

MONTROSE COUNTY, COLORADO

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2021



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INDEPENDENT AUDITORS' REPORT

Board of County Commissioners
Montrose County, Colorado
Montrose, Colorado

Report on the Audit of the Financial Statements

Opinions

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, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County, as of December 31, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual fund financial statements and schedules, the EBT Authorization Schedule, and the Local Highway Finance Report (supplementary information) are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling 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 GAAS. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 14, 2022, 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 14, 2022

**MONTROSE COUNTY, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021**

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, 2021. 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, 2021 by \$202,567,959. Of this amount, \$51,283,368 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 \$16,775,257.
- As of December 31, 2021, the County's governmental funds reported combined ending fund balances of \$56,028,033, an increase of \$4,740,273 from 2020. Approximately 19% of this total amount, \$10,467,841, 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 \$10,467,841, or 45% of total general fund expenditures (including transfers out).
- The County's total debt decreased by approximately \$1.0 million during 2021 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, 2021**

Both 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, 2021**

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.

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 schedules 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 49 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 \$202,567,959 at December 31, 2021.

By far the largest portion of the County's net position (66%) 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, 2021**

Montrose County's Net Position (\$000)

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
ASSETS						
Current and Other Assets	\$ 80,627	\$ 69,254	\$ 13,441	\$ 7,055	\$ 94,068	\$ 76,309
Capital Assets	106,382	100,546	41,097	40,322	147,479	140,868
Total Assets	187,009	169,800	54,538	47,377	241,547	217,177
LIABILITIES						
Long-Term Liabilities						
Outstanding	14,008	15,045	54	93	14,062	15,138
Other Liabilities	6,990	2,872	2,728	219	9,718	3,091
Total Liabilities	20,998	17,917	2,782	312	23,780	18,229
DEFERRED INFLOWS OF RESOURCES						
Property Tax Revenues	15,199	13,156	-	-	15,199	13,156
NET POSITION						
Net Investment in Capital Assets	94,893	88,134	38,522	40,322	133,415	128,456
Restricted	17,539	16,292	350	350	17,889	16,642
Unrestricted	38,380	34,301	12,884	6,393	51,264	40,694
Total Net Position	<u>\$ 150,812</u>	<u>\$ 138,727</u>	<u>\$ 51,756</u>	<u>\$ 47,065</u>	<u>\$ 202,568</u>	<u>\$ 185,792</u>

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 (\$51,283,368) may be used to meet the government's ongoing obligations to citizens and creditors.

At December 31, 2021, Montrose County is able to report positive balances in its governmental and business-type activities total net position. The same situation held true for 2020.

Governmental activities increased the County's net position by \$12,084,872.

The County's net position for the Montrose Regional Airport (its business-type activity) increased by \$4,690,385.

**MONTROSE COUNTY, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021**

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

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
PROGRAM REVENUES						
Charges for Services	\$ 3,948	\$ 3,250	\$ 5,915	\$ 3,503	\$ 9,863	\$ 6,753
Operating Grants and Contributions	10,249	11,223	40	22	10,289	11,245
Capital Grants and Contributions	-	-	4,895	2,595	4,895	2,595
GENERAL REVENUE						
Property Taxes	15,340	15,487	-	-	15,340	15,487
Sales and Use Taxes	19,657	16,689	-	-	19,657	16,689
Other Taxes	8,202	7,557	-	-	8,202	7,557
Other Revenue	675	1,602	244	152	919	1,754
Total Revenues	58,071	55,808	11,094	6,272	69,165	62,080
EXPENSES						
General Government	12,831	14,049	-	-	12,831	14,049
Health and Human Services	8,236	8,047	-	-	8,236	8,047
Public Safety and Protection	14,373	14,439	-	-	14,373	14,439
Road and Bridge Services	10,197	11,728	-	-	10,197	11,728
Interest and Fiscal Charges	349	383	-	-	349	383
Airport	-	-	6,403	5,922	6,403	5,922
Total Expenses	45,986	48,646	6,403	5,922	52,389	54,568
INCREASE (DECREASE) IN NET POSITION	12,085	7,162	4,691	350	16,776	7,512
Net Position - January 1	138,727	131,565	47,065	46,715	185,792	178,280
NET POSITION - DECEMBER 31	\$ 150,812	\$ 138,727	\$ 51,756	\$ 47,065	\$ 202,568	\$ 185,792

**MONTROSE COUNTY, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021**

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, 2021 and the changes from the prior year.

REVENUE SOURCE	2021		2020		Increase (Decrease)	
	Amount	Percent	Amount	Percent	Amount	Percent
Taxes	\$ 35,002	58.6 %	\$ 32,259	56.7 %	\$ 2,743	8.5 %
Licenses and Permits	787	1.3	571	1.0	216	37.8
Intergovernmental	18,447	30.9	18,697	32.9	(250)	(1.3)
Charges for Services	2,764	4.6	2,382	4.2	382	16.0
Internal Charges	2,157	3.6	1,960	3.4	197	10.1
Miscellaneous	538	1.0	1,027	1.8	(489)	(47.6)
Total Revenue (\$000)	\$ 59,695	100.0 %	\$ 56,896	100.0 %	\$ 2,799	4.9 %

Overall revenue increased by 4.9% or \$2,799,262 in 2021 over 2020.

The largest source of revenue for 2021 was derived from taxes, 58.6% of total revenues. Overall, tax revenue increased by 8.5% or \$2,743,132. Property tax revenue in 2021 decreased \$147,006 or 0.95% over 2020 due primarily to an increase in temporary mill levy credit resulting in an overall decrease in the County's mill levy for 2021. Sales tax revenue increased by \$2,967,898 or 17.8% over 2020, due to increased sales.

Licenses and permits had a 37.8% increase from 2020 due primarily to an increase in the General Fund and related permit fees received.

Intergovernmental revenue decreased in 2021 by \$250,072 or 1.3%, due primarily to a decrease in federal funding received from the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) compared to 2020.

Charges for services increased by \$382,699 or 16.1% due to the increase in revenue for the Event Center and Fairground Fund of \$399,519 due to the County being able to host more events in 2021 compared to 2020 which was impacted by COVID-19 restrictions.

Miscellaneous revenue decreased in 2021 than 2020 due primarily to a decrease in investment income the County received on its cash investment portfolio for 2021.

**MONTROSE COUNTY, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021**

The following schedule presents a summary of the governmental funds expenditures for the fiscal year ended December 31, 2021 and the changes from the prior year.

	2021		2020		Increase (Decrease)	
	Amount	Percent	Amount	Percent	Amount	Percent
EXPENDITURES						
General Government	\$ 12,223	21.9 %	\$ 13,820	23.8 %	\$ (1,597)	(11.6)%
Health and Human Services	9,016	16.1	8,915	15.4	101	1.1
Public Safety and Protection	14,813	26.5	14,669	25.3	144	1.0
Road and Bridge Services	18,236	32.7	19,025	32.8	(789)	(4.1)
Debt Service	1,553	2.8	1,548	2.7	5	0.3
Total Expenditures (\$000)	\$ 55,841	100.0 %	\$ 57,977	100.0 %	\$ (2,136)	(3.7)%

Overall expenditures for 2021 were \$55,840,893 or 3.7% less than 2020 (including capital outlay and debt service expenditures).

The largest decrease was related to general government expenditures which were \$12,223,219 in 2021 compared to \$13,820,412 in 2020. This decrease was a result of Coronavirus Relief Funds (CRF) funding was received in 2020 which the County used for general government expenditures. The County did not receive CRF funding in 2021.

Business-Type Activities: The increase in the net position for the Montrose Regional Airport was \$4,690,385. The primary reason for the increase was a result of an increase in capital grants and contributions revenue of \$2,299,771 or 88.6% as well as an increase in charges for services revenue of \$2,016,343 or 64.8%.

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, 2021, the County's governmental funds reported combined ending fund balances of \$56,028,033, an increase of \$4,740,273 from the prior year. Approximately 19% 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 (\$1,519,660); (2) Assigned fund balance is constrained by the County's intent to be used for a specific purpose (\$19,706,503); (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 (\$8,668,865); 2) to provide an emergency reserve as required by the TABOR amendment (\$1,401,741); or 3) other restricted fund balance (\$8,403,439); and (4) Committed fund balance has constraints placed on the use of these

**MONTROSE COUNTY, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021**

resources by the Board of County Commissioners which is broken into two parts Social Services (\$3,954,054) and Solid Waste (\$1,925,830).

