO

SIXTH JUDICIAL DISTRICT ATTORNEY - BALANCE SHEET - GOVERNMENTAL FUNDS

December 31, 2019

Assets

Cash and cash deposits	\$ 106,740
Equity in treasurer's cash and investments	164,775
Receivables:	
Accounts	100
Intergovernmental	<u>144,385</u>
Total Assets	<u><u>416,000</u></u>

Liabilities and Fund Balances

Liabilities

Accounts payable	56,746
Accrued salaries and benefits	71,150
Total Liabilities	<u><u>127,896</u></u>

Fund Balances

Restricted for:

Law enforcement	214,634
Economic stabilization (TABOR)	<u>73,470</u>

Total Fund Balances

\$ 288,104

Governmental Fund Balance	\$ 288,104
---------------------------	------------

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	49,054
--	--------

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.	26,358
--	--------

Certain amounts related to the net pension liability are deferred and amortized over time. These are not reported in the funds.	(314,023)
---	-----------

Net pension liabilities are not due and payable in the current period and not reported in the funds.	(429,479)
--	-----------

Deferred results and contributions to OPEB plans made after the measurement date are recorded as expenditures in the governmental funds, but must be deferred in the statement of net position.	1,326
---	-------

Certain amounts related to the net OPEB liability are deferred and amortized over time. These are not reported in the funds.	(940)
--	-------

Net OPEB liabilities are not due and payable in the current period and not reported in the funds.	(20,912)
---	----------

Compensated absences are not due and payable in the current period and therefore not reported in the governmental funds	<u>(127,152)</u>
---	------------------

Net position of governmental activities	<u><u>\$ (527,664)</u></u>
---	----------------------------

LA PLATA COUNTY, COLORADO

SIXTH JUDICIAL DISTRICT ATTORNEY - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS For the Year Ended December 31, 2019

	2019	
Revenues		
Intergovernmental	\$ 876,398	
Intragovernmental - County	1,506,144	
Miscellaneous	29,521	
Total Revenues	<u>2,412,063</u>	
Expenditures		
Public safety	2,363,539	
Capital Outlay	48,524	
Total Expenditures	<u>2,412,063</u>	
Net Change in Fund Balances	—	
Fund Balances Beginning of Year	<u>288,104</u>	
Fund Balances End of Year	<u>\$ 288,104</u>	
Net change in fund balances		\$ —
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	(8,142)	
Capital outlay	<u>48,524</u>	40,382
Capital assets disposed, net of accumulated depreciation		(3,082)
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 @ 12/31/2019	(127,152)	
Liability @ 12/31/2018	<u>112,873</u>	(14,279)
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 item consists of the change in pension expenditures	34,574	
This item consists of the change in OPEB expenditures	<u>(147)</u>	34,427
Change in net position at the government-wide financial reporting level		<u>\$ 57,448</u>

LA PLATA COUNTY, COLORADO

SIXTH JUDICIAL DISTRICT ATTORNEY - SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL For The Year Ended December 31, 2019

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Intergovernmental	\$ 931,578	\$ 931,578	\$ 876,398	\$ (55,180)
Intergovernmental - County	1,632,926	1,632,926	1,506,144	(126,782)
Miscellaneous	—	—	29,521	29,521
Total Revenues	2,564,504	2,564,504	2,412,063	(152,441)
Expenditures				
Public safety	2,550,313	2,550,313	2,363,539	186,774
Capital Outlay	47,940	47,940	48,524	(584)
Total Expenditures	2,598,253	2,598,253	2,412,063	186,190
Net Change in Fund Balances	(33,749)	(33,749)	—	(338,631)
Fund Balances Beginning of Year			<u>288,104</u>	
Fund Balances End of Year			<u>\$ 288,104</u>	

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, 2019

Program	County EBT Authorizations	County Share of Authorizations	Expenditures By County Warrant	Total Authorizations & Expenditures By County Warrant	Total Expenditures
Colorado Works	\$ 742,146	\$ 161,632	\$ 323,481	\$ 1,065,627	\$ 485,113
Child Care	506,068	65,557	124,623	630,691	190,180
Child Welfare	659,645	126,369	1,729,577	2,389,222	1,855,946
County Administrative	10,480	—	1,121,674	1,132,154	1,121,674
Core Services	403,893	67,820	434,568	838,461	502,388
Child Support Administrative	—	—	446,292	446,292	446,292
LEAP	315,293	—	1,787	317,080	1,787
AND	151,072	29,763	—	151,072	29,763
Old Age Pension	452,198	—	29,002	481,200	29,002
Food Assistance	4,980,942	—	—	4,980,942	—
Food Assistance Job Search	—	—	56,506	56,506	56,506
Employment First 100%	—	—	18,194	18,194	18,194
Title XX	—	—	5,841	5,841	5,841
CHAFFEE	—	—	21,687	21,687	21,687
General Assistance	—	—	18,782	18,782	18,782
Adult Protective Services	—	—	295,076	295,076	295,076
Child Welfare IV-E waiver	—	—	81,322	81,322	81,322
Child Welfare Discretionary Grant	—	—	59,245	59,245	59,245
Foster Care/Adoption Recruitment	—	—	(980)	(980)	(980)
Totals	\$ 8,221,737	\$ 451,141	\$ 4,766,677	\$ 12,988,414	\$ 5,217,818

LA PLATA COUNTY, COLORADO

LOCAL HIGHWAY FINANCE REPORT For The Year Ended December 31, 2019 Page 1 of 2

				City or County:	
				La Plata County	
LOCAL HIGHWAY FINANCE REPORT				YEAR ENDING :	
				December 2019	
This Information From The Records Of: County of La Plata,			Prepared By: Adam Rogers		
Colorado			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		
A. Receipts from local sources:		A. Local highway disbursements:			
1. Local highway-user taxes		1. Capital outlay (from page 2)	3,024,650		
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	5,037,153		
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:			
c. Total (a.+b.)		a. Traffic control operations	378,158		
2. General fund appropriations	0	b. Snow and ice removal	1,745,578		
3. Other local imposts (from page 2)	4,348,680	c. Other	0		
4. Miscellaneous local receipts (from page 2)	145,810	d. Total (a. through c.)	2,123,735		
5. Transfers from toll facilities	0	4. General administration & miscellaneous	182,353		
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)	10,367,892		
b. Bonds - Refunding Issues	0	B. Debt service on local obligations:			
c. Notes	0	1. Bonds:			
d. Total (a. + b. + c.)	0	a. Interest	0		
7. Total (1 through 6)	4,494,490	b. Redemption	0		
B. Private Contributions	809	c. Total (a. + b.)	0		
C. Receipts from State government		2. Notes:			
(from page 2)	4,540,486	a. Interest	0		
D. Receipts from Federal Government		b. Redemption	0		
(from page 2)	25,865	c. Total (a. + b.)	0		
E. Total receipts (A.7 + B + C + D)	9,061,650	3. Total (1.c + 2.c)	0		
		C. Payments to State for highways	0		
		D. Payments to toll facilities	0		
		E. Total disbursements (A.6 + B.3 + C + D)	10,367,892		
IV. LOCAL HIGHWAY DEBT STATUS					
(Show all entries at par)					
	Opening Debt	Amount Issued	Redemptions	Closing Debt	
A. Bonds (Total)				0	
1. Bonds (Refunding Portion)					
B. Notes (Total)				0	
V. LOCAL ROAD AND STREET FUND BALANCE					
	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	9,073,270	9,061,650	10,367,892	7,767,028	0
Notes and Comments:					
Maintenance and snow removal costs are consolidated into a single cost center in our system--we estimate 20% for snow removal					
FORM FHWA-536 (Rev. 1-05)		PREVIOUS EDITIONS OBSOLETE		(Next Page)	
		1			

LA PLATA COUNTY, COLORADO

LOCAL HIGHWAY FINANCE REPORT For The Year Ended December 31, 2019 Page 2 of 2

		STATE:		
		Colorado		
LOCAL HIGHWAY FINANCE REPORT		YEAR ENDING (mm/yy):		
		December 2019		
II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL				
ITEM	AMOUNT	ITEM	AMOUNT	
A.3. Other local imposts:		A.4. Miscellaneous local receipts:		
a. Property Taxes and Assessments	1,293,158	a. Interest on investments	21,400	
b. Other local imposts:		b. Traffic Fines & Penalties	0	
1. Sales Taxes	2,770,000	c. Parking Garage Fees	0	
2. Infrastructure & Impact Fees	91,591	d. Parking Meter Fees	0	
3. Liens	0	e. Sale of Surplus Property	0	
4. Licenses	55,509	f. Charges for Services	0	
5. Specific Ownership &/or Other	138,422	g. Other Misc. Receipts	124,410	
6. Total (1. through 5.)	3,055,522	h. Other	0	
c. Total (a. + b.)	4,348,680	i. Total (a. through h.)	145,810	
	(Carry forward to page 1)		(Carry forward to page 1)	
ITEM	AMOUNT	ITEM	AMOUNT	
C. Receipts from State Government		D. Receipts from Federal Government		
1. Highway-user taxes	3,881,658	1. FHWA (from Item I.D.5.)		
2. State general funds		2. Other Federal agencies:		
3. Other State funds:		a. Forest Service	0	
a. State bond proceeds		b. FEMA	0	
b. Project Match		c. HUD	0	
c. Motor Vehicle Registrations	185,924	d. Federal Transit Admin	0	
d. Other (Specify) - DOLA Grant	472,904	e. U.S. Corps of Engineers	0	
e. Other (Specify)	0	f. Other Federal	25,865	
f. Total (a. through e.)	658,828	g. Total (a. through f.)	25,865	
4. Total (1. + 2. + 3.f)	4,540,486	3. Total (1. + 2.g)		
			(Carry forward to page 1)	
III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL				
		ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:				
a. Right-Of-Way Costs		0	0	0
b. Engineering Costs		0	0	0
c. Construction:				
(1). New Facilities		0	0	0
(2). Capacity Improvements		0	0	0
(3). System Preservation		0	3,024,650	3,024,650
(4). System Enhancement & Operation		0	0	0
(5). Total Construction (1) + (2) + (3) + (4)		0	3,024,650	3,024,650
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)		0	3,024,650	3,024,650
				(Carry forward to page 1)

