

MONTROSE COUNTY, COLORADO
FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020

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YEAR ENDED DECEMBER 31, 2020**

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INDEPENDENT AUDITORS' REPORT

Board of County Commissioners
Montrose County, Colorado

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Montrose County, Colorado (the County), as of and for the year ended December 31, 2020, 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 business- type activities, each major fund, and the aggregate remaining fund information of Montrose County, Colorado, as of December 31, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual fund financial statements and schedules, the EBT Authorization Schedule, and the Local Highway Finance Report 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 EBT Authorization Schedule, and the Local Highway Finance Report 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 EBT Authorization Schedule, and the Local Highway Finance Report are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Board of County Commissioners
Montrose County, Colorado

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 17, 2021, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Broomfield, Colorado
June 17, 2021

**MONTROSE COUNTY, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2020**

As management of Montrose County, Colorado (the County), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2020. We encourage readers to consider the information presented here.

Financial Highlights

- The assets of the County exceeded its liabilities and deferred inflows of resources as of December 31, 2020 by \$185,792,702. Of this amount, \$39,868,381 is unrestricted and may be used to meet the government's ongoing obligations to citizens and creditors.
- The County's total net position increased by \$7,512,705.
- As of December 31, 2020, Montrose County's governmental funds reported combined ending fund balances of \$51,287,760, a decrease of \$433,911 from 2019. Approximately 21% of this total amount, \$10,612,698 is unassigned and available for discretionary spending for the benefit of county citizens.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$10,612,698, or 36% of total general fund expenditures (including transfers out).
- The County's total debt decreased by approximately \$1.2 million during 2020 due to the payment of principal on the lease purchase agreement and certificates of participation.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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

The statement of net position presents information on all of the County's assets, liabilities and deferred inflows of resources with the difference between the three 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 is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in the statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

**MONTROSE COUNTY, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2020**

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, health and human services, public safety and protection, and road and bridge services.

The government-wide financial statements can be found on pages 14 - 15 of this report.

Fund Financial Statements: A fund is a grouping of related accounts that is used to maintain control over resources, which have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds: Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains 12 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, road and bridge fund, social services fund, public safety sales tax fund, and capital expenditures fund all of which are considered to be major funds. Data from the other 7 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The County adopts an annual appropriated budget for each individual governmental fund. A budgetary comparison statement has been provided for all governmental funds to demonstrate compliance with these budgets.

The basic governmental fund financial statements can be found on pages 16 - 19 of this report.

**MONTROSE COUNTY, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2020**

Proprietary Funds: The County Government maintains two types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County Government used an enterprise fund to account for its Montrose County Airport Fund. Internal Service funds are used to account for goods or services given to one department by another on a cost reimbursement basis. The County Government used an internal service fund to account for its Internal Fleet Management Fund and its Internal Communications Center Fund.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Montrose County Airport Fund, which is considered to be a major fund of the County Government.

The basic proprietary fund financial statements can be found on pages 20 - 22 of this report.

Fiduciary Funds: 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. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on page 23-24 of this report.

Notes to Financial Statements: The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 25 of this report.

Other Information: Required supplementary information consists of budgetary comparison statements for the General and major Special Revenue Funds, beginning on page 44 of this report. The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information and begin on page 50 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities and deferred inflows of resources by \$185,792,702 at December 31, 2020.

By far the largest portion of the County's net position (69%) reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, and 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 resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**MONTROSE COUNTY, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2020**

Montrose County's Net Position (\$000)

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
ASSETS						
Current and Other Assets	\$ 69,254	\$ 69,665	\$ 7,055	\$ 5,511	\$ 76,309	\$ 75,176
Capital Assets	100,546	94,342	40,322	41,988	140,868	136,330
Total Assets	169,800	164,007	47,377	47,499	217,177	211,506
LIABILITIES						
Long-Term Liabilities						
Outstanding	15,045	16,040	93	81	15,138	16,121
Other Liabilities	2,872	2,954	219	703	3,091	3,657
Total Liabilities	17,917	18,994	312	784	18,229	19,778
DEFERRED INFLOWS OF RESOURCES						
Property Tax Revenues	13,156	13,448	-	-	13,156	13,448
NET POSITION						
Net Investment in Capital Assets	88,134	80,764	40,322	41,988	128,456	122,752
Restricted	16,292	21,099	350	350	16,642	21,449
Unrestricted	34,301	29,702	6,393	4,377	40,694	34,079
Total Net Position	\$ 138,727	\$ 131,565	\$ 47,065	\$ 46,715	\$ 185,792	\$ 178,280

An additional portion of the County's net position (9%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$39,868,381) may be used to meet the government's ongoing obligations to citizens and creditors.

At December 31, 2020, Montrose County is able to report positive balances in its governmental and business-type activities total net position. The same situation held true for 2019.

Governmental activities increased the County's net position by \$7,162,657.

The County's net position for the Montrose Regional Airport (its business-type activity) increased by \$350,048.

**MONTROSE COUNTY, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2020**

Montrose County's Changes in Net Position (\$000)

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
PROGRAM REVENUES						
Charges for Services	\$ 3,250	\$ 3,310	\$ 3,503	\$ 4,496	\$ 6,753	\$ 7,806
Operating Grants and Contributions	11,223	8,831	22	32	11,245	8,863
Capital Grants and Contributions	-	-	2,595	1,224	2,595	1,224
GENERAL REVENUE						
Property Taxes	15,487	14,601	-	-	15,487	14,601
Sales and Use Taxes	16,689	14,951	-	-	16,689	14,951
Other Taxes	7,557	9,233	-	-	7,557	9,233
Other Revenue	1,602	2,071	152	252	1,754	2,323
Total Revenues	55,808	52,997	6,272	6,004	62,080	59,001
EXPENSES						
General Government	14,049	11,975	-	-	14,049	11,975
Health and Human Services	8,047	7,987	-	-	8,047	7,987
Public Safety and Protection	14,439	13,139	-	-	14,439	13,139
Road and Bridge Services	11,728	11,357	-	-	11,728	11,357
Interest and Fiscal Charges	383	414	-	-	383	414
Airport	-	-	5,922	6,037	5,922	6,037
Total Expenses	48,646	44,872	5,922	6,037	54,568	50,909
INCREASE (DECREASE) IN NET POSITION	7,162	8,125	350	(33)	7,512	8,092
Net Position - January 1	131,565	123,440	46,715	46,748	178,280	170,188
NET POSITION - DECEMBER 31	\$ 138,727	\$ 131,565	\$ 47,065	\$ 46,715	\$ 185,792	\$ 178,280

**MONTROSE COUNTY, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2020**

General Government Functions (\$000)

The financial operations of the governmental funds - the County's general, special revenue, capital project, and debt service funds - are summarized here. The following schedule presents a summary of the governmental funds revenues from various sources for the fiscal year ended December 31, 2020 and the changes from the prior year.

REVENUE SOURCE	2020		2019		Increase (Decrease)	
	Amount	Percent	Amount	Percent	Amount	Percent
Taxes	\$ 32,259	56.7 %	\$ 28,797	53.0 %	\$ 3,462	12.0 %
Licenses and Permits	571	1.0 %	504	0.9	67	13.3
Intergovernmental	18,697	32.9 %	18,835	34.7	(138)	(0.7)
Charges for Services	2,382	4.2 %	2,387	4.4	(5)	(0.2)
Charges to Governments	-	- %	273	0.5	(273)	(100.0)
Internal Charges	1,960	3.4 %	1,876	3.5	84	4.5
Miscellaneous	1,027	1.8 %	1,653	3.0	(626)	(37.9)
Total Revenue (\$000)	\$ 56,896	100.0	\$ 54,325	100.0	\$ 2,571	4.7

Overall revenue increased by 4.7% or \$2,570,068 in 2020 over 2019.

The largest source of revenue for 2020 was derived from taxes, 56.7% of total revenues. Overall, tax revenue increased by 12.0% or \$3,461,347. Property tax revenue in 2020 increased \$766,106 or 6.1% over 2019 due primarily to an increase in the assessed valuation for 2020.

Licenses and permits had a 13.3% increase from 2019 due primarily to an increase in the Local Public Health Fund and related permit fees received.

Intergovernmental revenue decreased in 2020 by \$137,775 or 0.7%, due primarily to an increase in federal funding from the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) offset by a decrease in state funding.

Charges for services decreased slightly 0.2% due to the Event Center and Fairground Fund not being able to host as many events due to COVID-19 restrictions which decreased revenue by \$100,252.

Miscellaneous revenue was less in 2020 than 2019 due primarily to a decrease in investment income the County received on its cash investment portfolio for 2019.

**MONTROSE COUNTY, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2020**

The following schedule presents a summary of the governmental funds expenditures for the fiscal year ended December 31, 2020 and the changes from the prior year.

	2020		2019		Increase (Decrease)	
	Amount	Percent	Amount	Percent	Amount	Percent
EXPENDITURES						
General Government	\$ 13,820	23.8 %	\$ 13,068	25.4 %	\$ 752	5.8 %
Health and Human Services	8,915	15.4	8,797	17.1	118	1.3
Public Safety and Protection	14,669	25.3	12,921	25.1	1,748	13.5
Road and Bridge Services	19,025	32.8	15,074	29.3	3,951	26.2
Debt Service	1,548	2.6	1,552	3.1	(4)	(0.3)
	<u> </u>		<u> </u>		<u> </u>	
Total Expenditures (\$000)	<u>\$ 57,977</u>	99.9	<u>\$ 51,412</u>	100.0	<u>\$ 6,565</u>	12.8

Overall expenditures for 2020 were \$57,977,109 or 12.1% more than 2019 (including capital outlay and debt service expenditures).

The largest increase was related to road and bridge services which were \$15,073,612 in 2019 compared to \$19,024,582 in 2020. This increase was a result of capital outlay from the Road and Bridge fund, which increased 53.0% year over year. Capital outlay increased due to the County taking advantage of a decrease in traffic due to COVID-19 to improve its infrastructure.

Business-Type Activities: The increase in the net position for the Montrose Regional Airport was \$350,048. The primary reason for the increase was a result of an increase in capital grants and contributions revenue of \$1,371,414 or 112.1% offset by a decrease in charges for services revenue of \$993,264 or 22.1%.

Financial Analysis of the Government's Funds

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the County's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of December 31, 2020, the County's governmental funds reported combined ending fund balances of \$51,287,760, a decrease of \$433,911 from the prior year. Approximately 21% of this total amount constitutes unassigned fund balance, which is available for spending to meet the needs of county citizens. The remainder of fund balance is separated into four categories. (1) Non-spendable fund balance which includes amounts that cannot be spent because they are either not in spendable form or they are legally or contractually required to be maintained intact (\$1,442,837); (2) Assigned fund balance is constrained by the County's intent to be used for a specific purpose (\$16,719,783); (3) Restricted fund balance has constraints placed on the use of these resources either externally imposed by creditors, grantors, contributors, or have been imposed by law through constitutional provisions or enabling legislation, 1) restricted for road and bridge (\$9,283,070); 2) to provide an emergency reserve as required by the TABOR amendment (\$1,273,055); or 3) other restricted fund balance (\$6,562,250); and (4) Committed fund balance has constraints placed on the use of these resources by the Board of County Commissioners which is broken into two parts Social Services (\$3,468,237) and Solid Waste (\$1,925,830).

**MONTROSE COUNTY, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2020**

The General Fund is the chief operating fund of the County. At December 31, 2020, unassigned fund balance of the General Fund was \$10,612,698 while total fund balance was \$14,273,638. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures (including transfers). Unassigned fund balance represents 36% of total General Fund expenditures (including transfers out), while total fund balance represents 48% of that same amount.