The General Fund is the chief operating fund of the County. At December 31, 2021, unassigned fund balance of the General Fund was \$10,447,941 while total fund balance was \$13,098,686. 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 45% of total General Fund expenditures (including transfers out), while total fund balance represents 57% of that same amount.

The fund balance of the County's General Fund decreased by \$1,174,952 during 2021, which was primarily due to transfers made to other governmental funds.

The Road and Bridge Fund had a total fund balance of \$10,156,828 of which \$1,487,963 is non-spendable for prepaid items. The net decrease in fund balance in this fund during 2021 was \$488,258 compared to a decrease of \$4,001,192 during 2020. This change resulted primarily from an increase in property taxes of \$1,777,176, an increase in intergovernmental revenues of \$551,810, and a decrease in both road and bridge services and capital outlay expenditures.

Fund balance in the Social Services Fund increased by \$532,907 to \$4,004,548 by the end of 2021. The increase was due primarily to an increase in intergovernmental revenues (\$269,359) when compared to 2020.

The Public Safety Sales Tax Fund increased its fund balance by \$1,708,951 to \$6,798,333 during 2021. The increase was primarily to an increase in property taxes (\$1,190,720) compared to 2020.

The Capital Expenditures Fund increased its fund balance by \$3,117,606 during 2021. Total fund balance for this fund was \$17,299,837 by the end of 2021. The increase was primarily driven by \$3,834,355 of transfers in from the General Fund.

Fund balances for all other governmental funds increased by \$1,044,019 during 2021. Total fund balance for all other governmental funds was \$4,669,801 by the end of 2021.

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, 2021 amounted to \$12,883,436. Unrestricted net position of the Fleet Management internal service fund at December 31, 2021 amounted to \$2,377,242.

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, 2021**

General Fund Budgetary Highlights

The General Fund accounts for all the general services provided by the County. The County's final budgeted revenues were greater than original budgeted revenues by \$4,514,600. This was mainly caused by the County budgeting for Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) received in 2021 in the amount of \$4,152,620. Actual revenues were less than final budgeted revenues by \$3,876,870, as the budgeted CSLFRF revenue was not earned by the County in 2021. This resulted in actual revenues in excess of expenditures to be less than budgeted by \$3,330,032.

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, 2021 amounts to \$147,479,089 (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 \$6,610,710.

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

Olathe Land	\$1,100,220
Airport Terminal Expansion	\$3,043,874
Asphalt Roads	\$5,300,119

Capital additions outlined above were offset with retirements mainly to road transportation as asphalt roads were being replaced in 2021.

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
CAPITAL ASSETS						
Land and Improvements	\$ 4,475	\$ 3,375	\$ 2,779	\$ 2,778	\$ 7,254	\$ 6,153
Construction in Progress	2,429	1,551	5,246	1,754	7,675	3,305
Buildings and Improvements	34,638	35,699	7,107	7,542	41,745	43,241
Equipment	15,385	13,971	1,052	1,043	16,437	15,014
Infrastructure	49,455	45,951	24,913	27,204	74,368	73,155
 Total Capital Assets (\$000)	 <u>\$ 106,382</u>	 <u>\$ 100,547</u>	 <u>\$ 41,097</u>	 <u>\$ 40,321</u>	 <u>\$ 147,479</u>	 <u>\$ 140,868</u>

Additional information on the County's capital assets can be found in Note 5 on pages 37 - 38 of the financial statements.

Long-Term Debt: At the end of 2021, the County had total bonded debt outstanding of \$380,000. In addition, the County had outstanding debt of \$10,823,190 related to a lease purchase agreement entered into in 2017. The County has no general obligation debt.

**MONTROSE COUNTY, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021**

The County's debt consists of the following:

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Certificates of Participation	\$ 380	\$ 750	\$ -	\$ -	\$ 380	\$ 750
Lease Purchase Agreement	10,823	11,651	-	-	10,823	11,651
Total Long Term Debt (\$000)	<u>\$ 11,203</u>	<u>\$ 12,401</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,203</u>	<u>\$ 12,401</u>

Additional information on the County's long-term debt can be found in Note 6 on pages 39-40 of the financial statements.

Economic Factors and Next Year's Budgets and Rates

- According to the Colorado Department of Labor and Employment, the current unemployment rate for the County is 3.3%, which is lower than the state's average unemployment rate of 3.6%, which is equal to the national average rate of 3.6%.
- The Colorado Legislative Council reports that the 10-county western region's economy continued to experience the compounding negative impacts of the COVID-19 pandemic in the spring of 2020, summer wildfires engulfed large swathes of the region, shutting down popular tourist destinations altogether. While employment remains elevated in the region, the housing and construction industries have shown significant growth in 2021 over recessionary 2020 levels, and outdoor recreation has also seen a boost compared to 2020 activity.
- The region's labor market, similar to the rest of the State, suffered a 4.8% decline in 2020 with the onset of the COVID-19 pandemic. Employment has since rebounded, however, regaining all but 3,085 of the jobs lost during the pandemic-related recession. The region's 5.5% unemployment rate for 2021 was just above the State average of 5.4%.
- Following a rebound in activity in 2020, the residential construction industry kept a similar pace in 2021, with a 21.9 percent increase in housing permits over 2020, spurred by a shift in demand toward more rural areas and larger houses as a result of the pandemic. Nonresidential construction suffered a slowdown in 2020, but has since bounced back, with the value of projects more than doubling in 2021. A portion of this sizable growth is due to the significant drop seen in 2020; however, indicators suggest the nonresidential construction sector is strong in the region.
- Natural gas production in the region has largely been in decline since 2012. After declining by 7.8 percent in 2020, natural gas production shrank by an additional 8.7 percent in 2021 year-to-date through November. The cold snap in early 2021 pushed natural gas prices up from \$2.71 in January to \$12.18 per million Btu in the third week of February, as measured by the Henry Hub Natural Gas Spot Price, as demand spiked and supply was constrained by extreme weather. Natural gas prices have since moderated but are expected to remain well above 2020 prices through 2023.
- Subdued tourism resulting from the COVID-19 pandemic combined with summer wildfires in 2020 led to reduced outdoor recreation and national park visitation in the region in 2020. In 2021, national park visits in this region are up by 12.7 percent compared to 2020. Visits to the Black Canyon of the Gunnison, however, decreased by 9.6 percent from 2020.

**MONTROSE COUNTY, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021**

All of these factors were considered in preparing the County's budget for 2022.

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, 2021

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Investments	\$ 58,710,664	\$ 9,995,956	\$ 68,706,620
Cash and Investments, Restricted	-	350,000	350,000
Taxes Receivable, Net of Allowance	18,342,190	-	18,342,190
Other Receivables, Net of Allowance	259,130	898,077	1,157,207
Intergovernmental Receivable	1,532,468	1,984,801	3,517,269
Prepaid Items	1,782,945	40,350	1,823,295
Restricted Accounts Receivable	-	171,711	171,711
Capital Assets:			
Capital Assets Not Subject to Depreciation:			
Land	4,475,094	2,778,507	7,253,601
Construction in Progress	2,428,711	5,245,562	7,674,273
Capital Assets Subject to Depreciation:			
Buildings and Improvements, Net	34,637,538	7,106,925	41,744,463
Improvements other than Buildings, Net	-	24,913,399	24,913,399
Equipment, Net	15,385,354	1,052,713	16,438,067
Infrastructure, Net	49,455,286	-	49,455,286
Total Assets	<u>187,009,380</u>	<u>54,538,001</u>	<u>241,547,381</u>
LIABILITIES			
Accounts Payable	1,094,261	2,649,548	3,743,809
Accrued Liabilities	1,367,430	78,790	1,446,220
Due to Other Governments	164,000	-	164,000
Unearned Revenue	4,359,300	-	4,359,300
Funds Held for Others	4,866	-	4,866
Long-Term Liabilities			
Portion Due or Payable Within One Year	2,743,886	53,844	2,797,730
Portion Due or Payable After One Year	11,264,670	-	11,264,670
Total Liabilities	<u>20,998,413</u>	<u>2,782,182</u>	<u>23,780,595</u>
DEFERRED INFLOWS OF RESOURCES			
Property Tax Revenues	15,198,827	-	15,198,827
NET POSITION			
Net Investment in Capital Assets	94,893,417	38,522,383	133,415,800
Restricted for:			
Emergencies	1,401,741	-	1,401,741
Public Safety	6,798,333	-	6,798,333
Parks and Recreation	220,101	-	220,101
Road and Bridge	8,668,865	-	8,668,865
Capital Expenses	99,970	-	99,970
Debt Service	349,681	-	349,681
Passenger Facility Charges	-	350,000	350,000
Unrestricted	<u>38,380,032</u>	<u>12,883,436</u>	<u>51,263,468</u>
Total Net Position	<u>\$ 150,812,140</u>	<u>\$ 51,755,819</u>	<u>\$ 202,567,959</u>

See accompanying Notes to Basic Financial Statements.