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

1-6

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

7-12

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

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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

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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
Fiscal Years 2010-2019

Table 1

	December 31, 2010	December 31, 2011	December 31, 2012	December 31, 2013	December 31, 2014
Governmental Activities					
Net investment in capital assets	\$ 103,057,349	\$ 100,077,282	\$ 101,877,845	\$ 98,126,731	\$ 96,745,229
Restricted for:					
Capital projects	5,434,327	6,283,012	5,218,448	7,057,030	-
Emergencies	2,000,000	1,541,536	1,504,732	1,519,735	1,563,138
Debt Service	452,735	450,985	-	-	-
Specific projects and programs	3,801,100	14,349,826	12,579,204	14,195,240	6,552,331
Unrestricted	70,682,038	66,206,346	70,758,262	72,631,281	92,389,464
Subtotal Governmental Activities Net Position	\$ 185,427,549	\$ 188,908,987	\$ 191,938,491	\$ 193,530,017	\$ 197,250,162
Primary Government					
Net investment in capital assets	\$ 103,057,349	\$ 100,077,282	\$ 101,877,845	\$ 98,126,731	\$ 96,745,229
Restricted	11,688,162	22,625,359	19,302,384	22,772,005	8,115,469
Unrestricted	70,682,038	66,206,346	70,758,262	72,631,281	92,389,464
Total Primary Government Net Position	\$ 185,427,549	\$ 188,908,987	\$ 191,938,491	\$ 193,530,017	\$ 197,250,162

	December 31, 2015	December 31, 2016	December 31, 2017	December 31, 2018	December 31, 2019
Governmental Activities					
Net investment in capital assets	\$ 98,551,468	\$ 112,662,507	\$ 115,606,263	\$ 113,948,257	\$ 121,113,679
Restricted for:					
Economic stabilization (TABOR)	1,600,510	1,733,899	1,726,225	1,617,019	1,704,613
Required legal fund segregations	22,379,012	19,901,793	13,348,308	15,289,853	14,987,881
Unrestricted	76,019,786	71,910,969	83,270,584	89,682,909	93,204,681
Subtotal Governmental Activities Net Position	\$ 198,550,776	\$ 206,209,168	\$ 213,951,380	\$ 220,538,038	\$ 231,010,854
Primary Government					
Net investment in capital assets	\$ 98,551,468	\$ 112,662,507	\$ 115,606,263	\$ 113,948,257	\$ 121,113,679
Restricted	23,979,522	21,635,692	15,074,533	16,906,872	16,692,494
Unrestricted	76,019,786	71,910,969	83,270,584	89,682,909	93,204,681
Total Primary Government Net Position	\$ 198,550,776	\$ 206,209,168	\$ 213,951,380	\$ 220,538,038	\$ 231,010,854

Source: La Plata County Finance Department

La Plata County, Colorado
Government-wide Changes in Net Position

Table 2

	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019
Expenses										
Governmental Activities										
General government	\$ 12,590,925	\$ 10,570,951	\$ 10,374,610	\$ 10,514,636	\$ 10,328,052	\$ 12,919,783	\$ 13,427,182	\$ 12,422,292	\$ 12,519,034	\$ 12,926,779
Public safety	15,228,090	15,426,187	16,332,272	16,401,170	15,939,033	17,381,499	17,466,390	17,345,794	17,508,166	18,695,116
Recreation and culture	3,609,635	3,382,410	3,193,425	3,085,940	3,097,514	2,960,931	2,946,427	3,103,196	2,899,909	3,026,692
Public works	9,946,369	10,572,032	10,929,759	12,686,719	12,936,627	11,875,658	10,436,141	10,412,561	9,572,367	10,979,526
Decrease in joint venture	-	-	-	360,978	-	-	-	300,237	-	-
Health and welfare	5,653,873	5,581,089	5,615,860	5,607,927	5,757,071	7,701,357	8,125,198	7,452,036	7,348,911	7,078,396
Community programs	4,693,722	4,296,657	4,527,441	4,221,545	4,276,928	1,931,976	2,415,471	2,844,203	2,506,724	1,640,345
Interest on long-term debt	70,139	57,270	20,458	-	3,170	3,170	2,936	4,985	4,747	4,490
Total Primary Government Expenses	51,792,753	49,886,596	50,993,825	52,878,915	52,338,395	54,774,374	54,819,745	53,885,304	52,359,858	54,351,344
Program Revenues										
Governmental Activities										
Charges for Services										
General government	2,753,843	2,689,737	2,867,637	3,016,390	3,287,481	2,493,802	2,640,097	2,656,984	2,837,162	2,306,683
Public safety	860,444	930,281	897,042	835,799	660,284	1,595,067	1,919,582	2,489,648	2,768,712	2,592,580
Recreation and culture	239,027	243,891	244,614	205,462	168,745	-	-	-	-	171,194
Public works	60,110	52,926	46,413	241,454	844,705	328,787	295,332	233,726	273,214	241,433
Health and welfare	-	-	-	-	-	51,837	38,943	21,493	21,544	20,275
Community programs	-	-	-	-	-	-	-	-	-	1,196
Total Charges for Services	3,913,424	3,916,835	4,055,706	4,299,105	4,961,215	4,469,493	4,893,954	5,401,851	5,900,632	5,333,361
Operating Grants and Contributions	12,765,925	12,753,984	12,572,836	11,961,803	13,230,028	13,977,048	16,589,822	13,074,923	15,470,779	15,588,357
Capital Grants and Contributions	662,256	308,532	109,228	562,211	4,019,552	1,330,453	2,728,346	5,153,159	804,557	1,153,734
Total Primary Government Program Revenues	17,341,605	16,979,351	16,737,770	16,823,119	22,210,795	19,776,994	24,212,122	23,629,933	22,175,968	22,075,452
Net (Expense) Revenue										
Total Primary Government	(34,451,148)	(32,907,245)	(34,256,055)	(36,055,796)	(30,127,600)	(34,997,380)	(30,607,623)	(30,255,371)	(30,183,890)	(32,275,892)
General revenues and other changes in net position										
Governmental Activities:										
Taxes										
Property taxes levied for general purposes	31,654,239	21,357,288	21,714,072	21,022,611	15,639,563	17,141,607	18,827,957	15,415,694	14,862,828	15,617,247
Sales taxes	13,528,774	12,363,979	13,596,356	14,080,460	14,870,392	15,734,279	16,018,771	16,876,171	16,787,039	18,332,583
Other taxes	283,895	299,419	336,697	316,293	2,077,512	2,099,038	2,241,637	2,280,747	2,292,810	2,290,241
Investment earnings	435,688	420,128	347,657	43,207	489,296	411,103	489,863	803,839	1,616,368	5,284,675
Miscellaneous	1,095,772	1,947,870	1,290,777	888,647	770,982	911,966	687,787	1,761,093	1,211,503	1,223,962
Total Primary Government	46,998,368	36,388,684	37,285,559	36,351,218	33,847,745	36,297,993	38,266,015	37,137,544	36,770,548	42,748,708
Changes in Net Position	\$ 12,547,220	\$ 3,481,439	\$ 3,029,504	\$ 295,422	\$ 3,720,145	\$ 1,300,613	\$ 7,658,392	\$ 6,882,173	\$ 6,586,658	\$ 10,472,816

Source: La Plata County Finance Department

La Plata County, Colorado
General Governmental Revenues by Source

Table 3

Source	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Taxes	\$ 45,466,908	\$ 34,020,684	\$ 35,647,126	\$ 35,419,368	\$ 32,589,122	\$ 35,086,641	\$ 37,437,530	\$ 34,509,480	\$ 33,942,678	\$ 36,240,071
Intergovernmental	12,935,455	12,255,999	12,280,676	12,524,014	17,130,157	14,672,893	16,380,927	17,665,581	15,054,929	16,742,091
Licenses and permits	449,677	388,800	660,372	765,742	1,013,603	1,050,803	1,174,392	1,393,889	1,325,126	1,203,163
Charges for services	3,313,725	3,350,386	3,473,616	3,324,857	3,107,431	3,288,273	3,865,133	3,909,578	4,538,607	4,482,635
Fines and forfeitures	-	-	-	-	-	-	-	-	-	-
Miscellaneous	1,529,148	2,399,722	1,666,008	931,170	1,821,358	1,296,096	1,183,090	2,531,511	2,740,242	3,663,997
Total revenues	<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>	<u>\$ 60,041,072</u>	<u>\$ 60,010,039</u>	<u>\$ 57,601,582</u>	<u>\$ 62,331,957</u>
% change from prior year	<u>1.2%</u>	<u>-17.7%</u>	<u>2.5%</u>	<u>-1.4%</u>	<u>5.1%</u>	<u>-0.5%</u>	<u>8.4%</u>	<u>-0.1%</u>	<u>-4.0%</u>	<u>3.9%</u>

Source: La Plata County Finance Department

La Plata County, Colorado
General Governmental Expenditures by Function
(modified accrual basis of accounting)