The fund balance of the County's General Fund decreased by \$5,616,205 during 2020, which was primarily due to transfers made to other governmental funds.

The Road and Bridge Fund had a total fund balance of \$10,645,086 of which \$1,362,016 is non-spendable for inventories. The net decrease in fund balance in this fund during 2020 was \$4,001,192. The decrease resulted primarily from an increase in capital outlay incurred during 2020 in the amount of \$3,849,701.

Fund balance in the Social Services Fund increased by \$563,039 to \$3,471,641 by the end of 2020. The increase was due primarily to an increase in taxes specifically property taxes (\$197,933) when compared to 2019.

The Public Safety Sales Tax Fund increased its fund balance by \$236,424 during 2020. Total fund balance for this fund was \$5,089,382 by the end of 2020.

The Capital Expenditures Fund increased its fund balance by \$8,185,523 during 2020. Total fund balance for this fund was \$14,182,231 by the end of 2020. The increase was primarily driven by \$8,950,639 of transfers in from the General Fund.

Fund balances for all other governmental funds increased by \$198,500 during 2020. Total fund balance for all other governmental funds was \$3,625,782 by the end of 2020.

Proprietary Funds. The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Montrose Regional Airport at December 31, 2020 amounted to \$6,393,581.

Other factors concerning the finances of these entities have already been addressed in the discussion of Montrose County Government's business-type activities.

**MONTROSE COUNTY, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2020**

Capital Asset and Debt Administration (\$000)

Capital Assets. The County's investment in capital assets for its governmental and business-type activities as of December 31, 2020 amounts to \$140,868,379 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, machinery, construction in progress, equipment, and infrastructure. The total net increase in the County's investment in capital assets for the current fiscal year was \$4,538,214.

Major capital asset events during the current fiscal year included the following:

Runway Rehab 13/31	\$575,372
Airport Terminal Expansion	\$1,059,704
Asphalt Roads	\$6,664,843

Capital additions outlined above were offset with retirements mainly to road transportation as asphalt roads were being replaced in 2020.

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
CAPITAL ASSETS						
Land and Improvements	\$ 3,375	\$ 3,375	\$ 2,778	\$ 2,776	\$ 6,153	\$ 6,151
Construction in Progress	1,551	2,285	1,754	187	3,305	2,472
Buildings and Improvements	35,699	36,326	7,542	7,849	43,241	44,175
Equipment	13,971	10,804	1,043	1,093	15,014	11,897
Infrastructure	45,951	41,552	27,204	30,083	73,155	71,635
Total Capital Assets (\$000)	<u>\$ 100,547</u>	<u>\$ 94,342</u>	<u>\$ 40,321</u>	<u>\$ 41,988</u>	<u>\$ 140,868</u>	<u>\$ 136,330</u>

Additional information on the County's capital assets can be found in Note 5 on pages 38 - 39 of the financial statements.

Long-Term Debt: At the end of 2020, the County had total bonded debt outstanding of \$750,000. In addition, the County had outstanding debt of \$11,651,177 related to a lease purchase agreement entered into in 2017. The County has no general obligation debt.

The County's debt consists of the following:

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Certificates of Participation	\$ 750	\$ 1,105	\$ -	\$ -	\$ 750	\$ 1,105
Lease Purchase Agreement	11,651	12,456	-	-	11,651	12,456
Total Long Term Debt (\$000)	<u>\$ 12,401</u>	<u>\$ 13,561</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,401</u>	<u>\$ 13,561</u>

Additional information on the County's long-term debt can be found in Note 6 on pages 40 - 41 of the financial statements.

**MONTROSE COUNTY, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2020**

Economic Factors and Next Year's Budgets and Rates

- According to the Colorado Department of Labor and Employment, the unemployment rate for the County is 5.6%, which is lower than the state's average unemployment rate of 6.4%, which is lower than the national average rate of 6.1%.
- The Colorado Legislative Council reports that the 10-county western region's economy continued to build on momentum from 2018 and 2019 as the area offers a more affordable option than the Front Range. Relatively affordable housing, outdoor recreation opportunities, and an improving labor market are attracting people from Denver and other areas of the state and country.
- The region's labor market had a decrease in number of jobs added through 2020 and the unemployment rate declined as new entrants outpaced new jobs into the labor force. Compared with the same period in the prior year, employment decreased 6.2 percent across the region in 2020. The construction, energy, and retail sectors have had the largest employment gains and wage increases have been broad-based.
- Residential construction activity increased 34.8 percent in 2020 over year-ago levels, coinciding with the rising demand for housing in the region. There was growth in the median sales prices throughout the region in 2020. The region's nonresidential construction sector received a boost in March 2019 from two large projects, which were primarily completed in 2019 and therefore caused a decrease in 2020.
- There is significant potential for the region's natural gas to meet the countries growing demand for gas-fired electricity generation; however, a glut of natural gas on the market has hampered new exploration and development of new wells. Energy firms are increasingly capturing natural gas as a by-product of oil production across the country, slowing growth in geological formations containing primarily natural gas.

All of these factors were considered in preparing the County's budget for 2021.

Requests for Information

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Montrose County Finance Director, 1845 S. Townsend Avenue, Montrose, Colorado 81401.

MONTROSE COUNTY, COLORADO
STATEMENT OF NET POSITION
DECEMBER 31, 2020

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and Investments	\$ 49,707,204	\$ 5,724,660	\$ 55,431,864
Cash and Investments, Restricted	-	350,000	350,000
Taxes Receivable, Net of Allowance	15,851,355	-	15,851,355
Other Receivables, Net of Allowance	166,295	521,214	687,509
Intergovernmental Receivable	1,888,274	335,829	2,224,103
Inventories and Prepaid Items	1,640,619	39,612	1,680,231
Noncurrent Restricted Assets	-	83,817	83,817
Capital Assets:			
Capital Assets Not Subject to Depreciation:			
Land	3,374,874	2,778,507	6,153,381
Construction in Progress	1,550,678	1,754,053	3,304,731
Capital Assets Subject to Depreciation:			
Buildings and Improvements, Net	35,699,053	7,541,991	43,241,044
Improvements other than Buildings, Net	-	27,203,683	27,203,683
Equipment, Net	13,970,950	1,043,619	15,014,569
Infrastructure, Net	45,950,971	-	45,950,971
Total Assets	<u>169,800,273</u>	<u>47,376,985</u>	<u>217,177,258</u>
LIABILITIES			
Accounts Payable	1,318,783	155,206	1,473,989
Accrued Liabilities	1,198,257	63,315	1,261,572
Due to Other Governments	164,000	-	164,000
Unearned Revenue	186,568	-	186,568
Funds Held for Others	4,866	-	4,866
Long-Term Liabilities			
Portion Due or Payable Within One Year	2,653,677	93,030	2,746,707
Portion Due or Payable After One Year	12,391,090	-	12,391,090
Total Liabilities	<u>17,917,241</u>	<u>311,551</u>	<u>18,228,792</u>
DEFERRED INFLOWS OF RESOURCES			
Property Tax Revenues	<u>13,155,764</u>	<u>-</u>	<u>13,155,764</u>
NET POSITION			
Net Investment in Capital Assets	88,134,093	40,321,853	128,455,946
Restricted for:			
Emergencies	1,273,055	-	1,273,055
Public Safety	5,089,349	-	5,089,349
Parks and Recreation	196,637	-	196,637
Road and Bridge	9,283,070	-	9,283,070
Capital Expenses	99,970	-	99,970
Debt Service	349,633	-	349,633
Passenger Facility Charges	-	350,000	350,000
Unrestricted	<u>34,301,461</u>	<u>6,393,581</u>	<u>40,695,042</u>
Total Net Position	<u>\$ 138,727,268</u>	<u>\$ 47,065,434</u>	<u>\$ 185,792,702</u>

See accompanying Notes to Basic Financial Statements.

**MONTROSE COUNTY, COLORADO
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2020**

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business- Type Activities	Total
GOVERNMENTAL ACTIVITIES							
General Government	\$ 14,048,961	\$ 2,912,450	\$ 2,698,350	\$ -	\$ (8,438,161)	\$ -	\$ (8,438,161)
Health and Human Services	8,047,232	161,236	7,130,735	-	(755,261)	-	(755,261)
Public Safety and Protection	14,438,747	171,835	918,637	-	(13,348,275)	-	(13,348,275)
Road and Bridge Services	11,727,769	4,315	475,314	-	(11,248,140)	-	(11,248,140)
Interest and Fiscal Charges	382,523	-	-	-	(382,523)	-	(382,523)
Total Governmental Activities	48,645,232	3,249,836	11,223,036	-	(34,172,360)	-	(34,172,360)
BUSINESS-TYPE ACTIVITIES							
Montrose County Airport	5,922,303	3,503,097	22,163	2,595,137	-	198,094	198,094
Total	<u>\$ 54,567,535</u>	<u>\$ 6,752,933</u>	<u>\$ 11,245,199</u>	<u>\$ 2,595,137</u>	(34,172,360)	198,094	(33,974,266)
GENERAL REVENUES AND TRANSFERS							
					15,486,820	-	15,486,820
					16,688,984	-	16,688,984
					4,475,495	-	4,475,495
					3,081,538	-	3,081,538
					586,653	6,210	592,863
					1,015,527	145,744	1,161,271
Total General Revenues					<u>41,335,017</u>	<u>151,954</u>	<u>41,486,971</u>
CHANGE IN NET POSITION					7,162,657	350,048	7,512,705
Net Position - Beginning of Year					<u>131,564,611</u>	<u>46,715,386</u>	<u>178,279,997</u>
NET POSITION - END OF YEAR					<u>\$ 138,727,268</u>	<u>\$ 47,065,434</u>	<u>\$ 185,792,702</u>

See accompanying Notes to Financial Statements.

**MONTROSE COUNTY, COLORADO
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2020**

	General Fund	Road and Bridge Fund	Social Services Fund	Public Safety Sales Tax Fund	Capital Expenditures Fund	Other Governmental Funds	Total Governmental Funds
ASSETS							
Equity in Pooled Cash Investments	\$ 14,155,607	\$ 7,689,188	\$ 3,646,777	\$ 4,392,632	\$ 14,194,617	\$ 3,387,517	\$ 47,466,338
Other Cash and Investments	89,328	50	250	157,196	-	179,138	425,962
Receivables							
Taxes	11,352,237	1,562,854	1,803,527	1,132,737	-	-	15,851,355
Intergovernmental	649,950	374,453	351,371	-	-	505,984	1,881,758
Trade	5,623	10	58,380	62,729	-	38,773	165,515
Due From Other Funds	320,099	-	-	-	-	-	320,099
Prepaid Items	77,175	244	3,404	33	-	209	81,065
Inventories	-	1,361,772	-	-	-	-	1,361,772
Total Assets	<u>\$ 26,650,020</u>	<u>\$ 10,988,571</u>	<u>\$ 5,863,709</u>	<u>\$ 5,745,327</u>	<u>\$ 14,194,617</u>	<u>\$ 4,111,621</u>	<u>\$ 67,553,865</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
LIABILITIES							
Accounts Payable	\$ 707,659	\$ 178,649	\$ 9,555	\$ 295,870	\$ 11,402	\$ 64,910	\$ 1,268,045
Accrued Liabilities	311,620	164,836	232,055	358,959	984	98,309	1,166,763
Due to Other Funds	-	-	-	-	-	320,099	320,099
Due to Other Governments	-	-	164,000	-	-	-	164,000
Funds Held for Others	4,866	-	-	-	-	-	4,866
Unearned Revenue	-	-	182,931	1,116	-	2,521	186,568
Total Liabilities	<u>1,024,145</u>	<u>343,485</u>	<u>588,541</u>	<u>655,945</u>	<u>12,386</u>	<u>485,839</u>	<u>3,110,341</u>
DEFERRED INFLOWS OF RESOURCES							
Property Tax Revenue	11,352,237	-	1,803,527	-	-	-	13,155,764
FUND BALANCE							
Nonspendable	77,175	1,362,016	3,404	33	-	209	1,442,837
Restricted for:							
Emergencies	1,273,055	-	-	-	-	-	1,273,055
Public Safety	-	-	-	5,089,349	-	-	5,089,349
Landfill Financial Assurance	-	-	-	-	-	826,661	826,661
Parks and Recreation	-	-	-	-	-	196,637	196,637
Road and Bridge	-	9,283,070	-	-	-	-	9,283,070
Capital Expenditures	-	-	-	-	-	99,970	99,970
Debt Service	-	-	-	-	-	349,633	349,633
Committed To:							
Social Services	-	-	3,468,237	-	-	-	3,468,237
Solid Waste	-	-	-	-	-	1,925,830	1,925,830
Assigned	2,310,710	-	-	-	14,182,231	226,842	16,719,783
Unassigned	10,612,698	-	-	-	-	-	10,612,698
Total Fund Balance	<u>14,273,638</u>	<u>10,645,086</u>	<u>3,471,641</u>	<u>5,089,382</u>	<u>14,182,231</u>	<u>3,625,782</u>	<u>51,287,760</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 26,650,020</u>	<u>\$ 10,988,571</u>	<u>\$ 5,863,709</u>	<u>\$ 5,745,327</u>	<u>\$ 14,194,617</u>	<u>\$ 4,111,621</u>	<u>\$ 67,553,865</u>

See accompanying Notes to Financial Statements.