MONTROSE COUNTY, COLORADO
BALANCE SHEET – GOVERNMENTAL FUNDS
DECEMBER 31, 2021

	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 and Investments	\$ 17,672,957	\$ 6,984,379	\$ 4,183,720	\$ 5,870,776	\$ 17,307,105	\$ 3,930,365	\$ 55,949,302
Other Cash and Investments	89,533	50	300	190,434	-	222,634	502,951
Receivables							
Taxes	13,182,176	1,818,437	2,016,651	1,324,926	-	-	18,342,190
Intergovernmental	56,984	382,531	370,940	-	-	720,573	1,531,028
Trade	2,095	9,430	70,515	124,519	-	52,571	259,130
Due From Other Funds	54,918	-	-	-	-	-	54,918
Prepaid Items	28,233	1,487,963	2,656	-	-	808	1,519,660
Total Assets	<u>\$ 31,086,897</u>	<u>\$ 10,682,790</u>	<u>\$ 6,644,782</u>	<u>\$ 7,510,655</u>	<u>\$ 17,307,105</u>	<u>\$ 4,926,951</u>	<u>\$ 78,159,180</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
LIABILITIES							
Accounts Payable	\$ 286,584	\$ 333,366	\$ 16,885	\$ 287,645	\$ 4,844	\$ 86,485	\$ 1,015,809
Accrued Liabilities	361,965	192,596	257,782	423,561	2,424	95,099	1,333,427
Due to Other Funds	-	-	-	-	-	54,918	54,918
Due to Other Governments	-	-	164,000	-	-	-	164,000
Funds Held for Others	4,866	-	-	-	-	-	4,866
Unearned Revenue	4,152,620	-	184,916	1,116	-	20,648	4,359,300
Total Liabilities	<u>4,806,035</u>	<u>525,962</u>	<u>623,583</u>	<u>712,322</u>	<u>7,268</u>	<u>257,150</u>	<u>6,932,320</u>
DEFERRED INFLOWS OF RESOURCES							
Property Tax Revenue	13,182,176	-	2,016,651	-	-	-	15,198,827
FUND BALANCES							
Nonspendable	28,233	1,487,963	2,656	-	-	808	1,519,660
Restricted for:							
Emergencies	1,401,741	-	-	-	-	-	1,401,741
Public Safety	-	-	-	6,798,333	-	-	6,798,333
Landfill Financial Assurance	-	-	-	-	-	935,354	935,354
Parks and Recreation	-	-	-	-	-	220,101	220,101
Road and Bridge	-	8,668,865	-	-	-	-	8,668,865
Capital Expenditures	-	-	-	-	-	99,970	99,970
Debt Service	-	-	-	-	-	349,681	349,681
Committed To:							
Social Services	-	-	3,954,054	-	-	-	3,954,054
Solid Waste	-	-	-	-	-	1,925,830	1,925,830
Assigned	1,220,771	-	47,838	-	17,299,837	1,138,057	19,706,503
Unassigned	10,447,941	-	-	-	-	-	10,447,941
Total Fund Balances	<u>13,098,686</u>	<u>10,156,828</u>	<u>4,004,548</u>	<u>6,798,333</u>	<u>17,299,837</u>	<u>4,669,801</u>	<u>56,028,033</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 31,086,897</u>	<u>\$ 10,682,790</u>	<u>\$ 6,644,782</u>	<u>\$ 7,510,655</u>	<u>\$ 17,307,105</u>	<u>\$ 4,926,951</u>	<u>\$ 78,159,180</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, 2021**

Total Fund Balance - Governmental Funds \$ 56,028,033

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. 103,931,699

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 (5,627)

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 are included in the governmental activities in the statement of net position. 4,827,526

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

Compensated Absences	(1,478,864)
Landfill Closure and Post-Closure Liability	(935,354)
Gravel Pit Remediation	(352,083)
Lease Purchase Agreement	(10,823,190)
Certificates of Participation	(380,000)
Total	(13,969,491)

Net Position - Governmental Activities \$ 150,812,140

MONTROSE COUNTY, COLORADO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2021

	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	\$ 13,539,390	\$ 11,783,925	\$ 1,805,652	\$ 7,872,959	\$ -	\$ -	\$ 35,001,926
Licenses and Permits	670,892	250	1,580	17,174	-	97,141	787,037
Intergovernmental	3,522,696	5,773,181	5,708,752	1,049,172	-	2,393,206	18,447,007
Charges for Services	2,027,218	8,035	28,941	155,575	-	544,656	2,764,425
Internal Charges	2,105,206	51,787	24	-	-	-	2,157,017
Investment Earnings	24,554	63,302	9,147	6,763	-	1,798	105,564
Miscellaneous	36,479	20,385	62,789	101,030	-	211,632	432,315
Total Revenues	<u>21,926,435</u>	<u>17,700,865</u>	<u>7,616,885</u>	<u>9,202,673</u>	<u>-</u>	<u>3,248,433</u>	<u>59,695,291</u>
EXPENDITURES							
Current:							
General Government	10,484,735	-	-	-	76,872	1,218,218	11,779,825
Health and Human Services	-	-	7,083,978	-	-	1,932,184	9,016,162
Public Safety and Protection	-	-	-	14,451,000	-	-	14,451,000
Road and Bridge Services	-	7,714,945	-	-	-	-	7,714,945
Capital Outlay	44,447	10,521,449	-	361,572	245,877	153,070	11,326,415
Debt Service:							
Principal	-	-	-	-	-	1,197,987	1,197,987
Interest and Other Charges	-	-	-	-	-	354,559	354,559
Total Expenditures	<u>10,529,182</u>	<u>18,236,394</u>	<u>7,083,978</u>	<u>14,812,572</u>	<u>322,749</u>	<u>4,856,018</u>	<u>55,840,893</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	11,397,253	(535,529)	532,907	(5,609,899)	(322,749)	(1,607,585)	3,854,398
OTHER FINANCING SOURCES (USES)							
Proceeds from Sale of Capital Assets	-	875,875	-	10,000	-	-	885,875
Transfers In	-	-	-	7,308,850	3,834,355	3,133,046	14,276,251
Transfers Out	(12,572,205)	(828,604)	-	-	(394,000)	(481,442)	(14,276,251)
Total Other Financing Sources (Uses)	<u>(12,572,205)</u>	<u>47,271</u>	<u>-</u>	<u>7,318,850</u>	<u>3,440,355</u>	<u>2,651,604</u>	<u>885,875</u>
NET CHANGE IN FUND BALANCES	(1,174,952)	(488,258)	532,907	1,708,951	3,117,606	1,044,019	4,740,273
Fund Balances - Beginning 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>
FUND BALANCES - END OF YEAR	<u>\$ 13,098,686</u>	<u>\$ 10,156,828</u>	<u>\$ 4,004,548</u>	<u>\$ 6,798,333</u>	<u>\$ 17,299,837</u>	<u>\$ 4,669,801</u>	<u>\$ 56,028,033</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, 2021

Net Change in Fund Balances - Total Governmental Funds \$ 4,740,273

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	(4,145,577)
Capital Outlay	11,313,733
Total	7,168,156

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.	(1,606,817)
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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.

742,125

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.

(51,688)

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.