Table 4

Function	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Current:										
General government	\$ 11,636,438	\$ 9,766,049	\$ 9,551,895	\$ 9,829,705	\$ 9,776,629	\$ 11,419,621	\$ 12,107,012	\$ 11,341,992	\$ 11,166,198	\$ 11,752,955
Public safety	14,844,053	14,901,413	15,515,104	16,230,442	15,767,639	16,831,509	17,135,405	17,177,728	17,219,972	17,999,862
Public works	7,942,046	7,831,786	8,339,156	10,017,083	9,720,482	8,925,096	7,375,810	7,319,141	6,684,484	7,609,850
Health and welfare	5,558,455	5,508,421	5,509,934	5,602,540	5,774,076	7,591,961	8,134,343	7,536,243	7,347,824	7,044,648
Recreation and culture	3,246,466	3,068,201	2,837,282	2,759,382	2,784,783	2,688,775	2,600,165	2,746,850	2,547,245	2,674,680
Community Programs	4,693,722	4,296,657	4,527,441	4,221,545	4,276,928	1,931,976	2,415,471	2,844,203	2,506,724	1,640,345
Total Current	<u>47,921,180</u>	<u>45,372,527</u>	<u>46,280,812</u>	<u>48,660,697</u>	<u>48,100,537</u>	<u>49,388,938</u>	<u>49,768,206</u>	<u>48,966,157</u>	<u>47,472,447</u>	<u>48,722,340</u>
% Change From Prior Year	<u>0.7%</u>	<u>-5.3%</u>	<u>2.0%</u>	<u>5.1%</u>	<u>-1.2%</u>	<u>2.7%</u>	<u>0.8%</u>	<u>-1.6%</u>	<u>-3.1%</u>	<u>-0.5%</u>
Capital Outlay	<u>3,162,105</u>	<u>2,198,728</u>	<u>5,239,527</u>	<u>1,041,869</u>	<u>3,273,781</u>	<u>6,806,584</u>	<u>19,039,611</u>	<u>7,269,145</u>	<u>3,825,103</u>	<u>11,828,830</u>
% Change From Prior Year	<u>-58.5%</u>	<u>-30.5%</u>	<u>138.3%</u>	<u>-80.1%</u>	<u>214.2%</u>	<u>107.9%</u>	<u>179.7%</u>	<u>-61.8%</u>	<u>-47.4%</u>	<u>62.7%</u>
Debt Service										
Principal	400,000	415,000	1,350,000	-	-	6,657	11,628	11,862	12,100	12,343
Interest	71,256	57,853	24,550	-	-	3,170	5,259	5,025	4,787	4,544
Total Debt Service	<u>471,256</u>	<u>472,853</u>	<u>1,374,550</u>	<u>-</u>	<u>-</u>	<u>9,827</u>	<u>16,887</u>	<u>16,887</u>	<u>16,887</u>	<u>16,887</u>
% Change From Prior Year	<u>0.6%</u>	<u>0.3%</u>	<u>190.7%</u>	<u>-100.0%</u>	<u>0.0%</u>	<u>100.0%</u>	<u>71.8%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>
Total Expenditures	<u>\$ 51,554,541</u>	<u>\$ 48,044,108</u>	<u>\$ 52,894,889</u>	<u>\$ 49,702,566</u>	<u>\$ 51,374,318</u>	<u>\$ 56,205,349</u>	<u>\$ 68,824,704</u>	<u>\$ 56,252,189</u>	<u>\$ 51,314,437</u>	<u>\$ 60,568,057</u>
% Change From Prior Year	<u>-7.4%</u>	<u>-6.8%</u>	<u>10.1%</u>	<u>-6.0%</u>	<u>3.4%</u>	<u>9.4%</u>	<u>22.5%</u>	<u>-18.3%</u>	<u>-8.8%</u>	<u>7.7%</u>
Debt Service as a Percentage of Total Non-capital Expenditures	<u>1.0%</u>	<u>1.0%</u>	<u>2.9%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.03%</u>	<u>0.03%</u>	<u>0.04%</u>	<u>0.03%</u>

Source: La Plata County Finance Department

La Plata County, Colorado
Governmental Fund - Fund Balances

Table 5

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Fund										
Reserved	\$ 1,747,996									
Unreserved	40,111,898									
Nonspendable		360,411	303,429	27,638	129,028	196,375	168,218	268,530	570,456	276,391
Restricted		3,483,597	3,752,426	4,637,690	4,972,923	1,876,016	1,956,764	1,994,700	1,847,018	1,910,651
Committed		-	-	-	15,541,790	6,764,859	7,158,458	7,814,000	8,264,318	10,752,785
Assigned		1,331,567	597,676	2,750,002	33,858,785	30,868,211	11,919,476	15,299,362	14,137,316	8,902,655
Unassigned		43,188,909	48,220,847	50,303,760	5,162,801	14,091,995	26,910,384	27,801,413	31,687,139	37,848,190
Subtotal General Fund	41,859,894	48,364,484	52,874,378	57,719,090	59,665,327	53,797,456	48,113,300	53,178,005	56,506,247	59,690,672
General Fund Percentage Change	40.4%	15.5%	9.3%	9.2%	3.4%	-9.83%	-10.57%	10.53%	6.26%	12.25%
All Other Governmental Funds Combined										
Reserved	10,371,282	-	-	-	-	-	-	-	-	-
Unreserved	11,464,223	-	-	-	-	-	-	-	-	-
Nonspendable		560,636	475,455	355,077	316,647	256,684	405,122	502,212	776,849	582,327
Restricted		19,141,762	15,549,958	15,384,313	15,041,735	22,103,506	19,678,928	13,079,833	15,059,854	14,781,843
Committed		-	-	-	1,957,328	-	-	6,045,856	6,770,625	5,828,508
Assigned		-	-	-	1,037,322	1,050,043	226,707	236,040	215,516	209,641
Unassigned		-	-	-	-	-	-	-	-	-
Subtotal All Other Governmental Funds Combined	21,835,505	19,702,398	16,025,413	15,739,390	18,353,032	23,410,233	20,310,757	19,863,941	22,822,844	21,402,319
Total Governmental Funds										
Reserved	12,119,278	-	-	-	-	-	-	-	-	-
Unreserved	51,576,121	-	-	-	-	-	-	-	-	-
Nonspendable		921,047	778,884	382,715	445,675	453,059	573,340	770,742	1,347,305	858,718
Restricted		22,625,359	19,302,384	20,022,003	20,014,658	23,979,522	21,635,692	15,074,533	16,906,872	16,692,494
Committed		-	-	-	17,499,118	6,764,859	7,158,458	13,859,856	15,034,943	16,581,293
Assigned		1,331,567	597,676	2,750,002	34,896,080	31,918,254	12,146,183	15,535,402	14,352,832	9,112,296
Unassigned		43,188,909	48,220,847	50,303,760	5,162,801	14,091,995	26,910,384	27,801,413	31,687,139	37,848,190
Total Governmental Funds	\$ 63,695,399	\$ 68,066,882	\$ 68,899,791	\$ 73,458,480	\$ 78,018,332	\$ 77,207,689	\$ 68,424,057	\$ 73,041,946	\$ 79,329,091	\$ 81,092,991
All Governmental Funds Percentage Change	23.5%	6.9%	1.2%	6.6%	6.2%	-1.0%	-11.4%	6.7%	8.6%	11.0%

Source: La Plata County Finance Department

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

Table 6

Fiscal Year	Property	Specific Ownership	Sales	Cable Franchise	Lodging	Total
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
2016	18,827,957	1,639,484	16,018,771	114,133	350,750	36,951,095
2017	15,415,694	1,686,509	16,876,171	114,133	350,750	34,443,257
2018	14,862,828	1,631,806	16,787,039	115,415	374,526	33,771,614
2019	15,453,119	1,666,971	18,332,583	114,277	448,275	36,015,225

Source: La Plata County Finance Department

La Plata County, Colorado
Property Tax Levies and Collections

Table 7

Fiscal Year Collected	Current Tax Levy ¹	Collected within the Fiscal Year of the Levy		Delinquent Tax Collections	Total Collections to Date	
		Amount Collected	Percentage of Levy		Total Tax Collections	Percentage of Levy
2010	30,098,236	30,019,139	99.74%	49,502	30,068,641	99.90%
2011	20,096,506	20,020,342	99.62%	14,770	20,035,112	99.69%
2012	20,425,024	20,388,334	99.82%	20,163	20,408,497	99.92%
2013	19,450,108	19,412,361	99.81%	12,309	19,424,670	99.87%
2014	15,776,463	15,749,283	99.83%	11,017	15,760,300	99.90%
2015	17,135,880	17,098,606	99.78%	3,460	17,102,066	99.80%
2016	18,977,023	18,945,372	99.83%	5,370	18,950,742	99.86%
2017	15,532,214	15,469,081	99.59%	4,238	15,473,319	99.62%
2018	15,026,546	14,988,907	99.75%	4,985	14,993,892	99.78%
2019	15,622,147	15,453,120	98.92%	14,872	15,467,992	99.01%

Sources: La Plata County Department of Finance and La Plata County Treasurer's Office

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

La Plata County, Colorado
Assessed Value and Estimated Actual Value of Taxable Property
(in Thousands)

Table 8

Assessment/ Fiscal Year	Vacant Property	Residential Property	Commercial Property	Industrial Property	Agricultural Property	Natural Resources	Oil & Gas	Other
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
2015/2016	139,116	624,381	369,871	20,530	13,627	10,991	968,521	77,332
2016/2017	139,980	633,797	375,845	21,557	13,929	10,462	542,301	79,635
2017/2018	141,577	632,017	405,146	23,081	17,702	7,561	454,298	81,397
2018/2019	132,426	643,866	407,494	26,286	18,306	6,728	517,222	80,245
2019/2020	137,466	698,220	432,164	27,860	16,623	7,556	467,800	80,089

Assessment/ Fiscal Year	Total Assessed	Estimated Actual Value	Ratio of Assessed Value to Total Est. Actual Value	Oil and Gas As % of Total	La Plata County only Mill Levy
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
2015/2016	2,224,369	11,128,335	20.0%	43.5%	8.500
2016/2017	1,817,507	10,793,803	16.8%	29.8%	8.500
2017/2018	1,762,779	11,629,844	15.2%	25.8%	8.500
2018/2019	1,832,574	11,849,159	15.5%	28.2%	8.500
2019/2020	1,867,779	12,719,804	14.7%	25.0%	8.500

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

Notes

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

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 & has remained consistent.