**MONTROSE COUNTY, COLORADO
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2020**

Total Fund Balance - Governmental Funds \$ 51,287,760

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. 98,370,360

Bond premiums are reported as other financing items in governmental funds; however, they are recorded as additions to debt obligations in the statement of net position and are amortized over the life of the bonds to which they are related.
Bond Premium, Less Accumulated Amortization (11,256)

Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service fund is included in the governmental activities in the statement of net position. 4,085,401

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

Compensated Absences	(1,427,176)
Landfill Closure and Post-Closure Liability	(826,661)
Gravel Pit Remediation	(349,983)
Lease Purchase Agreement	(11,651,177)
Certificates of Participation	(750,000)
Total	(15,004,997)

Net Position - Governmental Activities \$ 138,727,268

MONTROSE COUNTY, COLORADO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2020

	General Fund	Road and Bridge Fund	Social Services Fund	Public Safety Sales Tax Fund	Capital Expenditures Fund	Other Governmental Funds	Total Governmental Funds
REVENUES							
Taxes	\$ 13,781,033	\$ 10,006,749	\$ 1,788,773	\$ 6,682,239	\$ -	\$ -	\$ 32,258,794
Licenses and Permits	441,402	350	1,360	15,274	-	112,354	570,740
Intergovernmental	5,232,324	5,221,371	5,439,393	918,637	10,000	1,875,354	18,697,079
Charges for Services	1,855,947	3,965	19,420	156,561	-	345,833	2,381,726
Internal Charges	1,960,293	-	-	-	-	-	1,960,293
Investment Earnings	389,011	167,861	9,157	11,179	-	9,442	586,650
Miscellaneous	3,211	6,328	49,866	104,433	-	276,909	440,747
Total Revenues	<u>23,663,221</u>	<u>15,406,624</u>	<u>7,307,969</u>	<u>7,888,323</u>	<u>10,000</u>	<u>2,619,892</u>	<u>56,896,029</u>
EXPENDITURES							
Current:							
General Government	11,514,083	-	-	-	17,466	1,193,886	12,725,435
Health and Human Services	-	-	6,744,930	-	-	2,169,996	8,914,926
Public Safety and Protection	-	-	-	14,365,568	-	-	14,365,568
Road and Bridge Services	-	7,907,554	-	-	-	-	7,907,554
Capital Outlay	701,304	11,117,028	-	303,426	368,000	25,673	12,515,431
Debt Service:							
Principal	-	-	-	-	-	1,160,043	1,160,043
Interest and Other Charges	-	-	-	-	-	388,152	388,152
Total Expenditures	<u>12,215,387</u>	<u>19,024,582</u>	<u>6,744,930</u>	<u>14,668,994</u>	<u>385,466</u>	<u>4,937,750</u>	<u>57,977,109</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	11,447,834	(3,617,958)	563,039	(6,780,671)	(375,466)	(2,317,858)	(1,081,080)
OTHER FINANCING SOURCES (USES)							
Proceeds from Sale of Capital Assets	132,591	445,370	-	-	-	-	577,961
Proceeds from Insurance	69,208	-	-	-	-	-	69,208
Transfers In	-	-	-	7,017,095	8,950,639	2,972,801	18,940,535
Transfers Out	(17,265,838)	(828,604)	-	-	(389,650)	(456,443)	(18,940,535)
Total Other Financing Sources (Uses)	<u>(17,064,039)</u>	<u>(383,234)</u>	<u>-</u>	<u>7,017,095</u>	<u>8,560,989</u>	<u>2,516,358</u>	<u>647,169</u>
NET CHANGE IN FUND BALANCES	(5,616,205)	(4,001,192)	563,039	236,424	8,185,523	198,500	(433,911)
Fund Balances - Beginning of Year	19,889,843	14,646,278	2,908,602	4,852,958	5,996,708	3,427,282	51,721,671
FUND BALANCES - END OF YEAR	<u>\$ 14,273,638</u>	<u>\$ 10,645,086</u>	<u>\$ 3,471,641</u>	<u>\$ 5,089,382</u>	<u>\$ 14,182,231</u>	<u>\$ 3,625,782</u>	<u>\$ 51,287,760</u>

See accompanying Notes to Financial Statements.

**MONTROSE COUNTY, COLORADO
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2020**

Net Change in Fund Balances - Total Governmental Funds \$ (433,911)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Depreciation	\$ (3,758,280)
Capital Outlay	12,241,899
Total	8,483,619

Governmental funds do not report gains or losses on disposal of capital assets.

However, in the statement of activities, the difference between the book value of the asset and the proceeds received on disposal is recognized as a gain or loss.

Net Book Value of Disposed Capital Assets Exceeded Proceeds.	(2,606,303)
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Governmental funds report premiums on debt as other financing sources. However, in the statement of activities, premiums are allocated over the life of the debt and reported as amortization expense. This is the current year amortization expense.

5,629

Internal service funds are used by management to charge the costs of certain activities, such as fleet management to individual funds. The net revenue (expense) and transfers of the internal service fund is reported with governmental activities.

719,445

In the governmental funds, accruals for compensated absences are not recognized because they are not paid with expendable available financial resources. In the statement of activities, however, these accruals are reported regardless of when financial resources are available. This adjustment shows the change in the accrued compensated absences balance.

(134,992)

Long-term liabilities, including landfill post-closure costs, gravel pit, and claims are not due and payable in the current period and, therefore, are not reported in the funds. This adjustment shows the change in this liability.

(30,873)

Governmental funds report the repayment of principal on long-term debt as expenditures.

However, these repayments are not reported in the statement of activities, but as a reduction of debt in the statement of net position. This amount is the effect of the difference in the treatment of these repayments.

Payments on Long-Term Debt	1,160,043
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Change in Net Position of Governmental Activities \$ 7,162,657

MONTROSE COUNTY, COLORADO
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2020

	Proprietary Fund Types	
	Enterprise Fund	Governmental Activities
	Montrose County Airport	Internal Service Fund
CURRENT ASSETS		
Cash	\$ 5,724,660	\$ 1,814,904
Cash, Restricted	350,000	-
Accounts Receivable, Net	521,214	780
Due from Other Governments	335,829	6,516
Inventories	-	197,782
Prepaid Expenses	39,612	-
Total Current Assets	6,971,315	2,019,982
NONCURRENT ASSETS		
Restricted Assets	83,817	-
Capital Assets		
Land	2,778,507	-
Construction in Progress	1,754,053	-
Land Improvements, Net	27,203,683	-
Buildings, Net	7,541,991	-
Equipment, Net	1,043,619	2,176,166
Total Noncurrent Assets	40,405,670	2,176,166
Total Assets	47,376,985	4,196,148
CURRENT LIABILITIES		
Accounts Payable	155,206	50,738
Accrued Liabilities	63,315	31,494
Accrued Compensated Absences	93,030	28,515
Total Current Liabilities	311,551	110,747
Total Liabilities	311,551	110,747
NET POSITION		
Investment in Capital Assets	40,321,853	2,176,166
Restricted	350,000	-
Unrestricted	6,393,581	1,909,235
Total Net Position	\$ 47,065,434	\$ 4,085,401

See accompanying Notes to Financial Statements.

MONTROSE COUNTY, COLORADO
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2020

	Proprietary Fund Types	
	Enterprise Fund	Governmental Activities
	Montrose County Airport	Internal Service Fund
OPERATING REVENUE		
Charges for Services	\$ 3,109,965	\$ 2,689,060
OPERATING EXPENSES		
Salaries and Benefits	1,358,166	639,829
Services and Supplies	986,271	1,123,579
Depreciation and Amortization	3,577,866	464,704
Total Operating Expenses	<u>5,922,303</u>	<u>2,228,112</u>
OPERATING PROFIT (LOSS)	(2,812,338)	460,948
NONOPERATING REVENUES (EXPENSES)		
Investment Income	6,210	-
Gain (Loss) on Sale of Assets	-	36,037
Grants and Contributions	22,163	3,419
Passenger Facility Charges	393,132	-
Other	145,744	37,780
Total Nonoperating Revenues	<u>567,249</u>	<u>77,236</u>
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	(2,245,089)	538,184
Capital Grants	2,595,137	-
Capital Contributions	<u>-</u>	<u>181,261</u>
CHANGE IN NET POSITION	350,048	719,445
Net Position - Beginning of Year	<u>46,715,386</u>	<u>3,365,956</u>
NET POSITION - END OF YEAR	<u>\$ 47,065,434</u>	<u>\$ 4,085,401</u>

See accompanying Notes to Financial Statements.

**MONTROSE COUNTY, COLORADO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2020**

	Proprietary Fund Types	
	Enterprise Fund	Governmental Activities
	Montrose County Airport	Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Customers	\$ 3,347,927	\$ 2,683,623
Cash Paid to Suppliers	(1,471,404)	(1,141,468)
Cash Paid to and for Employees	(1,342,967)	(631,469)
Net Cash Provided by Operating Activities	<u>533,556</u>	<u>910,686</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Grants and Contributions	22,163	-
Other Receipts	145,744	37,780
Net Cash Provided (Used) by Noncapital Financing Activities	<u>167,907</u>	<u>37,780</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Grants	2,473,769	-
Passenger Facility Charges	432,098	-
Sale of Capital Assets	-	60,550
Acquisition of Capital Assets	(1,918,146)	(632,057)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>987,721</u>	<u>(571,507)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment Income	<u>6,210</u>	<u>-</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,695,394	376,959
Cash and Cash Equivalents - Beginning of Year	<u>4,379,265</u>	<u>1,437,945</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 6,074,659</u></u>	<u><u>\$ 1,814,904</u></u>
RECONCILIATION OF OPERATING PROFIT (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating Profit (Loss)	\$ (2,812,338)	\$ 460,948
Adjustments to Reconcile Operating Profit (Loss) to Net Cash Provided by Operating Activities:		
Depreciation and Amortization	3,577,866	464,704
(Increase) Decrease in Accounts Receivable	237,962	(5,437)
(Increase) Decrease in Inventory	-	(3,489)
Decrease in Prepaid Expenses	(4,138)	-
Increase (Decrease) in Accounts Payable	(480,995)	(14,400)
Increase in Accrued Expenses	15,199	8,360
Net Cash Provided by Operating Activities	<u><u>\$ 533,556</u></u>	<u><u>\$ 910,686</u></u>

See accompanying Notes to Financial Statements.