(110,793)

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	1,197,987
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Change in Net Position of Governmental Activities **\$ 12,084,872**

MONTROSE COUNTY, COLORADO
STATEMENT OF NET POSITION – PROPRIETARY FUNDS
DECEMBER 31, 2021

	Proprietary Fund Types	
	Enterprise Fund	Governmental Activities
	Montrose County Airport	Internal Service Fund
CURRENT ASSETS		
Cash and Investments	\$ 9,995,956	\$ 2,258,411
Cash and Investments, Restricted	350,000	-
Accounts Receivable, Net	898,077	-
Due from Other Governments	1,984,801	1,441
Prepaid Items	40,350	263,285
Total Current Assets	13,269,184	2,523,137
NONCURRENT ASSETS		
Restricted Accounts Receivable - Passenger Facility Charges	171,711	-
Capital Assets		
Land	2,778,507	-
Construction in Progress	5,245,562	-
Land Improvements, Net	24,913,399	-
Buildings, Net	7,106,925	-
Equipment, Net	1,052,713	2,450,284
Total Noncurrent Assets	41,268,817	2,450,284
Total Assets	54,538,001	4,973,421
CURRENT LIABILITIES		
Accounts Payable	2,649,548	78,452
Accrued Liabilities	78,790	34,003
Accrued Compensated Absences	53,844	33,440
Total Current Liabilities	2,782,182	145,895
Total Liabilities	2,782,182	145,895
NET POSITION		
Net Investment in Capital Assets	38,522,383	2,450,284
Restricted for Passenger Facility Charges	350,000	-
Unrestricted	12,883,436	2,377,242
Total Net Position	\$ 51,755,819	\$ 4,827,526

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, 2021

	Proprietary Fund Types	
	Enterprise Fund	Governmental Activities
	Montrose County Airport	Internal Service Fund
OPERATING REVENUE		
Charges for Services	\$ 5,126,308	\$ 2,707,710
OPERATING EXPENSES		
Salaries and Benefits	1,458,608	599,064
Services and Supplies	1,434,771	1,036,904
Depreciation and Amortization	3,510,529	487,167
Total Operating Expenses	6,403,908	2,123,135
OPERATING INCOME (LOSS)	(1,277,600)	584,575
NONOPERATING REVENUES (EXPENSES)		
Investment Income	2,369	-
Gain (Loss) on Sale of Assets	-	133,137
Grants and Contributions	40,150	3,821
Passenger Facility Charges	788,772	-
Other	241,786	20,592
Total Nonoperating Revenues	1,073,077	157,550
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	(204,523)	742,125
Capital Grants	4,894,908	-
CHANGE IN NET POSITION	4,690,385	742,125
Net Position - Beginning of Year	47,065,434	4,085,401
NET POSITION - END OF YEAR	\$ 51,755,819	\$ 4,827,526

See accompanying Notes to Financial Statements.

MONTROSE COUNTY, COLORADO
STATEMENT OF FIDUCIARY NET POSITION – FIDUCIARY FUNDS
DECEMBER 31, 2021

	Proprietary Fund Types	
	Enterprise Fund	Governmental Activities
	Montrose County Airport	Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Customers	\$ 4,749,445	\$ 2,713,565
Cash Paid to Suppliers	(1,591,135)	(1,074,693)
Cash Paid to and for Employees	(1,482,319)	(591,630)
Net Cash Provided by Operating Activities	1,675,991	1,047,242
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Grants and Contributions	40,150	-
Other Receipts	241,786	20,592
Net Cash Provided by Noncapital Financing Activities	281,936	20,592
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Grants	3,245,936	-
Passenger Facility Charges	700,878	-
Sale of Capital Assets	2,270	174,512
Acquisition of Capital Assets	(1,638,084)	(798,839)
Net Cash Provided (Used) by Capital and Related Financing Activities	2,311,000	(624,327)
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment Income	2,369	-
NET INCREASE IN CASH AND CASH EQUIVALENTS	4,271,296	443,507
Cash and Cash Equivalents - Beginning of Year	6,074,660	1,814,904
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 10,345,956	\$ 2,258,411
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating Income (Loss)	\$ (1,277,600)	\$ 584,575
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:		
Depreciation and Amortization	3,510,529	487,167
(Increase) Decrease in Accounts Receivable	(376,863)	5,855
(Increase) Decrease in Inventory	-	197,782
Decrease in Prepaid Items	(738)	(263,285)
Increase (Decrease) in Accounts Payable	(155,626)	27,714
Increase (Decrease) in Accrued Expenses	(23,711)	7,434
Net Cash Provided by Operating Activities	\$ 1,675,991	\$ 1,047,242
SUPPLEMENTAL DISCLOSURE OF NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES		
Capital Acquisitions in Accounts Payable at Year-End	\$ 2,574,723	\$ -

See accompanying Notes to Financial Statements.

MONTROSE COUNTY, COLORADO
STATEMENT OF FIDUCIARY NET POSITION – FIDUCIARY FUNDS
DECEMBER 31, 2021

	<u>County Clerk Custodial Fund</u>
ASSETS	
Cash and Investments	\$ 1,636,370
Property Taxes Receivable	<u>29,867,792</u>
Total Assets	31,504,162
LIABILITIES	
Due to Other Governments	1,141,186
Deposits Held for Others	<u>495,184</u>
Total Liabilities	1,636,370
DEFERRED INFLOWS OF RESOURCES	
Property Tax Revenue	29,867,792
NET POSITION	
Restricted for Other Governments	<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, 2021**

	<u>County Clerk Custodial Fund</u>
ADDITIONS	
Property Tax Collections on Behalf of Others	\$ 41,098,432
DEDUCTIONS	
Property Tax Distributions on Behalf of Others	<u>41,098,432</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, 2021**

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 2021, the County contributed \$1,047,562 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 primarily 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, 2021**

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 proceeds of County sales and use tax to be used for the maintenance and construction of County roads.

Social Services Fund: This fund accounts for the proceeds of County property tax to be used for the various public welfare programs administered by the County.

Public Safety Sales Tax Fund: This fund accounts for the proceeds of 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, 2021

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 Fund: 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. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. The County considers property tax revenue as available if received within 60 days after year-end. The County considers all other revenues reported in the governmental funds to be available if the revenues are collected within 180 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, compensated absences, 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, 2021**

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, 2021 were \$90,416,451. The County had a supplemental appropriation totaling \$543,264, which increased final budget appropriations, inclusive of interfund transfers out, to \$90,959,715.

**MONTROSE COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

During 2021, supplemental appropriations resulted in budget amendments as follows:

<u>Fund</u>	<u>Original Amount</u>	<u>Amended Amount</u>
Governmental Activities:		
General Fund	\$ 23,599,415	\$ 23,648,225
Special Revenue Funds:		
Local Public Health Fund	1,758,605	2,067,171
Public Safety Sales Tax Fund	15,034,752	15,096,907
Road and Bridge Fund	19,666,986	19,698,318
Social Services Fund	7,536,599	7,579,035
Other Governmental:		
Aggregate Remaining Nonmajor Funds	9,089,837	9,127,784
Business-Type Activities:		
Airport Operations Fund	13,730,257	13,742,275

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, 2021, 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, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property Taxes

Revenue Recognized in 2021

Local property taxes levied for 2020 and collected by December 31, 2021 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	\$ 601,175,569	18.883 %	\$ 11,351,998	\$ 11,277,237	\$ 11,396,597	100.39 %	101.06 %
Social Services	601,175,569	3.00	1,803,527	1,803,527	1,810,617	100.39	100.39

Assessed Valuation

The assessed valuation for property in the state of Colorado is determined using base year market values. The certified assessed valuation for 2020 property taxes remitted in 2021 increased to \$601,175,569 from \$596,245,536 for 2019 property taxes remitted in 2020.

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.

Prepaid Items

Prepaid items of the Road and Bridge Special Revenue Fund are supplies purchased in advance for future infrastructure repair needs of the County. The reported prepaid items are classified as nonspendable fund balance.