Estimated actual taxable value is calculated by dividing taxable assessed value by these percentages.

La Plata County, Colorado
Property Tax Rates
Fiscal Years 2010-2019

Table 9

Collection Year:		2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
La Plata County	mill	8.564	8.674	8.500	8.500	8.500	8.500	8.500	8.500	8.500	8.500
	tax \$	25,846,078	30,026,777	20,015,775	19,340,023	15,660,540	17,038,980	18,877,774	15,431,908	14,935,580	15,530,690
<u>Municipalities:</u>											
City of Durango	mill	2.507	2.507	2.507	2.507	2.507	2.507	2.507	2.507	2.507	5.007
	tax \$	1,279,024	1,347,238	1,344,677	1,219,564	1,178,797	1,202,738	1,294,677	1,320,477	2,750,927	2,776,198
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 \$	240,482	249,010	229,066	210,669	196,965	199,296	204,936	198,329	209,827	214,055
Town of Ignacio	mill	2.918	2.747	2.780	3.559	3.813	4.107	4.598	3.788	3.788	3.977
	tax \$	20,460	21,153	22,184	26,751	27,400	29,759	31,430	30,034	31,769	33,536
<u>School Districts:</u>											
Durango 9R	mill	14.765	14.484	16.368	17.017	19.090	19.090	17.876	19.874	20.281	21.075
	tax \$	29,957,375	31,850,209	26,847,994	25,417,181	24,508,106	25,914,491	26,639,109	26,366,052	26,810,507	28,428,689
Bayfield 10R	mill	16.364	15.814	17.045	21.219	23.222	21.599	21.161	32.478	31.905	31.721
	tax \$	6,249,134	7,074,726	4,979,766	6,134,289	5,340,928	5,476,870	5,983,476	7,169,202	6,899,884	7,127,302
Ignacio 11JT	mill	4.032	3.574	7.761	10.671	13.173	11.470	12.436	15.535	18.350	17.713
	tax \$	2,448,082	2,914,008	2,010,902	5,256,193	4,328,688	4,513,733	5,570,564	4,165,585	4,017,031	4,490,661
<u>Special Districts:</u>											
Animas Fire Protection- Bonded Indebtedness	mill	0.480	0.454	0.373	0.524	0.000	0.000	0.000	0.000	0.000	0.000
	tax \$	452,671	482,698	300,908	387,106	-	-	-	-	-	-
Animas Fire Protection	mill	5.119	5.069	5.069	5.069	0.000	0.000	0.000	0.000	0.000	0.000
	tax \$	3,913,896	4,471,782	3,128,438	2,872,952	-	-	-	-	-	-
Animas La Plata Water Conservancy	mill	0.226	0.229	0.243	0.295	0.325	0.333	0.322	0.328	0.332	0.344
	tax \$	191,763	204,647	215,908	232,434	240,866	251,057	260,454	267,084	277,588	289,249
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 \$	655,768	686,670	678,815	611,458	582,696	592,932	638,930	650,639	675,130	677,718
Aspen Trails Metro	mill	10.659	10.391	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000
	tax \$	31,144	31,065	14,909	13,570	12,915	12,947	13,422	13,212	12,906	13,145

La Plata County, Colorado
Property Tax Rates
Fiscal Years 2010-2019

Table 9

Collection Year:		2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Aspen Trails Metro Bonds	mill	0.000	0.000	5.405	5.842	6.240	6.240	6.160	6.112	6.252	6.141
	tax \$	-	-	16,117	15,855	16,118	16,158	16,536	16,150	16,138	16,145
Durango Conference Center Business Improvement Center	mill	1.500	1.500	2.000	2.000	2.000	2.000	2.000	2.000	2.000	2.000
	tax \$	203,037	203,037	277,177	249,498	240,353	241,815	243,677	243,778	256,058	256,812
Durango Fire Protection	mill	0.000	0.000	0.000	0.000	5.700	5.700	5.700	5.700	8.200	8.200
	tax \$	-	-	-	-	3,034,251	3,192,756	3,592,455	3,126,583	4,454,559	4,570,233
Durango Hills Local Improvement	mill	17.241	16.515	15.951	20.204	20.379	20.379	20.379	20.379	20.379	20.379
	tax \$	68,991	72,443	72,168	76,525	73,694	74,481	76,752	77,742	73,984	74,475
Durango West Metropolitan I	mill	17.960	17.540	17.430	18.450	20.200	20.300	19.460	0.000	0.000	0.000
	tax \$	79,921	79,319	79,628	79,700	79,716	79,530	85,321	-	-	-
Durango West Metropolitan II	mill	17.469	16.726	17.361	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	tax \$	207,581	207,126	214,760	-	-	-	-	-	-	-
Durango West Metropolitan II Bonds	mill	0.000	0.000	0.000	18.254	0.000	0.000	0.000	0.000	0.000	0.000
	tax \$	-	-	-	202,454	-	-	-	-	-	-
Edgemont Ranch Metropolitan	mill	10.469	10.605	7.874	7.874	7.874	7.876	7.875	7.880	7.895	7.906
	tax \$	234,836	226,086	170,386	135,211	133,819	137,657	171,324	176,549	182,361	198,922
Edgemont Ranch Bonds	mill	0.000	0.000	2.691	3.391	3.426	3.600	2.893	2.808	2.724	2.450
	tax \$	-	-	58,231	58,230	58,225	62,921	62,938	62,912	62,920	61,644
El Rancho Florida Metropolitan Bonds	mill	0.000	0.000	0.000	29.035	25.333	20.589	21.149	26.110	21.573	23.841
	tax \$	-	-	-	93,701	97,038	63,863	70,759	90,759	73,624	81,760
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 \$	389,324	470,256	281,547	273,289	212,380	243,388	279,351	213,317	204,917	213,108
Florida Water Conservancy	mill	0.086	0.074	0.074	0.073	0.073	0.066	0.060	0.060	0.060	0.060
	tax \$	43,231	44,834	27,948	27,076	21,155	22,068	22,900	18,239	17,864	18,372

La Plata County, Colorado
Property Tax Rates
Fiscal Years 2010-2019

Table 9

Collection Year:		2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
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 \$	835,635	842,619	845,208	668,649	549,179	549,343	578,055	584,580	620,636	621,689
Fort Lewis Fire Protection	mill	5.900	5.900	7.400	7.400	7.400	7.400	7.400	7.400	7.400	9.900
	tax \$	269,048	290,386	407,806	408,939	413,150	420,737	405,061	387,690	357,283	471,024
Hermosa Cliffs Fire Protection	mill	8.075	8.021	6.890	6.907	0.000	0.000	0.000	0.000	0.000	0.000
	tax \$	796,464	877,210	758,217	583,689	-	-	-	-	-	-
Hermosa Cliffs Fire Bonds	mill	0.000	0.000	1.029	1.312	0.000	0.000	0.000	0.000	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 \$	104,681	143,426	72,928	89,647	58,435	70,611	80,285	47,316	38,435	45,112
Ignacio Community Library	mill	1.500	1.500	1.500	1.500	1.500	1.500	1.500	1.500	1.500	1.500
	tax \$	910,745	1,223,003	633,554	738,852	492,905	590,287	671,908	402,213	328,368	380,285
La Plata County Palo Verde Public Improvement District #3	mill	0.000	0.000	0.000	0.000	8.448	4.840	4.559	8.359	0.154	0.103
	tax \$	-	-	-	-	5,000	5,000	5,675	5,675	94	94
La Plata County Palo Verde Public Imp District #3 Bond	mill	0.000	0.000	0.000	0.000	62.934	16.860	13.567	24.876	27.666	18.568
	tax \$	-	-	-	-	37,246	17,419	16,888	16,888	16,887	16,887
La Plata Archuleta Water	mill	0.000	0.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000
	tax \$	-	-	2,589,468	2,748,969	1,964,008	2,238,777	2,563,619	1,690,620	1,621,851	1,760,462
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 \$	11,477	12,008	13,802	13,327	13,549	14,094	13,334	12,802	11,589	11,411
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 \$	2,732,576	3,560,534	1,800,840	2,068,496	1,369,200	1,627,641	1,850,280	1,097,819	934,327	1,061,197
Los Pinos Fire/Mt. Allison	mill	1.500	1.500	1.500	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	tax\$	68,657	107,897	71,325	-	-	-	-	-	-	-