**MONTROSE COUNTY, COLORADO
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2020**

	<u>County Clerk Custodial Funds</u>
ASSETS	
Cash and Investments	\$ 1,805,888
Total Assets	<u>\$ 1,805,888</u>
LIABILITIES	
Due to Other Governments	\$ 1,242,221
Deposits Held for Others	563,667
Total Liabilities	<u>\$ 1,805,888</u>
NET POSITION	
Restricted	<u>\$ -</u>
Total Net Position	<u><u>\$ -</u></u>

See accompanying Notes to Financial Statements.

MONTROSE COUNTY, COLORADO
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
YEAR ENDED DECEMBER 31, 2020

	<u>County Clerk Custodial Funds</u>
ADDITIONS	
Collections on behalf of others	39,351,626
DEDUCTIONS	
Distributions on behalf of others	<u>39,351,626</u>
Net increase (Decrease) in net position	-
NET POSITION	
Beginning of year	<u>-</u>
End of year	<u><u>-</u></u>

See accompanying Notes to Financial Statements.

**MONTROSE COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of Montrose County, Colorado (the County), have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Following is a summary of the more significant principles:

Financial Reporting Entity

The County was formed in 1883. The governing body of the County is a three member Board of County Commissioners. The County provides the following services directly: general government, health and human services, public safety and protection, road and bridge services, and airport facilities. The County provides several additional services through other governmental organizations, which are excluded or included in this report, as detailed below.

Related Entities

Public Trustee

The Public Trustee is a state statutorily mandated position, whose financial transactions are independent of the County. However, all expenditures and associated funding transactions relating to the operations of the County Office of the Public Trustee are included in the General Fund.

Jointly Funded Organization

The County, in conjunction with other counties, shares in the financial support of the District Attorney of the Seventh Judicial District of the State of Colorado. In 2020, the County contributed \$1,053,830 for the operation of the District Attorney.

Other

The County Commissioners are also responsible for appointing the members of the boards of the Montrose County Housing Authority (the Housing Authority) and the Montrose Library District. However, the County's accountability for these organizations does not extend beyond making the appointments.

Government-Wide and Fund Financial Statements

The government-wide statements include the statement of net position and the statement of activities, which display information about the primary government (the County). These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the *governmental* and *business-type activities* of the County. Governmental activities are generally financed through taxes, intergovernmental revenues and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

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

**MONTROSE COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

The fund financial statements provide information about the County's funds, including its fiduciary funds. Separate statements for each fund category - *governmental*, *proprietary* and *fiduciary* - are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and proprietary funds are aggregated and reported as nonmajor funds.

Governmental Funds

Governmental funds are those through which governmental functions of the County are financed. The acquisition, use and balances of the County's expendable financial resources and the related liabilities are accounted for through governmental funds. The measurement focus is upon determination of and changes in financial position rather than upon net income. The following are the County's major governmental funds:

General Fund: is the general operating fund of the County. It is used to account for financial resources except those required to be accounted for in another fund.

Special Revenue Funds: are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditures for specific purposes other than debt service or capital projects. The following are the County's major special revenue funds:

Road and Bridge Fund: This fund accounts for the maintenance and construction of County roads.

Social Services Fund: This fund accounts for the various public welfare programs administered by the County.

Public Safety Sales Tax Fund: This fund accounts for the proceeds of a County sales tax to be used to improve public safety programs.

Capital Projects Funds: are used to account for all resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities or other capital amounts. The following is the County's major capital projects fund:

Capital Expenditures Fund: This fund accounts for resources to be used for County building and property improvements.

**MONTROSE COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The County reports the following major enterprise fund:

Montrose Airport: This fund accounts for the County's airports at Montrose (Montrose Regional Airport) and Nucla (Hopkins Field Airport), which provide services for both commercial and general aviation.

The County reports the following internal service funds:

Fleet Management Internal Service Fund: This fund is used to account for the capital assets, liabilities, and operational management of the Montrose County Fleet. The fleet-related services are provided to other County departments on a cost reimbursement basis.

The County reports the following fiduciary fund type:

Custodial Funds: This fund accounts for the monies held on behalf of other governments and agencies that use the County as a depository or for property taxes collected on behalf of the other governments or agencies.

Measurement Focus, Basis of Accounting

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Property taxes are reported as revenue in the fiscal year for which the taxes are levied. Revenue from grants and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied. The agency funds also use the accrual basis of accounting.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The County considers all revenues reported in the governmental funds to be available if the revenues are collected within 60 days after year-end. Property taxes, sales taxes, licenses, and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt and claims and judgments, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources. When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted revenues first, then unrestricted resources as they are needed.

MONTROSE COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting (Continued)

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. The operating expenses for the proprietary funds include the cost of administrative expenses, services and supplies, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Budgets and Budgetary Accounting

The County follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to October 15 of each year, a proposed operating budget is submitted to the County Commissioners for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted by the County to obtain taxpayer comments.
3. Prior to December 31, the budget is legally adopted at the fund level through passage of a resolution for all County funds, except the fiduciary fund types.
4. Any revisions that increase the expenditure of any fund or elected official budget must be approved by the County Commissioners by passage of a resolution.
5. Budgets for the governmental fund types are adopted on a basis consistent with GAAP. The proprietary fund types adopt budgets using a non-GAAP basis.

Appropriations are at the total fund expenditure level and lapse at year-end. Original budget appropriations, inclusive of interfund transfers out, for the year ended December 31, 2020 were \$87,137,160. The County had a supplemental appropriation totaling \$3,596,200, which increased final budget appropriations, inclusive of interfund transfers out, to \$90,773,360.

**MONTROSE COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

During 2020, supplemental appropriations resulted in budget amendments as follows:

Fund	Original Amount	Amended Amount
Governmental Activities:		
General Fund	\$ 28,689,616	\$ 30,689,616
Special Revenue Funds:		
Public Safety Sales Tax Fund	14,476,766	15,216,766
Road and Bridge Fund	19,535,110	20,223,110
Other Governmental:		
Other Governmental	2,051,592	2,219,792

Cash

Except for cash held by third parties (Fair Board, Weed Commission, Public Trustee, and Sheriff's Funds), all cash is deposited with the County Treasurer. The Treasurer invests the funds to achieve the best possible return on the investment. Investments in short-term certificates of deposit or cash equivalents are accounted for as cash in all funds. Interest income is allocated to funds as designated by the Board of County Commissioners.

Investments

Investments at December 31, 2020, consisted of obligations of U.S. Agency Bonds and negotiable CDs stated at fair market value, CSAFE and Money Market Mutual Funds stated at amortized cost and COLOTRUST stated at net asset value.

Cash and Cash Equivalents

For purposes of the statement of cash flows, cash equivalents are defined as liquid investments with original maturity dates of 90 days or less at time of purchase.

Receivables and Payables

All property tax and other receivables are shown net of an allowance for uncollectibles. Activities between funds where an outstanding balance is present at year-end and is expected to be repaid within one year are reported as "due to/from other funds" in the fund financial statements. If such balances are expected to remain outstanding for more than one year from the current year-end date, the balances are reported as "advances to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

**MONTROSE COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property Taxes

Revenue Recognized in 2020

Local property taxes levied for 2019 and collected by December 31, 2020 are recognized as revenue in these financial statements as shown below:

	Assessed Valuation	Mill Levy	Amount of Taxes			Percentage Collected of	
			Levied	Budgeted	Collected	Levied	Budgeted
General Fund	\$ 596,245,536	19.554	\$ 11,658,985	\$ 11,658,822	\$ 11,685,603	100.23%	100.23%
Social Services	\$ 596,245,536	3.000	\$ 1,788,737	\$ 1,788,737	\$ 1,792,828	100.23%	100.23%

Assessed Valuation

The assessed valuation for property in the State of Colorado is determined using base year market values. The certified assessed valuation for 2019 property taxes remitted in 2020 increased to \$596,245,536 from \$532,574,287 for 2018 property taxes remitted in 2019.

Property Tax Calendar

Property taxes are not due and payable until after the assessment year has ended and are not included in the budget or statement of revenues, expenditures, and changes in fund balance of the assessment year.

Property taxes are recorded as deferred inflows of resources in the year they are levied and measurable. The deferred property tax revenues are recorded as revenue in the year they are available or collected.

Property taxes are levied on or before December 15 of each year and attach as an enforceable lien on the property on January 1. Taxes are payable in full on April 30 or in two installments on February 28 and June 15. The County bills and collects its own property taxes and the taxes for various other entities.

Inventories and Prepaid Items

Inventories of the Road and Bridge Special Revenue Fund are valued at cost. The costs of the inventories are recorded as expenditures when used. The reported inventories are classified as nonspendable fund balance. The inventories of the proprietary funds are stated at cost, using the first-in, first-out method, or market.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items, and classified as nonspendable fund balance in the governmental funds. Prepayments are recorded using the consumption method where services are allocated over appropriate service periods.

**MONTROSE COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

Capital assets, which include land, buildings and improvements, furniture and equipment, construction in progress, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the government-wide financial statements. The County defines capital assets as equipment and fixtures with an initial, individual cost of more than \$5,000, land, land improvements, and buildings with an initial cost of more than \$50,000 and infrastructure with an initial cost of more than \$250,000. Such assets are recorded at acquisition cost or estimated acquisition cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition cost at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are completed.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Landfill Disposal Systems	25 years
Drainage Systems	25 years
Water Systems	25 years
Roads	20 - 50 years
Buildings and Improvements	7 - 40 years
Runways and Access Roads	15 - 20 years
Vehicles	5 - 15 years
Furniture and Equipment	3 - 20 years

Accrued Vacation Payable

It is the County's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. In the proprietary funds and in the government-wide financial statements, all vacation and sick pay earned is accrued and reported as accrued compensated absences. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund-type statement of net position. Long-term debt premiums and discounts are amortized over the life of the related debt using the straight-line method, which approximates the effective interest method. Debt issuance costs are expensed as incurred.

In the governmental fund financial statements, the face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

MONTROSE COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Position

Net position is classified in three components. Net investment in capital assets consists of capital assets, net of accumulated depreciation, and is reduced by the current balances of any outstanding borrowings used to finance the purchase or construction of those assets. Restricted net position is noncapital assets that must be used for a particular purpose, as specified by creditors, grantors, or contributors external to the County. Unrestricted net position is the remaining net position that does not meet the definition of net investment in capital assets or restricted net position.

Fund Equity

In the governmental fund financial statements, governmental funds report the following classifications of fund balance:

Nonspendable: includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.

Restricted: includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.

Committed: includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Board of County Commissioners, the County's highest level of decision-making authority. Commitments may be modified or rescinded only through resolutions approved by the Board of County Commissioners.

Assigned: includes amounts the County intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. The Board of County Commissioners has designated the Director of Finance as the County employee with authority to assign fund equity. As of December 31, 2020 \$2,310,710 of the General Fund balance is assigned based on a 2021 budgeted deficit. The entire Capital Expenditures Fund is assigned for \$14,182,231, as it is for the specific purpose of capital expenditures. Nonmajor Funds were assigned for a total of \$226,842 as the fund balances for County Clerk Technical Fund (\$26,841), Local Public Health Fund (\$100,000), and Event Center and Fairgrounds Fund (\$100,001) for their specific purpose.