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, 2021

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 value 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 to 50 Years
Buildings and Improvements	7 to 40 Years
Runways and Access Roads	15 to 20 Years
Vehicles	5 to 15 Years
Furniture and Equipment	3 to 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, 2021**

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, 2021 \$1,220,771 of the General Fund balance is assigned based on a 2022 budgeted deficit. The entire Capital Expenditures Fund is assigned for \$17,299,837, as it is for the specific purpose of capital expenditures. The Social Services Fund has assigned fund balance of \$47,838 which represents the remainder of fund balance after nonspendable and committed amounts. Nonmajor Funds were assigned for a total of \$1,138,057 as the fund balances for County Clerk Technical Fund (\$41,693), Solid Waste Fund (\$62,915), Local Public Health Fund (\$531,987), and Event Center and Fairgrounds Fund (\$501,462) 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, 2021**

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, 2021, the County's cash and investments consist of the following:

Cash and Investments - Statement of Net Position	\$ 68,706,620
Cash and Investments, Restricted - Statement of Net Position	350,000
Cash and Investments - Fiduciary Funds	1,636,370
Total	<u>\$ 70,692,990</u>

At December 31, 2021, cash and investments of the County are held as follows:

Cash on Hand	\$ 11,187
Cash Deposits	30,539,740
Investments	40,142,063
Total	<u>\$ 70,692,990</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 statutes 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, 2021**

NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)

Investments (Continued)

Investments of the County at December 31, 2021 are as follows:

	Standard & Poor's Rating	Fair Value	Maturity	
			Less than 1 Year	1-5 Years
Local Government Investment Pools	AAAm	\$ 32,679,309	\$ 32,679,309	\$ -
Money Market Mutual Funds	AAAm	339,526	339,526	-
Money Market Mutual Funds	Unrated	924,333	924,333	-
Negotiable CDs	BBB- to AA+	6,198,895	-	6,198,895
Total Investments		<u>\$ 40,142,063</u>	<u>\$ 33,943,168</u>	<u>\$ 6,198,895</u>

As of December 31, 2021, the County has invested \$21,990,838 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, 2021, the County has invested \$10,688,471 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, 2021**

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 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, 2021, 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, 2021**

NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)

Fair Value (Continued)

The County has the following fair value measurements as of December 31, 2021:

	12/31/2021	Level 1	Level 2	Level 3
Investments by Fair Value Level:				
Negotiable CDs	\$ 6,198,895	\$ -	\$ 6,198,895	\$ -
Total Investments by Fair Value Level	6,198,895	\$ -	\$ 6,198,895	\$ -
Investments Measured at Amortized Cost:				
CSAFE	10,688,471			
Money Market Mutual Funds	1,263,859			
Total Investments Measured at Amortized Cost	11,952,330			
Investments Measured at Net Asset Value:				
Colotrust	21,990,838			
Total Investments	\$ 40,142,063			

For Level 2 inputs, the pricing methodology utilizes the services of firms that provide market standard pricing. These pricing service providers synthesize multiple market inputs to determine the fair value price. As such, the prices are derived from altered or indirectly observable prices to result in a fair value measure.

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, 2021 restricted cash is \$350,000.

NOTE 4 INTERFUND RECEIVABLES, PAYABLES, AND 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	\$ 3,834,355	\$ 7,308,850	\$ 1,429,000	\$ 12,572,205
Road and Bridge	-	-	828,604	828,604
Capital Expenditures	-	-	394,000	394,000
Other Governmental	-	-	481,442	481,442
Total	\$ 3,834,355	\$ 7,308,850	\$ 3,133,046	\$ 14,276,251
	Receivable Fund	Payable Fund	Amount	
General Fund		Local Public Health Fund	\$ 54,918	

**MONTROSE COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 4 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (CONTINUED)

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

Interfund balances resulted from the time lag between the date payments between funds are made.

NOTE 5 CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2021 was as follows:

	Beginning Balance	Increase	Decrease	Transfers	Ending Balance
<u>Governmental Activities</u>					
Capital Assets Not Subject to Depreciation:					
Land	\$ 3,374,874	\$ 1,100,220	\$ -	\$ -	\$ 4,475,094
Construction in Progress	1,550,678	1,372,783	(470,961)	(23,789)	2,428,711
Total Capital Assets Not Subject to Depreciation	4,925,552	2,473,003	(470,961)	(23,789)	6,903,805
Capital Assets Subject to Depreciation:					
Buildings and Improvements	54,206,394	305,403	-	-	54,511,797
Infrastructure	128,687,242	5,276,330	(4,065,020)	23,789	129,922,341
Equipment and Vehicles	23,521,392	3,258,997	(2,849,612)	-	23,930,777
Total Capital Assets Subject to Depreciation	206,415,028	8,840,730	(6,914,632)	23,789	208,364,915
Less Accumulated Depreciation for:					
Buildings and Improvements	18,507,341	1,366,918	-	-	19,874,259
Infrastructure	82,736,271	1,076,421	(3,345,637)	-	80,467,055
Equipment and Vehicles	11,726,608	1,702,238	(2,433,139)	-	10,995,707
Total Accumulated Depreciation	112,970,220	4,145,577	(5,778,776)	-	111,337,021
Capital Assets Subject to Depreciation, Net	93,444,808	4,695,153	(1,135,856)	23,789	97,027,894
Governmental Activities Capital Assets, Net	<u>\$ 98,370,360</u>	<u>\$ 7,168,156</u>	<u>\$ (1,606,817)</u>	<u>\$ -</u>	<u>\$ 103,931,699</u>
<u>Internal Service Fund Activities</u>					
<u>Governmental</u>					
Fleet					
Equipment and Vehicles	\$ 6,341,097	\$ 802,660	\$ (422,186)	\$ -	\$ 6,721,571
Less Accumulated Depreciation:					
Equipment and Vehicles	4,164,931	487,167	(380,811)	-	4,271,287
Internal Service Fund Activity Capital Assets, Net	<u>\$ 2,176,166</u>	<u>\$ 315,493</u>	<u>\$ (41,375)</u>	<u>\$ -</u>	<u>\$ 2,450,284</u>

**MONTROSE COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

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	\$ 2,778,507	\$ -	\$ -	\$ -	\$ 2,778,507
Construction in Progress	1,754,053	4,122,786	-	(631,277)	5,245,562
Total Capital Assets Not Subject to Depreciation	4,532,560	4,122,786	-	(631,277)	8,024,069
Capital Assets Subject to Depreciation:					
Runway Improvements	71,763,173	27,187	-	631,277	72,421,637
Buildings and Improvements	14,047,956	-	-	-	14,047,956
Equipment and Vehicles	3,886,355	138,079	(52,480)	-	3,971,954
Total Capital Assets Subject to Depreciation	89,697,484	165,266	(52,480)	631,277	90,441,547
Less Accumulated Depreciation for:					
Runway Improvements	44,559,490	2,948,748	-	-	47,508,238
Buildings and Improvements	6,505,965	435,066	-	-	6,941,031
Equipment and Vehicles	2,842,736	126,715	(50,210)	-	2,919,241
Total Accumulated Depreciation	53,908,191	3,510,529	(50,210)	-	57,368,510
Capital Assets Subject to Depreciation, Net	35,789,293	(3,345,263)	(2,270)	631,277	33,073,037
Business-Type Activity Capital Assets, Net	<u>\$ 40,321,853</u>	<u>\$ 777,523</u>	<u>\$ (2,270)</u>	<u>\$ -</u>	<u>\$ 41,097,106</u>

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

Governmental Activities:	
General Government	\$ 1,172,400
Public Safety and Protection	644,491
Road and Bridge Services	2,732,757
Health and Human Services	83,096
Total	<u>\$ 4,632,744</u>

MONTROSE COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

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	\$ 750,000	\$ -	\$ (370,000)	\$ 380,000	\$ 380,000
Certificates of Participation Premium	11,256	-	(5,629)	5,627	-
Lease Purchase Agreement Facility Construction Loan 2017	11,651,177	-	(827,987)	10,823,190	851,584
Accrued Compensated Absences	1,455,690	271,255	(214,643)	1,512,302	1,512,302
Accrued Landfill Post-Closure Costs	826,661	108,693	-	935,354	-
Accrued Gravel Pit Remediation Costs	349,983	2,100	-	352,083	-
Total Governmental Activities Long-Term Debt	<u>\$ 15,044,767</u>	<u>\$ 382,048</u>	<u>\$ (1,418,259)</u>	<u>\$ 14,008,556</u>	<u>\$ 2,743,886</u>
<u>Business-Type Activity</u>					
Compensated Absences	<u>\$ 93,030</u>	<u>\$ 35,087</u>	<u>\$ (74,273)</u>	<u>\$ 53,844</u>	<u>\$ 53,844</u>

Compensated absences within governmental activities will be primarily paid out of the general fund.

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 are used as collateral for the loan, which has a net book value of \$6,715,654.