La Plata County, Colorado
Property Tax Rates
Fiscal Years 2010-2019

Table 9

Collection Year:		2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Montezuma Dolores County	mill	0.000	0.000	0.000	0.000	0.000	0.777	0.777	0.777	0.777	0.777
Metropolitan Rec Dist.	tax \$	-	-	-	-	-	38,129	36,215	34,815	31,691	31,230
Pine River Cemetery	mill	0.091	0.079	0.079	0.075	0.150	0.150	0.150	0.150	0.150	0.150
	tax \$	34,751	35,342	23,080	21,682	34,499	38,036	42,414	33,111	32,440	33,703
Pine River Library	mill	2.500	2.500	2.500	2.500	2.500	2.504	2.501	2.500	2.500	2.500
	tax \$	954,708	1,118,428	730,385	722,735	574,986	634,940	707,182	551,851	540,659	561,718
Purgatory Metropolitan	mill	27.313	27.313	27.313	27.313	27.313	27.313	27.313	27.313	27.313	27.313
	tax \$	688,863	879,343	888,728	661,908	510,574	514,718	598,558	589,288	637,442	649,122
Purgatory Metropolitan Subdistrict	mill	15.000	15.000	15.000	15.000	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	151,907	156,305	182,726	188,996
Sundance/Farraday Subdistrict No.1 of the La Plata Archuleta Water District	mill	15.000	15.000	15.000	15.000	15.000	15.000	15.000	15.000	23.798	30.779
	tax \$	184,944	253,484	255,821	160,804	123,884	125,356	151,907	156,305	28,372	37,198
SW Colorado TV Translator	mill	0.777	0.777	0.777	0.777	0.777	0.000	0.000	0.000	0.000	0.000
	tax \$	31,079	32,865	37,682	36,102	36,680	-	-	-	-	-
SW Water Conservancy	mill	0.216	0.200	0.272	0.309	0.368	0.362	0.340	0.395	0.407	0.407
	tax \$	651,886	692,339	640,505	698,516	678,009	725,660	755,111	717,130	715,151	743,646
Tamarron Metro	mill	50.000	50.079	37.000	13.239	13.239	13.000	13.000	13.000	13.000	13.000
	tax \$	892,058	960,989	710,535	166,878	140,748	139,094	148,320	151,677	169,988	182,145
Tamarron Metro Bonds	mill	0.000	0.000	13.006	37.000	37.000	37.000	37.000	37.000	37.000	37.000
	tax \$	-	-	249,763	466,384	393,359	395,884	422,142	431,695	483,813	518,411
Three Springs Metro #1	mill	35.000	35.000	44.000	10.000	4.275	4.275	4.275	4.275	4.478	4.478
	tax \$	499,689	576,021	684,619	131,152	51,544	57,029	66,499	67,754	73,456	76,598
Three Springs Metro #1 Bonds	mill	0.000	0.000	0.000	34.000	45.725	45.725	45.725	45.725	47.896	47896.000
	tax \$	-	-	-	445,917	551,312	609,979	711,268	724,695	785,676	819,282
Three Springs Metro #2	mill	35.000	35.000	44.000	44.000	50.000	50.000	50.000	50.000	50.000	50.000
	tax \$	436	10,398	35,070	29,000	12,145	21,435	28,400	15,800	7,342	12,561
Three Springs Metro #4	mill	0.000	0.000	0.000	0.000	0.000	0.000	0.000	50.000	50.000	50.000
	tax \$	-	-	-	-	-	-	-	5,367	49,478	49,469
Twin Buttes Metro Dist No 2	mill	0.000	0.000	0.000	0.000	0.000	0.000	20.000	20.000	20.000	20.000
	tax \$	-	-	-	-	-	-	8,913	83,988	41,085	45,826

La Plata County, Colorado
Property Tax Rates
Fiscal Years 2010-2019

Table 9

Collection Year:		2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Twin Buttes Metro Dist No 2	mill	0.000	0.000	0.000	0.000	0.000	0.000	50.000	20.000	50.000	50.517
Bonds	tax \$	-	-	-	-	-	-	22,282	83,988	102,713	115,749
Twin Buttes Metro Dist No 3	mill	0.000	0.000	0.000	0.000	0.000	0.000	0.000	20.000	20.000	20.000
	tax \$	-	-	-	-	-	-	-	573	2,370	2,390
Twin Buttes Metro Dist No 3 Bond	mill	0.000	0.000	0.000	0.000	0.000	0.000	0.000	20.000	50.000	51.271
	tax \$	-	-	-	-	-	-	-	573	5,924	6,127
Twin Buttes Metro Dist No 4	mill	0.000	0.000	0.000	0.000	0.000	0.000	0.000	10.000	10.000	10.000
	tax \$	-	-	-	-	-	-	-	12,048	10,704	10,752
Twin Buttes Metro Dist No 4 Bonds	mill	0.000	0.000	0.000	0.000	0.000	0.000	0.000	50.000	50.000	50.000
	tax \$	-	-	-	-	-	-	-	60,242	63,629	53,759
Upper Pine River Fire Bonds	mill	0.000	0.000	1.182	1.182	1.182	1.182	1.182	1.182	1.542	1.520
	tax \$	-	-	374,399	365,453	293,740	320,702	355,518	281,974	360,184	369,947
Upper Pine River Fire Protection	mill	6.132	6.132	4.950	4.950	10.900	10.900	10.900	10.900	10.900	10.900
	tax \$	2,543,406	2,958,796	1,567,915	1,530,452	2,708,767	2,957,403	3,278,465	2,600,267	2,546,049	2,652,908
Total tax to be collected		<u>\$ 84,723,901</u>	<u>\$ 95,238,172</u>	<u>\$ 74,492,191</u>	<u>\$ 75,802,153</u>	<u>\$ 67,057,569</u>	<u>\$ 71,479,714</u>	<u>\$ 77,655,084</u>	<u>\$ 70,486,722</u>	<u>\$ 72,763,936</u>	<u>\$ 76,602,412</u>

Source: La Plata County Certification of Levies and Revenue

**La Plata County, Colorado
Principal Property Taxpayers**

Table 10

Taxpayer	Type of Business	2019			2010		
		2018 Valuation	Rank	Percentage of Total Assessed Valuation	2009 Assessed Valuation	Rank	Percentage of Total Assessed Valuation
BP America Production Co	Energy	\$ 276,104,460	1	15.07%	\$ 1,088,654,490	1	31.45%
Williams Four Corners LLC	Energy	54,077,220	2	2.95%			
Hilcorp San Juan LP	Energy	34,060,410	3				
Red Willow Production Company	Energy	32,101,520	4	1.75%	65,554,250	7	1.89%
Red Cedar	Energy	28,978,750	5	1.58%	34,726,520	9	1.00%
XTO Energy Inc.	Energy	26,608,930	6	1.45%	113,242,480	4	3.27%
La Plata Electric Association	Energy	21,680,400	7	1.18%			
Enduring Resources LLC	Energy	12,110,880	8				
Catamount Energy Partners LLC	Energy	11,267,770	9				
Public Service CO of Colorado (XCEL)	Energy	7,584,700	10	0.41%			
Conoco Phillips Company	Energy			0.00%	119,838,150	3	3.46%
Burlington Resources Oil & Gas	Energy			0.00%	84,960,860	5	2.45%
GRVP LLC	Energy			0.00%			
Samson Resources Company	Energy				261,388,770	2	7.55%
Chevron Texaco	Energy				35,488,090	8	1.03%
Williams Gas Processing	Energy				31,369,880	10	0.91%
Four Star Oil	Energy				73,624,690	6	2.13%
Total Assessed Valuation for 10 largest taxpayers		<u>\$ 504,575,040</u>		<u>24.40%</u>	<u>\$ 1,908,848,180</u>		<u>55.14%</u>
Total Assessed Valuation for all taxpayers		<u>\$ 1,832,573,610</u>		<u>100.00%</u>	<u>\$ 3,461,698,940</u>		<u>100.00%</u>

Source: La Plata County Assessor's Office

La Plata County, Colorado
Direct and Overlapping Sales Tax Rates

Table 11

Fiscal Year	County Direct Rate	State of Colorado
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%
2016	2.0%	2.9%
2017	2.0%	2.9%
2018	2.0%	2.9%
2019	2.0%	2.9%

Source: La Plata County Finance Department

**La Plata County, Colorado
Principal Sales Tax Remitters**

Table 12

Taxpayer - Type of Business	2019			2010		
	2019 Sales Tax Collected	Rank	Percentage of Total Taxes Collected	2010 Sales Tax Collected	Rank	Percentage of Total Taxes Collected
Food & Beverage	\$ 2,982,289	1	17.77%	\$ 1,458,737	1	12.30%
General Merchandise	2,294,677	2	13.67%	1,271,711	2	10.72%
Food Services & Drinking Places	2,085,428	3	12.42%	1,061,804	3	8.95%
Bldg. Material & Garden Supplies/Equip.	1,995,087	4	11.88%	762,292	4	6.43%
Wholesale Trade	1,538,175	5	9.16%	488,229	8	4.12%
Accommodation	1,529,463	6	9.11%	545,555	6	4.60%
Auto Dealers	1,099,236	7	6.55%	384,678	9	3.24%
Utilities	1,028,656	8	6.13%	556,842	5	4.69%
Manufacturing	965,634	9	5.75%	350,173	10	2.95%
Real Estate	884,089	10	5.27%			
Information				495,865	7	4.18%
Total Sales Taxes Collected by 10 Largest Businesses	<u>\$ 16,402,734</u>		<u>97.71%</u>	<u>\$ 7,375,886</u>		<u>62.19%</u>
Total Sales Taxes Collected by All Businesses	<u>\$ 16,787,039</u>		<u>100.00%</u>	<u>\$ 11,860,427</u>		<u>100.00%</u>

Source: Colorado State Department of Revenue

La Plata County, Colorado
Ratios of Outstanding Debt by Type

Table 13

Fiscal Year	General Obligation	Sales Tax Revenue	Certificates of Participation	Total	Per Capita Personal Income	Population	Debt Per Capita	Percentage of Personal Income	Percentage of Actual Taxable Value of Property
2010	-	-	1,765,000	1,765,000	42,032	51,495	34.28	0.08%	0.013%
2011	-	-	1,350,000	1,350,000	43,834	51,924	26.00	0.06%	0.012%
2012	-	-	-	-	45,476	52,401	-	0.00%	0.000%
2013	-	-	-	-	46,492	53,446	-	0.00%	0.000%
2014	-	-	-	-	46,388	54,629	-	0.00%	0.000%
2015	265,843	-	-	265,843	50,206	54,688	4.86	0.01%	0.003%
2016	254,215	-	-	254,215	52,588	55,623	4.57	0.01%	0.002%
2017	242,353	-	-	242,353	52,759	55,589	4.36	0.01%	0.002%
2018	230,253	-	-	230,253	55,807	56,310	4.09	0.01%	0.002%
2019	217,910	-	-	217,910	not available	56,221	3.88	not available	0.002%

Sources:

Region 9 Economic Development District of SW Colorado
United Census Bureau
La Plata County Assessor's Office
La Plata County Finance Department
Bureau of Economic Analysis