Unassigned: is a residual classification within the General Fund. The General Fund is the only fund that would report a positive amount in unassigned fund balance. Negative fund balances in other governmental funds are reported as unassigned once other purposes of that fund were reduced.

For the General Fund, in the event that an expenditure can be considered restricted or unrestricted (committed, assigned, or unassigned) and both categories have available amounts, the funds will be first applied against the most restrictive fund balance classification.

**MONTROSE COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The order of use of funds for special revenue funds and the capital projects fund will be from the least constrained to most constrained (i.e., unassigned, assigned, committed, restricted, and then nonspendable).

NOTE 2 DEPOSITS AND INVESTMENTS

At December 31, 2020, the County's cash and investments consist of the following:

Cash and Investments - Statement of Net Position	\$ 55,431,864
Cash and Investments, Restricted - Statement of Net Position	350,000
Cash and Investments - Fiduciary Funds	<u>1,805,888</u>
Total	<u><u>\$ 57,587,752</u></u>

At December 31, 2020, cash and investments of the County are held as follows:

Cash on Hand	\$ 10,987
Cash Deposits	17,413,699
Investments	<u>40,163,066</u>
Total	<u><u>\$ 57,587,752</u></u>

Cash Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash be in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the aggregate uninsured deposits.

Investments

Colorado statues specify investment instruments meeting defined rating and risk criteria in which local governments may invest, which include:

- Obligations of the United States and certain U.S. government agencies' securities and World Bank
- Certain international agency securities
- General obligation and revenue bonds for U.S. local government entities
- Bankers' acceptance of certain banks
- Commercial paper
- Written repurchase agreements collateralized by certain authorized securities
- Certain securities lending agreements
- Certain money market mutual funds
- Guaranteed investment contracts
- Local government investment pools
- Certain corporate bonds

**MONTROSE COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)

Investments of the County at December 31, 2020 are as follows:

	Standard & Poor's Rating	Fair Value	Maturity	
			Less than 1 Year	1-5 Years
Local Government Investment Pools	AAAm	\$ 32,664,983	\$ 32,664,983	\$ -
Money Market Mutual Funds	AAAm	340,464	340,464	-
Money Market Mutual Funds	Unrated	121,931	121,931	-
Negotiable CDs	BBB- to AA+	7,035,688	494,905	6,540,783
Total Investments		<u>\$ 40,163,066</u>	<u>\$ 33,622,283</u>	<u>\$ 6,540,783</u>

As of December 31, 2020, the County has invested \$21,980,262 in the Colorado Government Liquid Asset Trust (COLOTRUST), an investment vehicle established for local government entities in Colorado pursuant to Part 7 of Article 75 of Title 24 of the Colorado Revised Statutes (CRS), to pool surplus funds for investment purposes. COLOTRUST operates similarly to a money market fund and each share is equal in value to \$1.00. The designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. Substantially all securities owned by the pool are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by the pool. COLOTRUST records its investments at fair value and the County records its investments in COLOTRUST using the net asset value method. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period. Separately issued financial statements may be obtained at the following address:

COLOTRUST
717 17th Street, Suite 1850
Denver, Colorado 80202 www.colotrust.com

As of December 31, 2020, the County has invested \$10,684,721 in the Colorado Surplus Asset Fund Trust (CSAFE). CSAFE is a local government investment pool. Investments of the pool consist of securities of the United States Treasury, United States agencies, primary dealer repurchase agreements and Colorado depositories (with short term ratings of A1 or better) in which the deposits are collateralized at 102% of market value under the provisions of PDPA. The custodian's internal records identify the investments owned by the pool. CSAFE records its investments at amortized cost and the County records its investment in CSAFE using the amortized cost method. Separately issued financial statements may be obtained at the following address:

CSAFE
1675 Broadway, Suite 500
Denver, CO 80202 www.csafe.org

**MONTROSE COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)

Credit Risk

Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. It is the County's policy to limit its investments to U.S. Treasury obligations, repurchase agreements, government backed securities, money market mutual funds, local government investment pools, and corporate obligations.

The County's investment policy is to apply the "prudent investor" rule, which states, "investments shall be made with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with these matters would use in the conduct of a plan of like character with like aims." Investments shall be diversified so as to minimize the risk of loss and to maximize the rate of return.

Interest Rate Risk

As a means of limiting its exposure to fair value losses arising from rising interest rates, the County's investment policy, along with Colorado statutes, does not allow investment maturities to exceed five years.

Concentration of Credit Risk

Concentration of credit risk arises from the magnitude of an investment in a single issuer. As of December 31, 2020, no individual investments consisted of more than 5% of the County's investments.

Fair Value

The County categorized its fair value measurements within the fair value hierarchy established by generally accepted accounting principles.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value.

Level 1: Quoted prices (unadjusted) in active markets for an identical asset or liability that a government can access at the measurement date.

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 include quoted prices for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3: Unobservable inputs for an asset or liability.

**MONTROSE COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)

The County has the following fair value measurements as of December 31, 2018:

	12/31/2018	Level 1	Level 2	Level 3
<u>Investments by Fair Value Level:</u>				
Negotiable CDs	\$ 7,035,688	\$ -	\$ 7,035,688	\$ -
Total Investments by Fair Value Level	<u>7,035,688</u>	<u>\$ -</u>	<u>\$ 7,035,688</u>	<u>\$ -</u>
Investments Measured at Amortized Cost				
CSAFE	10,684,721			
Money Market Mutual Funds	462,395			
	<u>11,147,116</u>			
Investments Measured at Net Asset Value				
Colotrust	<u>21,980,262</u>			
Total Investments	<u>\$ 40,163,066</u>			

NOTE 3 RESTRICTED CASH

Passenger Facility Charges

Unspent passenger facility charge (PFCs) revenues are recorded in the financial statements as restricted cash. As of December 31, 2020 restricted cash is \$350,000.

NOTE 4 INTERFUND TRANSFERS

Transfers to and from the various funds consist of the following:

Transfers Out	Transfers In			Total
	Capital Expenditures	Public Safety Sales Tax	Other Governmental	
Major Fund				
General	\$ 8,950,639	\$ 7,017,095	\$ 1,298,104	\$ 17,265,838
Road and Bridge	-	-	828,604	828,604
Capital Expenditures	-	-	389,650	389,650
Other Governmental	-	-	456,443	456,443
Total	<u>\$ 8,950,639</u>	<u>\$ 7,017,095</u>	<u>\$ 2,972,801</u>	<u>\$ 18,940,535</u>

Transfers to and from the various funds were to cover the costs of operations, capital and debt service.

MONTROSE COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 5 CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2020 was as follows:

	Beginning Balance	Increase	Decrease	Transfers	Ending Balance
<u>Governmental Activities</u>					
Capital Assets Not Subject to Depreciation:					
Land	\$ 3,374,874	\$ -	\$ -	\$ -	\$ 3,374,874
Construction in Progress	2,285,051	1,082,826	(28,478)	(1,788,721)	1,550,678
Total Capital Assets Not Subject to Depreciation	5,659,925	1,082,826	(28,478)	(1,788,721)	4,925,552
Capital Assets Subject to Depreciation:					
Buildings and Improvements	53,709,667	-	(474,742)	971,469	54,206,394
Infrastructure	127,603,936	6,664,843	(6,336,136)	754,599	128,687,242
Equipment and Vehicles	20,897,465	4,494,230	(1,932,956)	62,653	23,521,392
Total Capital Assets Subject to Depreciation	202,211,068	11,159,073	(8,743,834)	1,788,721	206,415,028
Less Accumulated Depreciation for:					
Buildings and Improvements	17,383,565	1,382,994	(259,218)	-	18,507,341
Infrastructure	86,052,042	934,614	(4,250,385)	-	82,736,271
Equipment and Vehicles	11,942,342	1,440,672	(1,656,406)	-	11,726,608
Total Accumulated Depreciation	115,377,949	3,758,280	(6,166,009)	-	112,970,220
Capital Assets Subject to Depreciation, Net	86,833,119	7,400,793	(2,577,825)	1,788,721	93,444,808
Governmental Activities Capital Assets, Net	<u>\$ 92,493,044</u>	<u>\$ 8,483,619</u>	<u>\$ (2,606,303)</u>	<u>\$ -</u>	<u>\$ 98,370,360</u>
	Beginning Balance	Increase	Decrease	Transfers	Ending Balance
<u>Internal Service Fund Activities</u>					
<u>Governmental</u>					
Fleet					
Equipment and Vehicles	\$ 5,773,669	\$ 816,737	\$ (249,309)	\$ -	\$ 6,341,097
Less Accumulated Depreciation:					
Equipment and Vehicles	3,925,023	464,704	(224,796)	-	4,164,931
Internal Service Fund Activity Capital Assets, Net	<u>\$ 1,848,646</u>	<u>\$ 352,033</u>	<u>\$ (24,513)</u>	<u>\$ -</u>	<u>\$ 2,176,166</u>

**MONTROSE COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 5 CAPITAL ASSETS (CONTINUED)

	Beginning Balance	Increase	Decrease	Transfers	Ending Balance
<u>Business-Type Activities</u>					
<u>Airport</u>					
Capital Assets Not Subject to Depreciation:					
Land	\$ 2,776,126	\$ 2,381	\$ -	\$ -	\$ 2,778,507
Construction in Progress	186,709	1,666,801	-	(99,457)	1,754,053
Total Capital Assets Not Subject to Depreciation	2,962,835	1,669,182	-	(99,457)	4,532,560
Capital Assets Subject to Depreciation:					
Runway Improvements	71,616,283	146,890	-	-	71,763,173
Buildings and Improvements	13,922,833	25,666	-	99,457	14,047,956
Equipment and Vehicles	3,816,852	69,503	-	-	3,886,355
Total Capital Assets Subject to Depreciation	89,355,968	242,059	-	99,457	89,697,484
Less Accumulated Depreciation for:					
Runway Improvements	41,533,302	3,026,188	-	-	44,559,490
Buildings and Improvements	6,073,632	432,333	-	-	6,505,965
Equipment and Vehicles	2,723,394	119,342	-	-	2,842,736
Total Accumulated Depreciation	50,330,328	3,577,863	-	-	53,908,191
Capital Assets Subject to Depreciation, Net	39,025,640	(3,335,804)	-	99,457	35,789,293
Business-Type Activity Capital Assets, Net	<u>\$ 41,988,475</u>	<u>\$ (1,666,622)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 40,321,853</u>

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

Governmental Activities:	
General Government	\$ 1,079,432
Public Safety and Protection	698,177
Road and Bridge Services	2,370,857
Health and Human Services	74,518
Total	<u>\$ 4,222,984</u>

**MONTROSE COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 6 LONG-TERM DEBT

Following is a schedule of changes in long-term debt:

	Beginning Balance	Additions	Reductions/ Adjustments	Ending Balance	Amounts Due Within One Year
<u>Governmental Activities</u>					
Direct Placement					
Certificates of Participation Series 2012	\$ 1,105,000	\$ -	\$ (355,000)	\$ 750,000	\$ 370,000
Certificates of Participation Premium	16,885	-	(5,629)	11,256	-
Lease Purchase Agreement Facility Construction Loan 2017	12,456,220	-	(805,043)	11,651,177	827,987
Accrued Compensated Absences	1,316,401	1,530,268	(1,390,979)	1,455,690	1,455,690
Accrued Landfill Post-Closure Costs	810,728	15,933	-	826,661	-
Accrued Gravel Pit Remediation Costs	335,043	16,100	(1,160)	349,983	-
Total Governmental Activities Long-Term Debt	<u>\$ 16,040,277</u>	<u>\$ 1,562,301</u>	<u>\$ (2,557,811)</u>	<u>\$ 15,044,767</u>	<u>\$ 2,653,677</u>
<u>Business-Type Activity</u>					
Compensated Absences	<u>\$ 81,365</u>	<u>\$ 59,468</u>	<u>\$ (47,803)</u>	<u>\$ 93,030</u>	<u>\$ 93,030</u>

Certificates of Participation

Certificates of participation dated October 1, 2012, in the amount of \$3,395,000, with interest at 2-3%, were issued pursuant to a lease purchase agreement with a financial institution for the construction of a Justice Center. The land and the property is used as collateral for the loan, which has a net book value of \$7,349,870.