Future minimum payments under the lease purchase agreement as of December 31, 2021 are as follows:

Year	Principal	Interest	Total
2022	\$ 380,000	\$ 11,400	\$ 391,400
Total	<u>\$ 380,000</u>	<u>\$ 11,400</u>	<u>\$ 391,400</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 are used as collateral for the loan, which has a net book value of \$9,682,127.

**MONTROSE COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 6 LONG-TERM DEBT (CONTINUED)

Lease Purchase Agreement (Continued)

Future minimum payments under the lease purchase agreement as of December 31, 2021 are as follows:

Year	Principal	Interest	Total
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	952,895	207,151	1,160,045
2027 - 2031	5,187,650	612,577	5,800,227
2032	1,127,900	32,145	1,160,045
Total	<u>\$ 10,823,189</u>	<u>\$ 1,937,309</u>	<u>\$ 12,760,498</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 2021, the County and employees each made their respectively required 4% contribution amounting to \$710,038, for a total of \$1,420,077. There were no forfeitures reflected in pension expense recognized by the County in 2021.

**MONTROSE COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

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, 2021**

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, 2021, based on landfill capacity used to date, is \$935,354. 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, 2021. 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	\$ 864,069	44.00 %	\$ 379,887
East End Post-Closure	548,113	44.00	240,977
West End Post-Closure	314,490	44.00	314,490
Total	<u>\$ 1,726,672</u>		<u>\$ 935,354</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 \$841,625 of invested funds for post-closure care.

**MONTROSE COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 11 LEASES

The Airport leases facilities and land to various airlines, concessionaires, and others. Substantially all 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, 2021:

Year Ending December 31,	Amount
2022	\$ 53,626
2023	49,417
2024	47,165
2025	47,165
2026	42,733
2027-2031	193,565
2032-2036	162,365
2037-2041	113,596
2042-2046	27,476
2047-2051	22,892
2052-5056	8,262
2057-2061	8,262
2062-2066	8,262
2067-2071	6,610
Total	\$ 791,396

**MONTROSE COUNTY, COLORADO
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 13,312,737	\$ 13,325,500	\$ 13,539,390	\$ 213,890
Licenses and Permits	373,250	596,650	670,892	74,242
Intergovernmental	3,181,600	7,559,479	3,522,696	(4,036,783)
Charges for Services	1,802,290	1,909,848	2,027,218	117,370
Charges to Other Governments	45,000	50,000	-	(50,000)
Internal Charges	2,167,828	2,029,828	2,105,206	75,378
Interest Earnings	400,000	300,000	24,554	(275,446)
Miscellaneous	6,000	32,000	36,479	4,479
Total Revenues	<u>21,288,705</u>	<u>25,803,305</u>	<u>21,926,435</u>	<u>(3,876,870)</u>
EXPENDITURES				
Current:				
General Government	11,013,049	11,061,859	10,484,735	577,124
Capital Outlay	14,161	14,161	44,447	(30,286)
Total Expenditures	<u>11,027,210</u>	<u>11,076,020</u>	<u>10,529,182</u>	<u>546,838</u>
EXCESS OF REVENUES OVER EXPENDITURES	10,261,495	14,727,285	11,397,253	(3,330,032)
OTHER FINANCING SOURCES (USES)				
Transfers Out	<u>(12,572,205)</u>	<u>(12,572,205)</u>	<u>(12,572,205)</u>	-
Total Other Financing Sources (Uses)	<u>(12,572,205)</u>	<u>(12,572,205)</u>	<u>(12,572,205)</u>	-
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	<u>\$ (2,310,710)</u>	<u>\$ 2,155,080</u>	<u>\$ (1,174,952)</u>	<u>\$ (3,330,032)</u>

**MONTROSE COUNTY, COLORADO
ROAD AND BRIDGE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 9,821,000	\$ 11,752,000	\$ 11,783,925	\$ 31,925
Licenses and Permits	2,500	150	250	100
Intergovernmental	5,822,000	5,078,362	5,773,181	694,819
Charges to Other Governments	75,000	50,000	-	(50,000)
Charges for Services	3,500	6,335	8,035	1,700
Internal Charges	-	9,595	51,787	42,192
Interest Earnings	200,000	175,000	63,302	(111,698)
Miscellaneous	4,600	19,528	20,385	857
Total Revenues	<u>15,928,600</u>	<u>17,090,970</u>	<u>17,700,865</u>	<u>609,895</u>
EXPENDITURES				
Current:				
Roads and Bridge Services	8,880,638	8,911,970	7,714,945	1,197,025
Capital Outlay	<u>9,957,744</u>	<u>9,957,744</u>	<u>10,521,449</u>	<u>(563,705)</u>
Total Expenditures	<u>18,838,382</u>	<u>18,869,714</u>	<u>18,236,394</u>	<u>633,320</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(2,909,782)	(1,778,744)	(535,529)	1,243,215
OTHER FINANCING SOURCES (USES)				
Proceeds from Sale of Capital Assets	200,000	870,000	875,875	5,875
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>41,396</u>	<u>47,271</u>	<u>5,875</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	<u><u>\$(3,538,386)</u></u>	<u><u>\$(1,737,348)</u></u>	<u><u>\$(488,258)</u></u>	<u><u>\$ 1,249,090</u></u>

**MONTROSE COUNTY, COLORADO
SOCIAL SERVICES FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 1,807,527	\$ 1,804,856	\$ 1,805,652	\$ 796
Licenses and Permits	1,000	1,700	1,580	(120)
Intergovernmental	5,199,900	5,599,983	5,708,752	108,769
Charges to Other Governments	15,600	15,600	-	(15,600)
Charges for Services	-	32,000	28,941	(3,059)
Internal Charges	-	-	24	24
Interest Earnings	9,050	9,050	9,147	97
Miscellaneous	35,400	66,873	62,789	(4,084)
Total Revenues	<u>7,068,477</u>	<u>7,530,062</u>	<u>7,616,885</u>	<u>86,823</u>
EXPENDITURES				
Current:				
Health and Human Services	<u>7,536,599</u>	<u>7,579,035</u>	<u>7,083,978</u>	<u>495,057</u>
Total Expenditures	<u>7,536,599</u>	<u>7,579,035</u>	<u>7,083,978</u>	<u>495,057</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ (468,122)</u>	<u>\$ (48,973)</u>	<u>\$ 532,907</u>	<u>\$ 581,880</u>

**MONTROSE COUNTY, COLORADO
PUBLIC SAFETY SALES TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 6,548,000	\$ 7,800,000	\$ 7,872,959	\$ 72,959
Licenses and Permits	12,000	16,300	17,174	874
Charges for Services	143,550	155,961	155,575	(386)
Intergovernmental	806,500	919,415	1,049,172	129,757
Interest Earnings	5,000	10,000	6,763	(3,237)
Miscellaneous Income	15,500	21,500	101,030	79,530
Total Revenues	<u>7,530,550</u>	<u>8,923,176</u>	<u>9,202,673</u>	<u>279,497</u>
EXPENDITURES				
Current:				
Public Safety and Protection	14,410,252	14,472,407	14,451,000	21,407
Capital Outlay	624,500	624,500	361,572	262,928
Total Expenditures	<u>15,034,752</u>	<u>15,096,907</u>	<u>14,812,572</u>	<u>284,335</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(7,504,202)	(6,173,731)	(5,609,899)	563,832
OTHER FINANCING SOURCES (USES)				
Transfers In	6,593,870	7,279,762	7,308,850	29,088
Proceeds from Sale of Capital Assets	-	10,000	10,000	-
Total Other Financing Sources (Uses)	<u>6,593,870</u>	<u>7,289,762</u>	<u>7,318,850</u>	<u>29,088</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES	<u>\$ (910,332)</u>	<u>\$ 1,116,031</u>	<u>\$ 1,708,951</u>	<u>\$ 592,920</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, 2021**