La Plata County, Colorado
Computation of Legal Debt Margin

Table 14

Assessment Year Fiscal/Budget Year	2009 2010	2010 2011	2011 2012	2012 2013	2013 2014
Assessed Value	\$ 3,461,698,940	\$ 2,354,797,050	\$ 2,394,149,370	\$ 2,275,296,810	\$ 1,842,416,460
Actual Value	\$ 13,183,765,037	\$ 11,703,822,835	\$ 10,306,419,000	\$ 10,742,115,112	\$ 9,760,081,610
Legal Debt Margin:					
Debt limitation - 1.5% of total assessed value					
Debt limitation - 3% of total actual value	395,512,951	351,114,685	309,192,570	322,263,453	292,802,448
Debt applicable to limitation:					
Total debt	\$ 1,765,000	\$ 1,350,000	\$ -	\$ -	\$ -
Less: Certificates of participation	1,765,000	1,350,000	-	-	-
Legal debt margin	\$ 395,512,951	\$ 351,114,685	\$ 309,192,570	\$ 322,263,453	\$ 292,802,448

Assessment Year Fiscal/Budget Year	2014 2015	2015 2016	2016 2017	2017 2018	2018 2019
Assessed Value	\$ 2,006,291,720	\$ 2,224,369,230	\$ 1,817,507,020	\$ 1,762,779,180	\$ 1,832,573,610
Actual Value	\$ 10,072,410,619	\$ 11,128,335,337	\$ 10,793,803,469	\$ 11,629,844,461	\$ 11,849,159,327
Legal Debt Margin:					
Debt limitation - 1.5% of total assessed value					
Debt limitation - 3% of total actual value	302,172,319	333,850,060	323,814,104	348,895,334	355,474,780
Debt applicable to limitation:					
Total debt	\$ 265,843	\$ 254,215	\$ 242,353	\$ 230,253	\$ 217,910
Total debt applicable to debt limitation	265,843	254,215	242,353	230,253	217,910
Legal debt margin	\$ 301,906,476	\$ 333,595,845	\$ 323,571,751	\$ 348,665,081	\$ 355,256,870

Sources: La Plata County Assessor's Office and La Plata County Department of Finance

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

Table 15

Fiscal Year	Gross Sales Tax Revenue	Revenue Available for Debt Service ¹	Principal	Interest	Total	Coverage
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
2016	16,018,771	N/A	N/A	N/A	N/A	N/A
2017	16,876,171	N/A	N/A	N/A	N/A	N/A
2018	16,787,039	N/A	N/A	N/A	N/A	N/A
2019	18,332,583	N/A	N/A	N/A	N/A	N/A

Source: La Plata County Finance Department

Notes: ¹ Gross revenue less required transfers per bond indenture and intergovernmental agreements.

La Plata County, Colorado
Demographic and Economic Statistics

Table 16

Fiscal Year	Population	Personal Income ¹	Per Capita Personal Income	Unemployment Rate	Median Age	K-12 School Enrollment ²	Higher Education Enrollment ³
2010	51,495	2,164,463	42,032	7.1	39.1	6,831	3,864
2011	51,924	2,276,033	43,834	7.0	38.5	6,658	3,853
2012	52,401	2,382,999	45,476	6.5	38.7	6,658	3,836
2013	53,446	2,484,802	46,492	5.5	38.7	6,383	4,065
2014	54,629	2,534,109	46,388	4.2	38.8	6,680	4,021
2015	54,688	2,745,644	50,206	5.5	38.4	6,911	4,065
2016	55,623	2,925,107	52,588	2.4	38.8	7,303	3,585
2017	55,589	2,932,803	52,759	2.6	39.0	7,414	3,598
2018	56,310	3,142,492	55,807	3.1	40.0	7,184	3,356
2019	56,221	Not available	Not available	2.5	39.9	7,282	3,310

Sources:

United Census Bureau

Region 9 Economic Development District of SW Colorado

United States Department of Labor

Colorado Department of Education

Fort Lewis College

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

**La Plata County, Colorado
Principal Employers**

Table 17

<u>Employer</u>	<u>Type of Business</u>	2019		2010	
		<u>Employees FT & PT</u>	<u>Percentage of total County Employment</u>	<u>Employees</u>	<u>Percentage of total County Employment</u>
Southern Ute Indian Tribe	Government	1,545	4.39%	1,500	4.81%
Mercy Regional Medical Center	Health	941	2.67%	625	2.01%
Purgatory Recreation Management LLC	Recreation	850	2.42%	N/A	0.00%
Durango School District 9-R	Education	788	2.24%	544	1.75%
Fort Lewis College	Education	680	1.93%	535	1.72%
La Plata County	Government	395	1.12%	412	1.32%
Bayfield School District	Education	390	1.11%	N/A	0.00%
City of Durango	Government	354	1.01%	500	1.60%
Walmart	Retail	322	0.91%	353	1.13%
Rocky Mountain Chocolate Factory	Retail	190	0.54%	N/A	0.00%
Total Principal Employers		6,455	18.34%	4,469	14.34%
Total County Employment*		35,195	100.00%	31,162	100.00%

Source: Region 9 Economic Development District of SW Colorado

Notes: *Based on most recent 2019 data

La Plata County, Colorado
Full-time Equivalent County Employees by Function/Program

Table 18

Department	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	% Change 2019 over 2018
Commissioners	5.13	5.00	5.10	5.00	5.00	3.00	3.00	3.00	3.00	3.00	0%
Clerk/Elections	14.10	16.16	18.50	16.00	16.00	16.00	16.00	16.00	16.00	16.00	0%
Treasurer/Trustee	5.29	5.00	5.10	5.00	5.00	5.00	5.00	5.00	5.00	5.00	0%
Assessor	18.94	18.80	19.00	19.00	17.00	17.00	17.00	17.00	17.00	16.00	-6%
Administration	5.01	5.03	6.20	5.00	5.00	7.00	6.00	7.00	7.00	7.00	0%
Attorney	6.00	5.75	5.10	6.00	6.00	6.00	6.00	7.50	7.50	7.00	-7%
Facilities & Grounds	10.00	10.00	10.00	11.00	11.00	12.00	15.00	21.00	22.00	22.00	0%
Finance	5.00	3.75	3.80	4.50	5.00	5.00	5.00	5.00	5.00	5.00	0%
Information Services	10.00	9.02	9.00	9.00	9.00	9.00	9.00	9.00	9.00	8.00	-11%
Procurement	4.02	4.00	4.00	2.75	2.50	2.50	2.50	2.00	2.00	2.00	0%
GIS	7.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	0%
Human Resources/Risk Mgt	4.11	4.11	4.10	4.00	4.00	4.00	4.00	4.50	4.50	4.00	-11%
County Surveyor	1.00	1.00	1.00	1.00	1.00	1.00	0.25	0.25	0.25	0.25	0%
Construction Management	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	N/A
Sustainability Office	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	N/A
General Government Total	96.60	92.62	95.90	93.25	91.50	92.50	93.75	102.25	103.25	100.25	-3%
Building Inspection / OEM	11.00	8.00	7.75	8.00	8.00	8.00	9.00	10.00	9.00	9.00	0%
Criminal Investigations	10.79	10.40	11.00	10.00	11.00	11.00	9.00	7.75	7.00	7.00	0%
Special Investigations	5.53	5.50	5.50	6.00	5.00	5.00	5.00	4.00	5.00	5.00	0%
Special Services	22.29	21.50	21.70	21.25	22.25	22.25	11.00	11.50	14.00	12.00	-14%
Public Safety	34.15	33.25	33.50	32.00	32.00	34.00	44.00	46.00	42.50	41.50	-2%
Alternative to Incarceration	5.34	5.30	5.40	5.00	5.00	5.00	4.00	4.00	4.00	4.00	0%
Detentions	62.14	62.50	62.60	59.00	59.00	59.00	62.00	58.00	55.00	55.00	0%
Coroner	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.00	-33%
District Attorney	25.50	25.50	25.00	25.00	25.00	25.00	25.00	25.00	25.00	26.00	4%
Public Safety Total	178.24	173.45	173.95	167.75	168.75	170.75	170.50	167.75	163.00	160.50	-2%
Road & Bridge, Eng.	49.89	46.33	48.40	41.00	41.00	41.00	41.00	41.00	37.00	36.50	-1%
Public Works Total	49.89	46.33	48.40	41.00	41.00	41.00	41.00	41.00	37.00	36.50	-1%
CERF	9.10	9.04	9.10	9.00	9.00	9.00	9.00	9.00	8.50	8.50	0%
Internal Service Funds	9.10	9.04	9.10	9.00	9.00	9.00	9.00	9.00	8.50	8.50	0%
Human Services	58.75	60.00	63.93	61.75	63.38	64.75	68.75	70.00	65.50	63.75	-3%
Health & Welfare Total	58.75	60.00	63.93	61.75	63.38	64.75	68.75	70.00	65.50	63.75	-3%
Extension Office	0.77	0.00	0.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	N/A
Weed	1.49	1.30	1.50	1.00	1.00	1.50	2.00	1.00	0.00	0.00	N/A
Fairgrounds	10.34	10.00	10.00	9.00	9.00	9.00	10.00	3.00	2.00	2.00	0%
Planning	18.28	11.99	11.70	11.75	10.75	11.00	11.25	11.25	10.50	11.00	5%
Senior Services	8.52	8.59	9.50	8.00	8.00	8.00	8.50	9.00	9.00	9.00	0%
Veterans' Services Office	1.08	1.00	1.10	1.00	1.00	1.00	1.00	1.00	1.00	1.00	0%
Auxiliary Services	40.48	32.88	34.60	30.75	29.75	30.50	32.75	25.25	22.50	23.00	2%
Grand Total	433.06	414.32	425.88	403.50	403.38	408.50	415.75	415.25	399.75	392.50	-2%