Future minimum payments under the lease purchase agreement as of December 31, 2020 are as follows:

Year	Principal	Interest	Total
2021	\$ 370,000	\$ 22,500	\$ 392,500
2022	380,000	11,400	391,400
Total	<u>\$ 750,000</u>	<u>\$ 33,900</u>	<u>\$ 783,900</u>

Lease Purchase Agreement

On August 30, 2017, the County entered into a lease purchase agreement with a financial institution in the amount of \$14,000,000 with interest at 2.85% to construct an events center at the Montrose County Fairgrounds, to construct a road and bridge facility, and for other necessary capital improvements of the County. Principal payments began in 2018 and are due each year through 2032. The land and the property is used as collateral for the loan, which has a net book value of \$9,913,609.

**MONTROSE COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 6 LONG-TERM DEBT (CONTINUED)

Lease Purchase Agreement (Continued)

Future minimum payments under the lease purchase agreement as of December 31, 2020 are as follows:

Year	Principal	Interest	Total
2021	\$ 827,987	\$ 332,059	\$ 1,160,046
2022	851,584	308,461	1,160,045
2023	875,854	284,191	1,160,045
2024	900,816	259,229	1,160,045
2025	926,490	233,556	1,160,046
2026 - 2030	5,043,899	756,328	5,800,227
2031 - 2032	2,224,547	95,545	2,320,092
Total	<u>\$ 11,651,177</u>	<u>\$ 2,269,369</u>	<u>\$ 13,920,546</u>

NOTE 7 PENSION PLAN

Retirement Plan

The County participates in the Colorado County Officials and Employees Retirement Association Defined Contribution Plan (CCOERA), a multiple-employer public employee retirement system, which is a qualified plan as defined by Internal Revenue Service Code Section 401(A) and CRS 24.54. The plan provides retirement benefits through a defined contribution plan to participating Colorado counties, municipalities, and special districts. In a defined contribution plan, benefits depend solely on amounts contributed to the plan, plus investment earnings. Plan provisions and contribution requirements are established and may be amended by CCOERA and would have to be approved by the County.

There are no unfunded past service liabilities. All full-time employees are required to participate in the plan after six months of service. The County is required to contribute 4% of employee compensation, excluding overtime. The employee is required to contribute an amount equal to the County's contribution, and may contribute up to an additional 10% of their compensation. Employees are immediately vested in their participant contributions and become vested in employer contributions to the plan over a five-year period.

During 2020, the County and employees each made their respectively required 4% contribution amounting to \$707,915, for a total of \$1,415,829. There were no forfeitures reflected in pension expense recognized by the County in 2020.

**MONTROSE COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 8 RISK MANAGEMENT

County Workers Compensation Pool

The County is exposed to various risks of loss related to injuries of employees while on the job. The County joined 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 intergovernmental agreement of formation of CWCP provides that the pool will be financially self-sustaining through member contributions and additional assessments, if necessary, and that the pool will purchase insurance through commercial companies for members' claims in excess of 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 casualty and property losses. The County has 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 intergovernmental agreement of formation of CAPP provides that the pool will be financially self-sustaining through member contributions and additional assessments, if necessary, and that the pool will purchase insurance through commercial companies for members' claims in excess of a specified self-insured retention, which is determined each policy year.

In the past three years, the amount of settlement for any claim has not exceeded the insurance coverage in any instance.

The County carries commercial insurance for all other risks of loss. The County has had no settlements in excess of insurance coverage for each of the past three fiscal years.

NOTE 9 COMMITMENTS AND CONTINGENCIES

Pending Litigation

The County is involved in various lawsuits. Management does not believe the potential loss to the County from any of these lawsuits would have a material impact on the financial statements.

TABOR Amendment

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

In November 2006, Montrose County voters approved an exception to the TABOR limits for all revenues except property taxes.

**MONTROSE COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 9 COMMITMENTS AND CONTINGENCIES (CONTINUED)

Federal Funding

Under the terms of federal and state grants, periodic audits are required and certain costs may be questioned as not being appropriate expenditures under the terms of the grants. Such audits could lead to reimbursements to the grantor agencies. Management believes that any disallowances, if any, resulting from any such audits would not be material to the financial statements.

NOTE 10 CLOSURE AND POST-CLOSURE CARE COST

The County entered into a service agreement with the contractor for operation of the current landfill, which requires the contractor to pay the County based on incoming volumes, at \$0.10 per yard. The term of the agreement is 40 years. State and federal laws and regulations require the County to place a final cover on its landfill site within 6 months of the date it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. The private contractor is responsible for closure costs and the County for post-closure costs. Although post-closure care costs will be paid only after the date that the landfill stops accepting waste, the County reports estimated post-closure care costs as a liability.

The County's estimate of the closure and post-closure care costs liability at December 31, 2020, based on landfill capacity used to date, is \$826,661. The County will recognize the remaining estimated costs of closure and post-closure as the remaining estimated landfill capacity is filled. The County estimates the remaining life of the East End landfill to be 66 years as of December 31, 2020. Actual costs may be higher or lower due to inflation, changes in technology or changes in regulations.

	<u>Total Costs</u>	<u>Approximate Used Amount</u>	<u>Liability</u>
East End Closure	\$ 758,753	42.50%	\$ 322,470
East End Post-Closure	427,882	42.50%	181,850
West End Post-Closure	322,341	100.00%	322,341
Total	<u>\$ 1,508,976</u>		<u>\$ 826,661</u>

The County is required by state and federal laws and regulations to provide financial assurance to demonstrate that adequate funds will be readily available for the costs of closure and post-closure care. In addition, the County has voluntarily designated \$837,622 of invested funds for post-closure care.

**MONTROSE COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 11 LEASES

The Airport leases facilities and land to various airlines, concessionaires and others. Substantially all of the leases are operating leases for land, building, and terminal space. The leases contain provisions for cancellation by either party if certain conditions are met. The following is a schedule, by year, of minimum future rentals of the operating leases as of December 31, 2020:

Year Ending December 31	Amount
2021	\$ 54,349
2022	43,939
2023	35,343
2024	33,231
2025	33,231
2026-2030	133,647
2031-2035	67,904
2036-2040	38,572
Total	\$ 440,216

NOTE 12 CHANGE IN ACCOUNTING PRINCIPLES

For the year ended December 31, 2020, the County adopted GASB Statement No. 84, *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purpose sand how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on 1) whether a government is controlling the assets of the fiduciary activity and, 2) the beneficiaries with whom a fiduciary relationship exists. After implementing GASB 84 in 2020, the Agency Fund was replaced with a Custodial Fund and a Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position were added. There was no change to beginning Fiduciary Net Position as it remained at \$0.

For the year ended December 31, 2020, the County adopted GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. The objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. This Statement requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit, assets pledged as collateral for the debt, and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. Additional information was added within Note 6 Long-Term Debt to meet this requirement.

**MONTROSE COUNTY, COLORADO
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 13,649,049	\$ 13,533,496	\$ 13,781,033	\$ 247,537
Licenses and Permits	338,200	371,050	441,402	70,352
Intergovernmental	3,421,000	5,353,924	5,232,324	(121,600)
Charges for Services	1,776,290	1,588,637	1,855,947	267,310
Charges to Other Governments	118,500	141,928	-	(141,928)
Internal Charges	1,889,461	1,884,161	1,960,293	76,132
Interest Earnings	300,000	375,000	389,011	14,011
Miscellaneous	12,000	4,117	3,211	(906)
Total Revenues	<u>21,504,500</u>	<u>23,252,313</u>	<u>23,663,221</u>	<u>410,908</u>
EXPENDITURES				
Current:				
General Government	10,893,143	12,893,143	11,514,083	1,379,060
Capital Outlay	530,635	530,635	701,304	(170,669)
Total Expenditures	<u>11,423,778</u>	<u>13,423,778</u>	<u>12,215,387</u>	<u>1,208,391</u>
EXCESS OF REVENUES OVER EXPENDITURES	10,080,722	9,828,535	11,447,834	1,619,299
OTHER FINANCING SOURCES (USES)				
Proceeds from Sale of Capital Assets	-	132,091	132,591	500
Proceeds from Insurance	-	69,000	69,208	208
Transfers Out	(17,265,838)	(17,265,838)	(17,265,838)	-
Total Other Financing Sources (Uses)	<u>(17,265,838)</u>	<u>(17,064,747)</u>	<u>(17,064,039)</u>	<u>708</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	<u>\$ (7,185,116)</u>	<u>\$ (7,236,212)</u>	<u>\$ (5,616,205)</u>	<u>\$ 1,620,007</u>

**MONTROSE COUNTY, COLORADO
ROAD AND BRIDGE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 9,387,000	\$ 9,821,000	\$ 10,006,749	\$ 185,749
Licenses and Permits	10,000	2,850	350	(2,500)
Intergovernmental	6,252,000	4,642,972	5,221,371	578,399
Charges to Other Governments	10,000	166,153	-	(166,153)
Charges for Services	11,000	4,015	3,965	(50)
Interest Earnings	131,000	200,000	167,861	(32,139)
Miscellaneous	14,000	6,050	6,328	278
Total Revenues	<u>15,815,000</u>	<u>14,843,040</u>	<u>15,406,624</u>	<u>563,584</u>
EXPENDITURES				
Current:				
Roads and Bridge Services	9,002,666	9,002,666	7,907,554	1,095,112
Capital Outlay	<u>9,703,840</u>	<u>10,391,840</u>	<u>11,117,028</u>	<u>(725,188)</u>
Total Expenditures	<u>18,706,506</u>	<u>19,394,506</u>	<u>19,024,582</u>	<u>369,924</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(2,891,506)	(4,551,466)	(3,617,958)	933,508
OTHER FINANCING SOURCES (USES)				
Proceeds from Sale of Capital Assets	200,000	445,370	445,370	-
Transfers Out	<u>(828,604)</u>	<u>(828,604)</u>	<u>(828,604)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(628,604)</u>	<u>(383,234)</u>	<u>(383,234)</u>	<u>-</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	<u>\$ (3,520,110)</u>	<u>\$ (4,934,700)</u>	<u>\$ (4,001,192)</u>	<u>\$ 933,508</u>

**MONTROSE COUNTY, COLORADO
SOCIAL SERVICES FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 1,801,737	\$ 1,794,675	\$ 1,788,773	\$ (5,902)
Licenses and Permits	2,200	1,000	1,360	360
Intergovernmental	5,361,150	5,287,638	5,439,393	151,755
Charges to Other Governments	16,000	15,600	-	(15,600)
Charges for Services	20,000	20,580	19,420	(1,160)
Interest Earnings	5,220	9,158	9,157	(1)
Miscellaneous	36,750	35,072	49,866	14,794
Total Revenues	<u>7,243,057</u>	<u>7,163,723</u>	<u>7,307,969</u>	<u>144,246</u>
EXPENDITURES				
Current:				
Health and Human Services	<u>7,407,064</u>	<u>7,407,064</u>	<u>6,744,930</u>	<u>662,134</u>
Total Expenditures	<u>7,407,064</u>	<u>7,407,064</u>	<u>6,744,930</u>	<u>662,134</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ (164,007)</u>	<u>\$ (243,341)</u>	<u>\$ 563,039</u>	<u>\$ 806,380</u>