	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	\$ 220,101	\$ 42,098	\$ 2,879,224	\$ 99,970	\$ -	\$ 339,297	\$ 349,675	\$ 3,930,365
Other Cash and Investments	-	-	-	-	200	222,434	-	222,634
Receivables								
Intergovernmental	-	-	-	-	720,573	-	-	720,573
Trade	-	-	44,909	-	3,556	4,100	6	52,571
Prepaid Items	-	-	-	-	808	-	-	808
Total Assets	<u>\$ 220,101</u>	<u>\$ 42,098</u>	<u>\$ 2,924,133</u>	<u>\$ 99,970</u>	<u>\$ 725,137</u>	<u>\$ 565,831</u>	<u>\$ 349,681</u>	<u>\$ 4,926,951</u>
LIABILITIES AND FUND BALANCE								
LIABILITIES								
Accounts Payable	\$ -	\$ 405	\$ -	\$ -	\$ 52,468	\$ 33,612	\$ -	\$ 86,485
Accrued Liabilities	-	-	34	-	64,308	30,757	-	95,099
Due to Other Funds	-	-	-	-	54,918	-	-	54,918
Unearned Revenue	-	-	-	-	20,648	-	-	20,648
Total Liabilities	<u>-</u>	<u>405</u>	<u>34</u>	<u>-</u>	<u>192,342</u>	<u>64,369</u>	<u>-</u>	<u>257,150</u>
FUND BALANCES								
Nonspendable	-	-	-	-	808	-	-	808
Restricted for:								
Landfill Financial Assurance	-	-	935,354	-	-	-	-	935,354
Parks and Recreation	220,101	-	-	-	-	-	-	220,101
Capital Expenditures	-	-	-	99,970	-	-	-	99,970
Debt Service	-	-	-	-	-	349,681	-	349,681
Committed to:								
Solid Waste	-	-	1,925,830	-	-	-	-	1,925,830
Assigned	-	41,693	62,915	-	531,987	501,462	-	1,138,057
Total Fund Balances	<u>220,101</u>	<u>41,693</u>	<u>2,924,099</u>	<u>99,970</u>	<u>532,795</u>	<u>501,462</u>	<u>349,681</u>	<u>4,669,801</u>
Total Liabilities and Fund Balances	<u>\$ 220,101</u>	<u>\$ 42,098</u>	<u>\$ 2,924,133</u>	<u>\$ 99,970</u>	<u>\$ 725,137</u>	<u>\$ 565,831</u>	<u>\$ 349,681</u>	<u>\$ 4,926,951</u>

MONTROSE COUNTY, COLORADO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2021

	Special Revenue				Local Public Health Fund	Event Center and Fairgrounds Fund	Debt Service	Total Nonmajor Governmental Funds
	Conservation Trust	County Clerk Technical	Solid Waste	Impact Fee			General Debt Service Fund	
REVENUES								
Licenses and Permits	\$ -	\$ -	\$ -	\$ -	\$ 97,141	\$ -	\$ -	\$ 97,141
Charges for Services	-	-	-	-	-	544,656	-	544,656
Intergovernmental	172,126	28,938	-	-	1,954,434	237,708	-	2,393,206
Interest Earnings	1,338	-	412	-	-	-	48	1,798
Miscellaneous	-	14,500	179,792	-	13,404	3,936	-	211,632
Total Revenues	<u>173,464</u>	<u>43,438</u>	<u>180,204</u>	<u>-</u>	<u>2,064,979</u>	<u>786,300</u>	<u>48</u>	<u>3,248,433</u>
EXPENDITURES								
Current:								
General Government	-	22,481	8,596	-	-	1,185,641	1,500	1,218,218
Health and Human Services	-	-	-	-	1,932,184	-	-	1,932,184
Capital Outlay	-	6,105	-	-	-	146,965	-	153,070
Debt Service:								
Principal	-	-	-	-	-	-	1,197,987	1,197,987
Interest	-	-	-	-	-	-	354,559	354,559
Total Expenditures	<u>-</u>	<u>28,586</u>	<u>8,596</u>	<u>-</u>	<u>1,932,184</u>	<u>1,332,606</u>	<u>1,554,046</u>	<u>4,856,018</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	173,464	14,852	171,608	-	132,795	(546,306)	(1,553,998)	(1,607,585)
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	-	-	300,000	1,279,000	1,554,046	3,133,046
Transfers out	(150,000)	-	-	-	-	(331,442)	-	(481,442)
Total Other Financing Sources (Uses)	<u>(150,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>300,000</u>	<u>947,558</u>	<u>1,554,046</u>	<u>2,651,604</u>
NET CHANGE IN FUND BALANCES	23,464	14,852	171,608	-	432,795	401,252	48	1,044,019
Fund Balances - Beginning 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>
FUND BALANCES - END OF YEAR	<u>\$ 220,101</u>	<u>\$ 41,693</u>	<u>\$ 2,924,099</u>	<u>\$ 99,970</u>	<u>\$ 532,795</u>	<u>\$ 501,462</u>	<u>\$ 349,681</u>	<u>\$ 4,669,801</u>

**MONTROSE COUNTY, COLORADO
 CONSERVATION TRUST FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE – BUDGET AND ACTUAL
 YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
State of Colorado	\$ 150,000	\$ 172,126	\$ 22,126
Interest Earnings	3,000	1,338	(1,662)
Total Revenues	153,000	173,464	20,464
EXPENDITURES			
Culture - Recreation	-	-	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	153,000	173,464	20,464
OTHER FINANCING USES			
Transfers Out	(150,000)	(150,000)	-
NET CHANGE IN FUND BALANCE	\$ 3,000	\$ 23,464	\$ 20,464

**MONTROSE COUNTY, COLORADO
COUNTY CLERK TECHNICAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 30,000	\$ 28,938	\$ (1,062)
Charges for Services	12,000	14,500	2,500
Total Revenues	42,000	43,438	1,438
EXPENDITURES			
Current:			
General Government	20,000	22,481	(2,481)
Capital Outlay	10,000	6,105	3,895
Total Expenditures	30,000	28,586	1,414
NET CHANGE IN FUND BALANCE	\$ 12,000	\$ 14,852	\$ 2,852

**MONTROSE COUNTY, COLORADO
SOLID WASTE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Interest Earnings	\$ 2,000	\$ 412	\$ (1,588)
Charges for Services	145,000	179,792	34,792
Total Revenues	<u>147,000</u>	<u>180,204</u>	<u>33,204</u>
EXPENDITURES			
General Government	35,822	8,596	27,226
Total Expenditures	<u>35,822</u>	<u>8,596</u>	<u>27,226</u>
NET CHANGE IN FUND BALANCE	<u>\$ 111,178</u>	<u>\$ 171,608</u>	<u>\$ 60,430</u>

**MONTROSE COUNTY, COLORADO
IMPACT FEE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021**

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

**MONTROSE COUNTY, COLORADO
LOCAL PUBLIC HEALTH FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES			
Other Revenues	\$ 11,881	\$ 13,404	\$ 1,523
Intergovernmental	1,934,242	1,954,434	20,192
Licenses and Permits	<u>97,500</u>	<u>97,141</u>	<u>(359)</u>
Total Revenues	2,043,623	2,064,979	21,356
 EXPENDITURES			
Health and Human Services	<u>2,067,171</u>	<u>1,932,184</u>	<u>134,987</u>
 EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	 (23,548)	 132,795	 156,343
 OTHER FINANCING SOURCES			
Transfers In	<u>441,000</u>	<u>300,000</u>	<u>(141,000)</u>
 NET CHANGE IN FUND BALANCE	 <u>\$ 417,452</u>	 <u>\$ 432,795</u>	 <u>\$ 15,343</u>

**MONTROSE COUNTY, COLORADO
EVENT CENTER AND FAIRGROUNDS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Charges for Services	\$ 539,400	\$ 544,656	\$ 5,256
Miscellaneous	133	3,936	3,803
Intergovernmental	237,708	237,708	-
Total Revenues	<u>777,241</u>	<u>786,300</u>	<u>9,059</u>
EXPENDITURES			
Current:			
General Government	1,340,451	1,185,641	154,810
Capital Outlay	163,930	146,965	16,965
Total Expenditures	<u>1,504,381</u>	<u>1,332,606</u>	<u>171,775</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(727,140)	(546,306)	180,834
OTHER FINANCING SOURCES (USES)			
Transfers In	1,283,298	1,279,000	(4,298)
Transfers Out	(331,442)	(331,442)	-
Total Other Financing Sources (Uses)	<u>951,856</u>	<u>947,558</u>	<u>(4,298)</u>
NET CHANGE IN FUND BALANCE	<u>\$ 224,716</u>	<u>\$ 401,252</u>	<u>\$ 176,536</u>