Source: La Plata County Annual Budget

Notes: Numbers include regular and temporary employees

La Plata County, Colorado
Operating Indicators by Function/Program

Table 19

<u>Function/Program</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
General Government										
<u>Clerk & Recorder</u>										
# Vehicle Transactions Processed	91,592	100,468	92,650	93,865	95,504	95,863	96,742	99,008	95,867	83,173
# Titles Issued (69% printed by staff)	13,624	14,955	15,853	17,553	18,679	17,795	17,804	18,721	18,234	23,821
# documents recorded	16,500	15,889	17,762	17,096	15,069	15,622	16,343	16,082	14,295	14,106
# of registered voters	37,243	38,590	41,516	41,785	40,154	41,677	44,828	43,870	43,811	44,678
# of votes cast	20,892	11,694	29,416	15,473	29,123	12,924	39,498	10,498	36,691	17,113
# of marriage licenses issued	506	554	573	571	632	637	606	660	606	654
<u>Treasurer</u>										
Receipts processed	37,954	37,995	59,790	26,366	25,934	29,540	36,025	39,095	38,188	38,397
<u>Assessor</u>										
# of property accounts maintained/assessed	46,589	46,503	46,657	46,420	46,580	74,436	47,161	46,539	47,680	47,873
Assessed value (in thousands)	2,354,797	2,394,149	2,275,296	1,842,416	2,004,585	2,220,914	1,815,518	1,757,127	1,827,140	1,856,879
<u>Geographic Information Services</u>										
# of recorded documents processed	325	5,440	7,039	1,486	226	128	123	148	204	159
# of rural addresses assigned	182	565	281	527	338	147	313	255	352	211
Public Safety										
<u>Building Inspection</u>										
# of permits issued	577	535	544	580	655	815	675	712	705	736
# of inspections completed	2,632	2,414	2,435	2,536	3,369	3,604	3,284	4,118	4,539	4,275
<u>Emergency Management</u>										
Search & Rescue Missions	23	30	34	35	37	34	56	47	60	48
<u>Sheriff - Public Safety</u>										
# of incidents investigated	23,652	23,227	22,561	23,224	23,640	28,694	37,731	29,488	26,276	23,820
# of arrests	594	705	586	678	804	1,224	1,597	1,207	1,170	618
# of citations	134	131	110	146	97	199	163	147	125	74
<u>Alternative to Incarceration</u>										
# of inmates under Day Reporting Supervision	102	124	99	45	11	0	0	0	0	0
# of inmates in Community Custody program	298	55	104	108	95	39	119	105	74	53
Pretrial management	270	371	333	299	304	337	615	633	522	408

La Plata County, Colorado
Operating Indicators by Function/Program

Table 19

<u>Function/Program</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<u>Detentions</u>										
Total # of inmates booked into facility	3,020	2,943	2,033	2,662	2,858	3,294	3,843	3,567	3,293	3,007
average daily inmate population	149	166	148	114	111	118	148	167	190	201
Public Works										
<u>Maintenance Support</u>										
gallons of dust palliative applied	920,642	1,100,000	865,672	920,642	988,547	1,461,306	759,693	823,998	659,140	849,000
tons of road base hauled and placed	105,297	106,676	79,197	110,568	64,708	33,335	43,711	59,916	42,401	30,462
# of gallons of highway paint used	12,000	9,500	12,500	12,000	12,500	12,500	12,500	12,000	12,000	12,825
<u>Convenience Center</u>										
Customers served - Bayfield	2,159	2,117	2,154	1,493	2,091	2,010	2,203	2,092	2,753	2,737
Customers served - Marvel	421	543	523	340	498	475	483	502	632	714
Health & Welfare										
<u>Human Services</u>										
Child Welfare - # of assessments opened	315	266	273	262	283	272	263	211	252	235
Adult Protective Services - # of investigations	88	99	88	87	96	141	131	127	123	113
Child Support - \$ of payments collected	\$3,248,125	\$3,302,905	\$3,429,662	\$3,828,881	\$3,671,529	\$3,775,730	\$3,595,644	\$3,488,386	\$3,244,173	\$3,228,168
Community Programs										
Conservation Trust Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Public Service Agency Funds	\$2,894,774	\$2,973,186	\$3,200,905	\$2,461,494	\$2,375,306	\$1,852,663	\$2,415,471	\$2,844,203	\$2,506,724	\$1,640,345
Auxiliary Services										
<u>Senior Services</u>										
# of meals provided	41,247	37,745	40,812	43,769	45,011	49,519	45,177	48,314	50,625	42,838
# of transportation rides provided	6,226	5,584	5,955	5,788	6,549	6,951	7,763	6,859	7,635	6,485
<u>Veterans Services</u>										
Compensation Claims	196	201	91	192	140	202	222	191	205	143
<u>Weed Management</u>										
# of miles treated for noxious weeds	**			672	675	435	326	33	175	160
# of acres treated for noxious weeds	505	Unavailable	451	90	105	273	183	795	148	125
small group bookings (less than 500 participants)	2,562	1,633	1,053	131	125	76	45	58	41	33
large bookings (more than 500 participants)	12	365	357	0	0	0	0	0	0	0

La Plata County, Colorado
Operating Indicators by Function/Program

Table 19

Function/Program

2010 2011 2012 2013 2014 2015 2016 2017 2018 2019

<u>Planning</u>										
Major projects reviewed	28	48	35	100	122	116	110	165	126	120
Oil & Gas (Major & Minor)	31	35	42	25	62	56	59	33	24	23
Minor/Administrative Projects reviewed	92	62	71	108	126	159	109	105	140	137

Internal Service Funds

Capital Equipment Replacement Fund
(prior to 2005, vehicles were in R & B Fleet division)

Vehicles maintained (self propelled mobile units)	246	305	301	307	311	317	326	326	330	334
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Source: La Plata County - Various Departments

La Plata County, Colorado
Capital Asset Statistics by Function/Program

Table 20

		2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Government											
Clerk	Number of business locations	2	2	2	2	2	2	2	2	2	2
Facilities & Grounds	Facilities maintained	17	17	17	17	17	20	20	22	22	22
	Warehouses maintained	0	0	0	0	0	0	1	1	1	1
Procurement	Warehouses operated	1	1	1	1	1	1	0	0	0	0
Public Safety											
Detentions	Jail bed capacity	293	293	293	293	293	293	298	298	293	293
Public Works											
	Miles of Roadways maintained	658	658	656	672	656	656	656	643	653	653
	Bridges	53	53	48	48	49	49	49	49	49	49
Internal Service Funds											
CERF	Number of fleet vehicles maintained	246	305	301	307	311	317	326	326	330	334

Source: La Plata County - Various Departments

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

Single Audit Section

**Independent Auditors' Report
On Internal Control Over Financial
Reporting And On Compliance And Other
Matters Based On An Audit Of Financial
Statements Performed In Accordance With
*Government Auditing Standards***

Board of County Commissioners
La Plata County, Colorado
Durango, 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 (the County), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated December 24, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) 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 the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. 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 the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the 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*.

Purpose Of This Report

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

RubinBrown LLP

December 24, 2020

**Independent Auditors' Report On Compliance
For Each Major Federal Program, Report
On Internal Control Over Compliance
And Report On The Schedule Of Expenditures
Of Federal Awards Required By The Uniform Guidance**

Board of County Commissioners
La Plata County, Colorado
Durango, Colorado

Report On Compliance For Each Major Federal Program

We have audited La Plata County, Colorado's (the County) compliance with the types of compliance requirements described in the Office of Management and Budget's *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2019. The County's major federal programs are identified in the summary of auditors' 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.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the County'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, Costs Principles, and Audit Requirements for Federal Awards* (the 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 the County'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 the County's compliance.

Opinion On Each Major Federal Program

In our opinion, the County 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, 2019.

Report On Internal Control Over Compliance

Management of the County 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 the County'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 the County's internal control over compliance.

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

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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control over compliance, described in the accompanying schedule of findings and questioned costs as item 2019-002 that we consider to be a material weakness, and item 2019-001 that we consider to be a significant deficiency.

The County's response to the internal control over compliance findings identified in our audit is described in the accompanying corrective action plan. The County's response was not subjected to the auditing procedures applied in the audit of compliance, and accordingly, we express no opinion on the response.

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

RubinBrown LLP

December 24, 2020

LA PLATA COUNTY, COLORADO

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS For The Year Ended December 31, 2019

Page 1 Of 2

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity ID Number	Expenditures as of 12/31/19	Amounts Passed- Through To Subrecipients
Department of Agriculture				
Passed through the Colorado Department of Human Services				
Supplemental Nutrition Assistance Program (SNAP)	10.551		10,789	
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561		335,408	59,258
SNAP Cluster			346,197	
Passed through the Natural Resources Conservation Service				
Emergency Watershed Protection Program	10.923		414,029	
Direct				
Schools and Roads - Grants to States (Forest Service Schools and Roads Cluster)	10.665		165,156	
Total Department of Agriculture			925,382	59,258
Department of Health and Human Services				
Passed through the Area Agency on Aging				
Special Programs for Aging-Title III, Part B - Grants for Supportive Services and Senior Centers	93.044		36,701	
Special Programs for Aging-Title III, Part C - Nutrition Services	93.045		169,853	
Nutrition Service Incentive Program	93.053		36,928	
Aging Cluster			243,482	
Special Programs for Aging - Title III, Part E - National Family Caregiver Support	93.052		45,048	
Passed through the Colorado Department of Human Services				
Guardianship Assistance	93.090		(2,791)	
Temporary Assistance for Needy Families (TANF Cluster)	93.558		951,889	90,878
Child Support Enforcement	93.563		330,008	
Low-Income Home Energy Assistance	93.568		1,787	
Community Services Block Grant (477 Cluster)	93.569		5,000	
Child Care and Development Block Grant	93.575		206,441	
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596		215,428	
Child Care and Development Fund (CCDF) Cluster			421,869	
Stephanie Tubbs Jones Child Welfare Services Program	93.645		11,266	
Foster Care Title IV-E	93.658		535,215	
Adoption Assistance	93.659		82,048	
Social Services Block Grant	93.667		194,180	61,000
Chafee Foster Care Independence Program	93.674		21,687	
Passed through the Colorado Department of Health Care Policy and Financing				
Medical Assistance Program (Medicaid Cluster)	93.778		412,196	
Passed through the Colorado Department of Public Health and Environment				
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354		4,943	
Colorado Department of Regulatory Agencies				
Passed through Division of Insurance				
Special Programs for Aging-Title IV and Title II - Discretionary Projects	93.048		4,500	
Centers for Medicare and Medicaid Services (CMS) Research Demonstrations, and Evaluations	93.779		10,740	
Total Department of Health and Human Services			3,273,067	151,878