**MONTROSE COUNTY, COLORADO
PUBLIC SAFETY SALES TAX FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 6,257,000	\$ 6,548,000	\$ 6,682,239	\$ 134,239
Licenses and Permits	12,500	12,600	15,274	2,674
Charges for Services	163,000	146,439	156,561	10,122
Intergovernmental	1,109,000	779,666	918,637	138,971
Interest Earnings	5,000	9,158	11,179	2,021
Miscellaneous Income	15,500	26,052	104,433	78,381
Total Revenues	<u>7,562,000</u>	<u>7,521,915</u>	<u>7,888,323</u>	<u>366,408</u>
EXPENDITURES				
Current:				
Public Safety Protection	14,131,100	14,871,100	14,365,568	505,532
Capital Outlay	345,666	345,666	303,426	42,240
Total Expenditures	<u>14,476,766</u>	<u>15,216,766</u>	<u>14,668,994</u>	<u>547,772</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(6,914,766)	(7,694,851)	(6,780,671)	914,180
OTHER FINANCING SOURCES (USES)				
Transfers In	6,593,870	6,593,870	7,017,095	423,225
Total Other Financing Sources (Uses)	<u>6,593,870</u>	<u>6,593,870</u>	<u>7,017,095</u>	<u>423,225</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES	<u>\$ (320,896)</u>	<u>\$ (1,100,981)</u>	<u>\$ 236,424</u>	<u>\$ 1,337,405</u>

**MONTROSE COUNTY, COLORADO
CAPITAL EXPENDITURES FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2020**

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 10,000	\$ 10,000	\$ -
Total Revenues	<u>10,000</u>	<u>10,000</u>	<u>-</u>
EXPENDITURES			
Current:			
General Government	76,072	17,466	58,606
Capital Outlay	<u>1,299,000</u>	<u>368,000</u>	<u>931,000</u>
	<u>1,375,072</u>	<u>385,466</u>	<u>989,606</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,365,072)	(375,466)	989,606
OTHER FINANCING USES			
Transfers In	9,000,000	8,950,639	(49,361)
Transfers Out	<u>(389,650)</u>	<u>(389,650)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>8,610,350</u>	<u>8,560,989</u>	<u>(49,361)</u>
NET CHANGE IN FUND BALANCE	<u>\$ 7,245,278</u>	<u>\$ 8,185,523</u>	<u>\$ 940,245</u>

**MONTROSE COUNTY, COLORADO
NONMAJOR GOVERNMENTAL FUNDS**

Special Revenue Funds

Special revenue funds are used to account for revenues of the County, which finance specified activities as required, by law or administrative action.

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 recreational sites. The funds are derived primarily from the Colorado State Lottery.

County Clerk Technical Fund accounts for a portion of fees to be used for technology advances in the Clerk and Recorder's office.

Solid Waste Fund formerly accounted for the operations of the County landfill and recycle activities. These activities were sold December 31, 1996. The fund now accounts for general government activities.

Impact Fee Fund accounts for impact fees to be used for future capital needs.

Local Public Health Fund accounts for revenue received to be used to provide for public health services for the citizens of Montrose County, Colorado.

Event Center and Fairgrounds Fund accounts for revenue received for events held at the Montrose County event center and fairgrounds.

Debt Service Funds

Debt service funds are used to account for the accumulation of resources and payment of principal and interest related to the County's long-term debt and special assessment bond principal and interest from special assessment levies when the County is obligated in some manner for payment.

General Debt Service Fund accounts for debt service payments on the County's 2012 certificates of participation issued to construct the Justice Center and the 2017 lease purchase agreement issued to construct the Events Center and road and bridge facility.

**MONTROSE COUNTY, COLORADO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2020**

	Special Revenue				Debt Service		Total Nonmajor Governmental Funds	
	Conservation Trust	County Clerk Technical	Solid Waste	Impact Fee	Local Public Health Fund	Event Center and Fairgrounds Fund		General Debt Service Fund
ASSETS								
Equity in Pooled Cash and Investments	\$ 196,637	\$ 26,841	\$ 2,715,383	\$ 99,970	\$ -	\$ -	\$ 348,686	\$ 3,387,517
Other Cash and Investments	-	-	-	-	200	178,938	-	179,138
Receivables								
Intergovernmental	-	-	-	-	480,215	25,769	-	505,984
Trade	-	-	37,427	-	399	-	947	38,773
Prepaid Expenses and Other Assets	-	-	-	-	-	209	-	209
Total Assets	\$ 196,637	\$ 26,841	\$ 2,752,810	\$ 99,970	\$ 480,814	\$ 204,916	\$ 349,633	\$ 4,111,621
LIABILITIES AND FUND BALANCE								
LIABILITIES								
Accounts Payable	\$ -	\$ -	\$ 319	\$ -	\$ 32,932	\$ 31,659	\$ -	\$ 64,910
Accrued Liabilities	-	-	-	-	70,899	27,410	-	98,309
Due to Other Funds	-	-	-	-	274,462	45,637	-	320,099
Unearned Revenue	-	-	-	-	2,521	-	-	2,521
Total Liabilities	-	-	319	-	380,814	104,706	-	485,839
FUND BALANCE								
Nonspendable	-	-	-	-	-	209	-	209
Restricted for:								
Landfill Financial Assurance	-	-	826,661	-	-	-	-	826,661
Parks and Recreation	196,637	-	-	-	-	-	-	196,637
Capital Expenditures	-	-	-	99,970	-	-	-	99,970
Debt Service	-	-	-	-	-	-	349,633	349,633
Committed to:								
Solid Waste	-	-	1,925,830	-	-	-	-	1,925,830
Assigned	-	26,841	-	-	100,000	100,001	-	226,842
Total Fund Balance	196,637	26,841	2,752,491	99,970	100,000	100,210	349,633	3,625,782
Total Liabilities and Fund Balance	\$ 196,637	\$ 26,841	\$ 2,752,810	\$ 99,970	\$ 480,814	\$ 204,916	\$ 349,633	\$ 4,111,621

MONTROSE COUNTY, COLORADO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2020

	Special Revenue				Debt Service		Total Nonmajor Governmental Funds	
	Conservation Trust	County Clerk Technical	Solid Waste	Impact Fee	Local Public Health Fund	Event Center and Fairgrounds Fund		General Debt Service Fund
REVENUES								
Licenses and Permits	\$ -	\$ -	\$ -	\$ -	\$ 112,354	\$ -	\$ -	\$ 112,354
Charges for Services	-	-	-	-	-	345,833	-	345,833
Intergovernmental	143,346	3,853	-	-	1,691,342	36,813	-	1,875,354
Interest Earnings	2,372	-	6,084	-	-	-	986	9,442
Miscellaneous	-	12,858	172,442	-	87,474	4,135	-	276,909
Total Revenues	<u>145,718</u>	<u>16,711</u>	<u>178,526</u>	<u>-</u>	<u>1,891,170</u>	<u>386,781</u>	<u>986</u>	<u>2,619,892</u>
EXPENDITURES								
Current:								
General Government	-	25,577	7,964	-	-	1,158,845	1,500	1,193,886
Health and Human Services	-	-	-	-	2,169,996	-	-	2,169,996
Capital Outlay	-	8,597	-	-	-	17,076	-	25,673
Debt Service:								
Principal	-	-	-	-	-	-	1,160,043	1,160,043
Interest	-	-	-	-	-	-	388,152	388,152
Total Expenditures	<u>-</u>	<u>34,174</u>	<u>7,964</u>	<u>-</u>	<u>2,169,996</u>	<u>1,175,921</u>	<u>1,549,695</u>	<u>4,937,750</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	145,718	(17,463)	170,562	-	(278,826)	(789,140)	(1,548,709)	(2,317,858)
OTHER FINANCING SOURCES (USES)								
Proceeds from Sale of Capital Assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	288,891	1,134,214	1,549,696	2,972,801
Transfers out	(125,001)	-	-	-	-	(331,442)	-	(456,443)
Total Other Financing Sources (Uses)	<u>(125,001)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>288,891</u>	<u>802,772</u>	<u>1,549,696</u>	<u>2,516,358</u>
NET CHANGE IN FUND BALANCES	20,717	(17,463)	170,562	-	10,065	13,632	987	198,500
Fund Balances - Beginning of Year	<u>175,920</u>	<u>44,304</u>	<u>2,581,929</u>	<u>99,970</u>	<u>89,935</u>	<u>86,578</u>	<u>348,646</u>	<u>3,427,282</u>
FUND BALANCES - END OF YEAR	<u>\$ 196,637</u>	<u>\$ 26,841</u>	<u>\$ 2,752,491</u>	<u>\$ 99,970</u>	<u>\$ 100,000</u>	<u>\$ 100,210</u>	<u>\$ 349,633</u>	<u>\$ 3,625,782</u>

**MONTROSE COUNTY, COLORADO
 CONSERVATION TRUST FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 YEAR ENDED DECEMBER 31, 2020**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
State of Colorado	\$ 130,000	\$ 143,346	\$ 13,346
Interest Earnings	2,500	2,372	(128)
Total Revenues	<u>132,500</u>	<u>145,718</u>	<u>13,218</u>
EXPENDITURES			
Culture - Recreation	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	132,500	145,718	13,218
OTHER FINANCING USES			
Transfers Out	<u>(125,000)</u>	<u>(125,001)</u>	<u>(1)</u>
NET CHANGE IN FUND BALANCE	<u><u>\$ 7,500</u></u>	<u><u>\$ 20,717</u></u>	<u><u>\$ 13,217</u></u>

**MONTROSE COUNTY, COLORADO
COUNTY CLERK TECHNICAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2020**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 3,855	\$ 3,853	\$ (2)
Miscellaneous	11,000	12,858	1,858
Total Revenues	14,855	16,711	1,856
 EXPENDITURES			
Current:			
General Government	32,200	25,577	6,623
Capital Outlay	7,800	8,597	(797)
Total Expenditures	40,000	34,174	5,826
 NET CHANGE IN FUND BALANCE	\$ (25,145)	\$ (17,463)	\$ 7,682

**MONTROSE COUNTY, COLORADO
SOLID WASTE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2020**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Interest Earnings	\$ 20,000	\$ 6,084	\$ (13,916)
Miscellaneous	135,338	172,442	37,104
Total Revenues	<u>155,338</u>	<u>178,526</u>	<u>23,188</u>
EXPENDITURES			
Post-Closure Costs	47,705	7,964	39,741
Total Expenditures	<u>47,705</u>	<u>7,964</u>	<u>39,741</u>
NET CHANGE IN FUND BALANCE	<u>\$ 107,633</u>	<u>\$ 170,562</u>	<u>\$ 62,929</u>

**MONTROSE COUNTY, COLORADO
IMPACT FEE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2020**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Interest Earnings	\$ -	\$ -	\$ -
Miscellaneous	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES			
General Government	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING USES			
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

**MONTROSE COUNTY, COLORADO
 LOCAL PUBLIC HEALTH FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 YEAR ENDED DECEMBER 31, 2020**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Other Revenues	\$ 86,889	\$ 87,474	\$ 585
Intergovernmental	1,604,739	1,691,342	86,603
Licenses and Permits	107,500	112,354	4,854
Total Revenues	1,799,128	1,891,170	92,042
 EXPENDITURES			
Health and Human Services	2,078,902	2,169,996	(91,094)
 EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	 (279,774)	 (278,826)	 948
 OTHER FINANCING USES			
Transfers In	359,492	288,891	(70,601)
 NET CHANGE IN FUND BALANCE	\$ 79,718	\$ 10,065	\$ (69,653)