**MONTROSE COUNTY, COLORADO
CAPITAL EXPENDITURES FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES			
Intergovernmental	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES			
Current:			
General Government	19,619	76,872	(57,253)
Capital Outlay	<u>606,100</u>	<u>245,877</u>	<u>360,223</u>
Total Expenditures	<u>625,719</u>	<u>322,749</u>	<u>302,970</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(625,719)	(322,749)	302,970
OTHER FINANCING SOURCES (USES)			
Transfers In	3,718,145	3,834,355	116,210
Transfers Out	<u>(394,000)</u>	<u>(394,000)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>3,324,145</u>	<u>3,440,355</u>	<u>116,210</u>
NET CHANGE IN FUND BALANCE	<u>\$ 2,698,426</u>	<u>\$ 3,117,606</u>	<u>\$ 419,180</u>

**MONTROSE COUNTY, COLORADO
GENERAL DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Interest	\$ 1,000	\$ 48	\$ (952)
Total Revenues	1,000	48	(952)
EXPENDITURES			
Current:			
General Government	1,501	1,500	1
Debt Service:			
Principal	1,197,987	1,197,987	-
Interest	354,559	354,559	-
Total Expenditures	1,554,047	1,554,046	1
EXCESS OF EXPENDITURES OVER (UNDER) REVENUES	(1,553,047)	(1,553,998)	(951)
OTHER FINANCING SOURCES			
Transfers In	1,554,046	1,554,046	-
NET CHANGE IN FUND BALANCE	\$ 999	\$ 48	\$ (951)

**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, EXPENSES, AND CHANGES IN FUND NET POSITION –
BUDGETARY BASIS – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
OPERATING REVENUES			
Charges for Service	\$ 4,895,500	\$ 5,126,308	\$ 230,808
Total Operating Revenues	<u>4,895,500</u>	<u>5,126,308</u>	<u>230,808</u>
OPERATING EXPENSES			
Salaries and Benefits	1,560,203	1,458,608	101,595
Services and Supplies	1,244,397	1,434,771	(190,374)
Capital Outlay	<u>10,937,675</u>	<u>4,288,052</u>	<u>6,649,623</u>
Total Operating Expenses	<u>13,742,275</u>	<u>7,181,431</u>	<u>6,560,844</u>
OPERATING LOSS	(8,846,775)	(2,055,123)	6,791,652
NONOPERATING REVENUES			
Investment Income	6,500	2,369	(4,131)
Contributions/Grants	29,717	40,150	10,433
Passenger Facility Charges	525,000	788,772	263,772
Intergovernmental	5,346,835	4,894,908	(451,927)
Other	<u>193,360</u>	<u>241,786</u>	<u>48,426</u>
Total Nonoperating Revenues	<u>6,101,412</u>	<u>5,967,985</u>	<u>(133,427)</u>
NET INCOME (LOSS) - BUDGET BASIS	<u>\$ (2,745,363)</u>	3,912,862	<u>\$ 6,658,225</u>
ADJUSTMENTS FOR GAAP BASIS			
Capital Outlay		4,288,052	
Depreciation		<u>(3,510,529)</u>	
CHANGE IN NET POSITION - GAAP BASIS		<u>\$ 4,690,385</u>	

**MONTROSE COUNTY, COLORADO
FLEET MANAGEMENT INTERNAL SERVICE FUND
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION –
BUDGETARY BASIS – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021**

	Final Budget	Actual	Variance with Final Budget Positive – (Negative)
OPERATING REVENUES			
Charges for Service	\$ 2,706,150	\$ 2,707,710	\$ 1,560
Total Operating Revenues	<u>2,706,150</u>	<u>2,707,710</u>	<u>1,560</u>
OPERATING EXPENSES			
Salaries and Benefits	728,150	599,064	129,086
Services and Supplies	1,423,600	1,036,904	386,696
Capital Outlay	750,623	798,839	(48,216)
Total Operating Expenses	<u>2,902,373</u>	<u>2,434,807</u>	<u>467,566</u>
OPERATING INCOME (LOSS)	(196,223)	272,903	469,126
NONOPERATING REVENUES			
Other	194,576	195,104	528
Intergovernmental	3,821	3,821	-
Total Nonoperating Revenues	<u>198,397</u>	<u>198,925</u>	<u>528</u>
NET INCOME (LOSS) - BUDGET BASIS	<u>\$ 2,174</u>	471,828	<u>\$ 469,654</u>
ADJUSTMENTS FOR GAAP BASIS			
Capital Outlay		798,839	
Depreciation		(487,167)	
Capital Contributions		-	
Net Book Value of Capital Assets Sold		<u>(41,375)</u>	
CHANGE IN NET POSITION - GAAP BASIS		<u>\$ 742,125</u>	

MONTROSE COUNTY, COLORADO
MONTROSE COUNTY DEPARTMENT OF HUMAN SERVICES
EBT AUTHORIZATION SCHEDULE
FOR THE CALENDAR YEAR 2021

	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			1,424,540	1,424,540	1,424,540
Adult Services			277,715	277,715	277,715
Aid to Needy Disabled	125,282	26,672		125,282	26,672
Chaffee Grant			29,518	29,518	29,518
Child Care Program	867,977	121,829	121,928	989,905	243,757
Child Support Enforcement			798,050	798,050	798,050
Child Welfare	2,876,765	474,069	1,792,647	4,669,412	2,266,716
Colorado Works	280,386	56,990	694,560	974,945	751,550
CORE Services	418,203	54,628	395,519	813,722	450,147
Employment First			47,044	47,044	47,044
Food Assistance	16,406,289			16,406,289	-
HB1414 / IV-E Reserves			26,140	26,140	26,140
LEAP	750,003		100,987	850,989	100,987
Medicaid Transportation				-	-
Old Age Pension	333,683		31,539	365,222	31,539
Parental Fees			38,916	38,916	38,916
Single Entry Point	20,644		570,677	591,322	570,677
Veterans Services	-	-	-	-	-
Other Grants & Programs	-	-	-	-	-
County Only Costs (Including General Assistance)	-	-	-	-	-
Total Programs	22,079,231	734,188	6,349,779	28,429,009	7,083,966

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, 2021**

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-21
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)	8,081,140
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	4,766,915
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	21,783
2. General fund appropriations		b. Snow and ice removal	262,644
3. Other local imposts (from page 2)	11,784,175	c. Other	167,365
4. Miscellaneous local receipts (from page 2)	1,151,019	d. Total (a. through c.)	451,791
5. Transfers from toll facilities		4. General administration & miscellaneous	4,935,170
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	1,378
a. Bonds - Original Issues		6. Total (1 through 5)	18,236,394
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)	12,935,194	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	5,414,778	2. Notes:	
D. Receipts from Federal Government (from page 2)	226,768	a. Interest	237,186
E. Total receipts (A.7 + B + C + D)	18,576,740	b. Redemption	591,418
		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)	19,064,997

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)	8,322,269		591,418	7,730,851

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	10,645,087	18,576,740	19,064,997	10,156,830	0

Notes and Comments:

**MONTROSE COUNTY, COLORADO
LOCAL HIGHWAY FINANCE REPORT (CONTINUED)
YEAR ENDED DECEMBER 31, 2021**

LOCAL HIGHWAY FINANCE REPORT		STATE: Colorado	
		YEAR ENDING (mm/yy): Dec-21	
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	2	a. Interest on investments	63,302
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes	10,169,323	c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	875,875
4. Licenses	250	f. Charges for Services	51,787
5. Specific Ownership &/or Other	1,614,600	g. Other Misc. Receipts	28,420
6. Total (1. through 5.)	11,784,173	h. Other	131,635
c. Total (a. + b.)	11,784,175	i. Total (a. through h.)	1,151,019
	(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	5,280,304	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	214,337.00
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	134,474	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant		e. U.S. Corps of Engineers	
e. Other (Specify)	-	f. Other Federal	12,431
f. Total (a. through e.)	134,474	g. Total (a. through f.)	226,768
4. Total (1. + 2. + 3.f)	5,414,778	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		1,102,944	1,102,944
b. Engineering Costs		517,376	517,376
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements			0
(3). System Preservation		6,458,539	6,458,539
(4). System Enhancement & Operation		2,280	2,280
(5). Total Construction (1) + (2) + (3) + (4)	0	6,460,820	6,460,820
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	8,081,140	8,081,140
			(Carry forward to page 1)
Notes and Comments:			

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