LA PLATA COUNTY, COLORADO

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For The Year Ended December 31, 2019

Page 2 Of 2

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity ID Number	Expenditures as of 12/31/19	Amounts Passed- Through to Subrecipients
Department of Transportation				
Passed through the Colorado Department of Transportation				
National Priority Safety Programs (Highway Safety Cluster)	20.616	17-01-11-05	7,800	
Total Department of Transportation			<u>7,800</u>	
Department of Homeland Security				
Passed through the Colorado Department of Local Affairs				
Emergency Management Performance Grant	97.042	18-EM-19-29	73,000	
Total Department of Homeland Security			<u>73,000</u>	
Department of Housing and Urban Development				
Passed through the Colorado Department of Local Affairs				
Community Development Block Grants/State's program	14.228	F15CDB15-600	104,868	104,868
Community Development Block Grants/State's program	14.228	F15CDB19-601	214,600	214,600
Total Department of Housing and Urban Development			<u>319,468</u>	<u>319,468</u>
Department of Justice				
Direct				
Office of Justice Programs				
Bulletproof Vest Partnership Program	16.607		3,886	
State Criminal Alien Assistance Program	16.606		28,368	
Department of Justice / Criminal Division				
Equitable Sharing Program	16.922		41,766	
Total Department of Justice			<u>74,020</u>	
Other Federal Assistance				
Direct				
Office of National Drug Control Policy, Dept. of Treasury, Dept. of Justice High Intensity Drug Trafficking Areas Program	95.001	G18RM0023A	369,854	
Total Office of National Drug Control Policy			<u>369,854</u>	
Total Federal Assistance			<u>\$ 5,042,591</u>	<u>\$ 530,604</u>

LA PLATA COUNTY, COLORADO

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS For The Year Ended December 31, 2019

1. Basis Of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) presents the activity of all federal award programs of La Plata County, Colorado (the County), for the year ended December 31, 2019. The information in this Schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net assets or cash flows of the County.

2. Summary Of Significant Accounting

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

3. Indirect Costs

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

LA PLATA COUNTY, COLORADO

SCHEDULE OF FINDINGS AND QUESTIONED COSTS For The Year Ended December 31, 2019

Section I - Summary Of Auditors' Results

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

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified?
- Significant deficiency(ies) identified?

___ yes x no
___ yes x none reported
___ yes x no

Noncompliance material to financial statements noted?

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified?
- Significant deficiency(ies) identified?

x yes ___ no
x yes ___ none reported

Type of auditors' report issued on compliance for major federal programs:

Unmodified

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

___ yes x no

Identification of major federal programs:

CFDA Number	Name Of Federal Program Or Cluster
93.558	Temporary Assistance for Needy Families Cluster
93.563	Child Support Enforcement
93.658	Foster Care – Title IV-E
93.575 & 93.596	Child Care Development Fund Cluster

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

\$ 750,000

Auditee qualified as low-risk auditee?

___ yes x no

LA PLATA COUNTY, COLORADO

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (*CONTINUED*) For The Year Ended December 31, 2019

Section II - Financial Statement Findings

None

Section III - Federal Award Findings And Questioned Costs

Finding 2019-001

Special Tests and Provisions

Significant Deficiency, Internal Control over Compliance

CFDA# 93.658: Title IV-E - Foster Care

Federal Agency: Department of Health and Human Services

Pass-Through Entity: Colorado Department of Human Services

Criteria Or Specific Requirement: Title IV-E agencies establish payment rates for maintenance payments (e.g., payments to foster parents, child care institutions or directly to youth). Payment rates may also be established for Title IV-E administrative expenditures (e.g., payments to child placement agencies or other contractors, which may be either subrecipients or vendors) and for other services. Payment rates must provide for proper allocation of costs between Foster Care maintenance payments, administrative expenditures and other services in conformance with the cost principles. The Title IV-E agency's plan approved by ACF must provide for periodic review of payment rates for Foster Care maintenance payments at reasonable, specific, time-limited periods established by the Title IV-E agency to assure the rate's continuing appropriateness for the administration of the Title IV-E program (42 USC 671(a)(11); 45 CFR Section 1356.21(m)(1); 45 CFR Section 1356.60(a)(1) and (c)). The County is responsible for establishing controls over the rates charged for all types of Foster Care cases, including kinship maintenance rates.

Condition: Internal controls over the maintenance rates compliance requirement are the responsibility of management. The County did not have evidence of following their developed internal controls over Foster Care rate determinations for all periods during 2019.

Cause: The related review of maintenance payment rates was not documented for all periods during 2019.

Effect: Due to insufficient documentation and monitoring controls, the County may not timely detect an error in rate determinations and pay a rate that is not appropriate.

LA PLATA COUNTY, COLORADO

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (*CONTINUED*) For The Year Ended December 31, 2019

Questioned Costs: Not applicable

Context: Three out of four months from the non-statistical sample tested did not have evidence of the documented review controls.

Identification As Repeat Finding: Not applicable

Recommendation: We recommend that the Department of Human Services document and maintain their control process over the review of Foster Care maintenance rates for every time the control is performed.

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

LA PLATA COUNTY, COLORADO

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (*CONTINUED*) For The Year Ended December 31, 2019

Finding 2019-002

Eligibility

Material Weakness, Internal Control over Compliance

CFDA 93.575 & 93.596 – Child Care Development Fund

Federal Agency: U.S. Department of Health and Human Services

Pass-Through Entity: Colorado Department of Human Services

Criteria Or Specific Requirement: Child Care payments are allowable only if the child and household meets requirements set by the Lead Agency. The County is responsible for establishing internal controls over eligibility data to ensure approved recipients are eligible and in compliance with requirements of the grant.

Condition: The County did not follow their developed internal control policies over Child Care Development fund program eligibility determination for the full year.

Cause: The County's review process over eligibility determination for Child Care household eligibility was not followed for seven months of the year.

Effect: Due to insufficient monitoring and internal controls over compliance, the County may not timely detect an error in eligibility determinations, and may pay benefits to an ineligible client.

Questioned Costs: Not applicable

Context: Upon review, 7 out of 12 months tested lacked evidence of supervisory review of determination or redetermination of eligibility.

Identification As A Repeat Finding: Not applicable

Recommendation: We recommend the County implement a documented process over the eligibility determination and redetermination process, whereby a person independent of the process would review and approve applicant information for Child Care clients.

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

CORRECTIVE ACTION PLAN

For the Year Ended December 31, 2019

Finding 2019-001 Special Tests and Provisions

Significant Deficiency, Internal Control over Compliance – Title IV-E – Foster Care

Personnel Responsible for Corrective Action: Martha Johnson, Director of Department of Human Services

Anticipated Completion Date: Already implemented

Corrective Action Plan:

The County agrees that we were not documenting our monthly review of the Title IV-E Foster Care payroll. We have updated our “Title IV-E Internal Controls” procedure, adding the below process to ensure the monthly payroll is reviewed and those reviews are documented.

- Within the first two work days of each month, the staff member who is primarily responsible for entering out-of-home placement payment information into the automated case management system will send via email the OOH Main Trial Payroll Report to, at a minimum, all child welfare managers, the assistant director, and the director. Each of those recipients is expected to review the Trial payroll within three work days and respond to the sender via email to either confirm the payroll as it is or to correct any information that is missing or incorrect. The mandated responders by email are the Ongoing Child Protection Manager and the Foster Care/Adoption Manager.
- The staff member who sends the Trial Payroll email will archive each month’s sent email with attachment(s) and any replies into that staff member’s permanent email archive.
- The staff member who sends out the Trial Payroll will send an email to the same parties (child welfare managers, assistant director, and director) with the OOH Main Final Payroll Report attached. This will be sent by the end of each month, after the final payroll report is available. No replies are necessary to this email unless there are any errors. The staff member who sends it out will archive this email and attachment in the staff member’s permanent archive.

CORRECTIVE ACTION PLAN

For the Year Ended December 31, 2019

Finding 2019-002 Eligibility

Material Weakness, Internal Control over Compliance – Child Care Development Fund

Personnel Responsible for Corrective Action: Martha Johnson, Director of Department of Human Services

Anticipated Completion Date: December 31, 2020

Corrective Action Plan:

The County agrees that case reviews of Child Care household eligibility determination were not well-documented and did not occur with sufficient frequency for seven months of the year. We have implemented the following process and will have a written procedure finalized by December 31, 2020.

- At least two Child Care cases will be pulled each month for review. Unless a specific case type or data entry weakness is identified, cases pulled for review will be done via a random selection. A peer or supervisor will review the eligibility determination, eligibility redetermination, and/or parental fee determination for a case that was completed by another peer or supervisor. This review will be completed using a standard tool that documents case identifying information, the name of the eligibility worker who worked on the case, the name of the reviewing staff member, the eligibility month that was reviewed for accuracy, the date of the review, and any errors or observations noted in the review.
- Upon completion of the review, the review tool will be shared with the supervisor (if the supervisor did not complete the review) and with the eligibility worker who worked on the case. If any errors need to be corrected, the supervisor and eligibility worker will coordinate those corrections and the supervisor will ensure that they are completed within two weeks of the case review being completed, documenting the corrections on the case review tool.
- Completed case review tools will be retained in a central location for at least 3 years from the date of the review, either in hard copy or electronically. The supervisor will maintain a spreadsheet of all case reviews including case number, program(s) reviewed, month and year reviewed for accuracy, and date of review.

LA PLATA COUNTY, COLORADO

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For The Year Ended December 31, 2019

None