**MONTROSE COUNTY, COLORADO
EVENT CENTER AND FAIRGROUNDS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2020**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Charges for Services	\$ 316,963	\$ 345,833	\$ 28,870
Miscellaneous	4,367	4,135	(232)
Intergovernmental	9,750	36,813	27,063
Total Revenues	<u>331,080</u>	<u>386,781</u>	<u>55,701</u>
EXPENDITURES			
Current:			
General Government	1,338,516	1,158,845	179,671
Capital Outlay	<u>221,638</u>	<u>17,076</u>	<u>204,562</u>
Total Expenditures	<u>1,560,154</u>	<u>1,175,921</u>	<u>384,233</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,229,074)	(789,140)	439,934
OTHER FINANCING USES			
Proceeds from Sale of Capital Assets	-	-	-
Transfers In	1,437,476	1,134,214	(303,262)
Transfers Out	<u>(331,442)</u>	<u>(331,442)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>1,106,034</u>	<u>802,772</u>	<u>(303,262)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (123,040)</u>	<u>\$ 13,632</u>	<u>\$ 136,672</u>

**MONTROSE COUNTY, COLORADO
CAPITAL EXPENDITURES FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2020**

	Original and Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ -	\$ 10,000	\$ 10,000
Total Revenues	<u>-</u>	<u>10,000</u>	<u>10,000</u>
EXPENDITURES			
Current:			
General Government	76,072	17,466	58,606
Capital Outlay	1,299,000	368,000	931,000
	<u>1,375,072</u>	<u>385,466</u>	<u>989,606</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,375,072)	(375,466)	999,606
OTHER FINANCING USES			
Transfers In	9,000,000	8,950,639	(49,361)
Transfers Out	(389,650)	(389,650)	-
Total Other Financing Sources (Uses)	<u>8,610,350</u>	<u>8,560,989</u>	<u>(49,361)</u>
NET CHANGE IN FUND BALANCE	<u><u>\$ 7,235,278</u></u>	<u><u>\$ 8,185,523</u></u>	<u><u>\$ 950,245</u></u>

**MONTROSE COUNTY, COLORADO
GENERAL DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2020**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Interest	\$ 4,000	\$ 986	\$ (3,014)
Total Revenues	<u>4,000</u>	<u>986</u>	<u>(3,014)</u>
EXPENDITURES			
General Government	1,500	1,500	-
Debt Service:			
Principal	1,160,043	1,160,043	-
Interest	<u>388,152</u>	<u>388,152</u>	<u>-</u>
Total Expenditures	<u>1,549,695</u>	<u>1,549,695</u>	<u>-</u>
EXCESS OF EXPENDITURES OVER (UNDER) REVENUES	(1,545,695)	(1,548,709)	(3,014)
OTHER FINANCING USES			
Transfers In	<u>1,553,884</u>	<u>1,549,696</u>	<u>(4,188)</u>
NET CHANGE IN FUND BALANCE	<u>\$ 8,189</u>	<u>\$ 987</u>	<u>\$ (7,202)</u>

**MONTROSE COUNTY, COLORADO
PROPRIETARY FUNDS**

Proprietary funds are used to account for activities of the County that are managed similarly to for-profit businesses whereby the user fees are intended to cover a majority of the fund's expenses.

Montrose County Airport Fund accounts for the County's airports at Montrose (Montrose Regional Airport) and Nucla (Hopkins Field Airport), which provide services for both commercial and general aviation.

Fleet Management Internal Service Fund accounts for the capital assets, liabilities, and operational management of the Montrose County Fleet. The fleet-related services are provided to other County departments on a cost-reimbursement basis.

MONTROSE COUNTY, COLORADO
MONTROSE COUNTY AIRPORT ENTERPRISE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND NET POSITION -
BUDGETARY BASIS - BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2020

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>
OPERATING REVENUES			
Charges for Service	\$ 3,114,500	\$ 3,109,965	\$ (4,535)
Total Operating Revenues	<u>3,114,500</u>	<u>3,109,965</u>	<u>(4,535)</u>
OPERATING EXPENSES			
Salaries and Benefits	1,502,087	1,358,166	143,921
Services and Supplies	972,750	986,271	(13,521)
Capital Outlay	5,296,443	1,911,241	3,385,202
Total Operating Expenses	<u>7,771,280</u>	<u>4,255,678</u>	<u>3,515,602</u>
OPERATING LOSS	(4,656,780)	(1,145,713)	3,511,067
NONOPERATING REVENUES			
Investment Income	2,000	6,210	4,210
Contributions/Grants	17,500	22,163	4,663
Passenger Facility Charges	213,000	393,132	180,132
Intergovernmental	3,324,811	2,595,137	(729,674)
Other	144,700	145,744	1,044
Total Nonoperating Revenues	<u>3,702,011</u>	<u>3,162,386</u>	<u>(539,625)</u>
NET INCOME (LOSS) - BUDGET BASIS	<u>\$ (954,769)</u>	2,016,673	<u>\$ 2,971,442</u>
ADJUSTMENTS FOR GAAP BASIS			
Capital Outlay		1,911,241	
Depreciation		<u>(3,577,866)</u>	
CHANGE IN NET POSITION - GAAP BASIS		<u>\$ 350,048</u>	

**MONTROSE COUNTY, COLORADO
FLEET MANAGEMENT INTERNAL SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND NET POSITION -
BUDGETARY BASIS - BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2020**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>
OPERATING REVENUES			
Charges for Service	\$ 2,308,916	\$ 2,689,060	\$ 380,144
Total Operating Revenues	<u>2,308,916</u>	<u>2,689,060</u>	<u>380,144</u>
OPERATING EXPENSES			
Salaries and Benefits	698,436	639,829	58,607
Services and Supplies	1,239,114	1,123,579	115,535
Capital Outlay	373,664	632,057	(258,393)
Total Operating Expenses	<u>2,311,214</u>	<u>2,395,465</u>	<u>(84,251)</u>
OPERATING INCOME (LOSS)	(2,298)	293,595	295,893
NONOPERATING REVENUES			
Other	75,569	101,749	26,180
Total Nonoperating Revenues	<u>75,569</u>	<u>101,749</u>	<u>26,180</u>
NET INCOME (LOSS) - BUDGET BASIS	<u>\$ 73,271</u>	395,344	<u>\$ 322,073</u>
ADJUSTMENTS FOR GAAP BASIS			
Capital Outlay		632,057	
Depreciation		(464,704)	
Capital Contributions		181,261	
Net Book Value of Capital Assets Sold		<u>(24,513)</u>	
CHANGE IN NET POSITION - GAAP BASIS		<u>\$ 719,445</u>	

MONTROSE COUNTY, COLORADO
MONTROSE COUNTY DEPARTMENT OF HUMAN SERVICES
EBT AUTHORIZATION SCHEDULE
FOR THE CALENDAR YEAR 2020

	A	B	C	D	E
PROGRAMS	County EBT Authorizations	County Share of Authorizations	Expenditures by County Warrant	County EBT Authorizations and Expenditures By County Warrant (Col. A+Col. C)	Total Expenditures (Col. B+Col. C)
Administration	-	-	1,228,819	1,228,819	1,228,819
Adult Services	-	-	204,975	204,975	204,975
Aid to Needy Disabled	139,628	29,070	-	139,628	29,070
Chaffee Grant	-	-	7,957	7,957	7,957
Child Care Program	805,653	124,201	100,265	905,918	224,466
Child Support Enforcement	-	-	798,926	798,926	798,926
Child Welfare	2,064,491	351,734	1,678,262	3,742,753	2,029,996
Colorado Works	364,205	87,972	755,011	1,119,216	842,983
CORE Services	340,164	46,317	341,684	681,848	388,001
Employment First	-	-	63,526	63,526	63,526
Food Assistance	10,379,632	-	-	10,379,632	-
HB1414 / IV-E Reserves	-	-	35,729	35,729	35,729
LEAP	1,112,820	-	109,129	1,221,949	109,129
Medicaid Transportation	-	-	27,415	27,415	27,415
Old Age Pension	415,882	-	26,770	442,652	26,770
Parental Fees	-	-	69,163	69,163	69,163
Single Entry Point	17,261	-	658,007	675,268	658,007
Veterans Services	-	-	-	-	-
Other Grants & Programs	-	-	-	-	-
County Only Costs (Including General Assistance)	-	-	-	-	-
Total Programs	15,639,736	639,294	6,105,638	21,745,374	6,744,932

Explanation of columns:

- A County EBT Authorizations - Payments for human service programs authorized by the County, net of refunds. These County authorizations are paid by the Colorado Department of Human Services by electronic benefit cards (EBT) and by electronic funds transfers (EFT).
- B County Share of EBT Authorizations - Amounts are settled monthly by a reduction of State cash advances to the County and are net of any refunds.
- C Expenditures By County Warrant - Expenditures made by County warrants or other County payment methods.
- D Represents the total cost of the human service programs that are administered by the County.
- E Equals the expenditures on the statement of revenues, expenditures, and changes in the fund balances - governmental funds, social services fund column of this document.

**MONTROSE COUNTY, COLORADO
LOCAL HIGHWAY FINANCE REPORT
YEAR ENDED DECEMBER 31, 2020**

Financial Planning 02/01
Form # 350-050-36

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

LOCAL HIGHWAY FINANCE REPORT		City or County: Montrose County
		YEAR ENDING : December-20
This Information From The Records Of Montrose County:	Prepared By: Phone:	Becki Lewis 964-2441

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)	7,760,628
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	6,754,429
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	5,695
2. General fund appropriations		b. Snow and ice removal	234,780
3. Other local imposts (from page 2)	10,007,098	c. Other	189,993
4. Miscellaneous local receipts (from page 2)	743,593	d. Total (a. through c.)	430,467
5. Transfers from toll facilities		4. General administration & miscellaneous	4,078,404
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	652
a. Bonds - Original Issues		6. Total (1 through 5)	19,024,581
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	
7. Total (1 through 6)	10,750,691	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	4,746,057	2. Notes:	
D. Receipts from Federal Government (from page 2)	355,246	a. Interest	253,573
E. Total receipts (A.7 + B + C + D)	15,851,995	b. Redemption	575,031
		c. Total (a. + b.)	828,604
		3. Total (1.c + 2.c)	828,604
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	19,853,185

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)	8,897,300		575,031	8,322,269

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursement	D. Ending Balance	E. Reconciliation
	14,697,303	15,851,995	19,853,185	10,696,113	0

Notes and Comments:

**MONTROSE COUNTY, COLORADO
LOCAL HIGHWAY FINANCE REPORT
YEAR ENDED DECEMBER 31, 2020**

LOCAL HIGHWAY FINANCE REPORT	STATE: Colorado
	YEAR ENDING (mm/yy): Dec-20

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		a. Interest on investments	167,861
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes	10,006,748	c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	445,370
4. Licenses	350	f. Charges for Services	
5. Specific Ownership &/or Other		g. Other Misc. Receipts	7,350
6. Total (1. through 5.)	10,007,098	h. Other	123,011
c. Total (a. + b.)	10,007,098	i. Total (a. through h.)	743,593
	(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	4,475,495	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	268,062
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	130,020	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant		e. U.S. Corps of Engineers	
e. Other (Specify) - CDOT Grant	140,542	f. Other Federal	87,184
f. Total (a. through e.)	270,563	g. Total (a. through f.)	355,246
4. Total (1. + 2. + 3.f)	4,746,057	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		11,688	11,688
b. Engineering Costs		376,118	376,118
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements			0
(3). System Preservation		7,372,822	7,372,822
(4). System Enhancement & Operation			0
(5). Total Construction (1) + (2) + (3) + (4)	0	7,372,822	7,372,822
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	7,760,628	7,760,628
			(Carry forward to page 1)

Notes and Comments: