

**KIT CARSON COUNTY
BURLINGTON, COLORADO**

**FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITORS' REPORT**

**FOR THE YEAR ENDED
DECEMBER 31, 2014**

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INTRODUCTORY SECTION

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Kit Carson County Management Discussion and Analysis December 31, 2014

The discussion and analysis of the Kit Carson County's financial performance provides an overall review of the County's financial activities for the year ended December 31, 2014. The intent of this discussion and analysis is to look at the County's financial performance as a whole. Readers should also review the financial statements and the notes to the financial statements to broaden their understanding of the County's financial performance.

Financial Highlights

The Kit Carson County's governmental net position increased by \$419,435 and business-type net position increased by \$166,265 for the year.

The assets of the County exceeded its liabilities at the close of calendar year 2014 by \$12,937,645 (*net position*). Of this amount, \$5,894,319 (*unrestricted net position*) may be used to meet the County's ongoing obligations or unforeseen expenses.

As of the close of calendar year 2014, the County's General Fund reported an ending fund balance of \$2,717,445 compared to the calendar year 2013 balance of \$2,339,451.

At the end of 2014 unrestricted net position for the proprietary funds (business-type activities) was (\$2,567).

General Fund 2014 revenues increased by \$307,423 to \$5,327,751.

General Fund expenditures increased in 2014 by \$255,239 to \$4,848,392.

Using the Basic Financial Statements

The Basic Financial Statements consists of the Management's Discussion and Analysis (this section) and a series of financial statements and notes to those statements. These statements are organized so that the reader can understand the Kit Carson County as an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The first two statements are government-wide financial statements - the Statement of Net Position and the Statement of Activities. Both provide long and short-term information about the County's overall financial status.

The remaining statements are fund financial statements that focus on individual parts of the County's operations in more detail. The governmental fund statements tell how general County services were financed in the short term as well as what remains for future spending. The County has three major governmental funds: General Fund, Road & Bridge Fund & Social Services Fund as well as six non-major governmental funds:

- Contingency Fund
- Solid Waste Fund
- E-911 Fund
- Conservation Trust Fund
- Capital Fund
- Public Health Fund

Kit Carson County Management Discussion and Analysis December 31, 2014

Proprietary fund statements offer short and long-term financial information about the activities that the County operates as a business. The County operates two proprietary funds as follows:

- Ambulance Fund
- Kit Carson County Facility Fund

The County also has the following fiduciary agency funds:
County Treasurer-Public Trustee, County Clerk and County Sheriff

Fiduciary fund statements provide information about financial relationships where the County acts solely as a trustee or agent for the benefit of others to whom the resources in question belong.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

Financial Analysis of the County as a Whole

The County's total net position was \$12,937,645 as of December 31, 2014 and \$12,351,945 as of December 31, 2013. This represents an increase of \$585,700 or 5%.

Government-Wide Financial Statements

The government-wide statements report information about the County as a whole using accounting methods similar to those used by private businesses. The statements include all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the County's net position and how it has changed. The change in net position is important because it tells the reader that for the County as a whole, the financial position of the County has improved or diminished. The causes of this change may be the result of various factors, some financial, some not. Non-financial factors include facility conditions, and state or federal government required programs.

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes, intergovernmental revenues and taxes (*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, public safety (Sheriff), Public Health, Road & Bridge and Solid Waste. The Business-type Activities of the Kit Carson County consist of fees charges by various departments including, Ambulance Service.

Kit Carson County
Management Discussion and Analysis
December 31, 2014

Net Position

Net position might serve over time as a useful indicator of a government's financial position. In the case of the Kit Carson County, assets exceeded liabilities by approximately \$12.9 million at the close of 2014.

Net position of the County at December 31, 2014 was as follows:

	Condensed Statement of Net Position					
	Governmental		Business-type		Total	
	Activities		Activities			
	2014	2013	2014	2013	2014	2013
ASSETS						
Current and Other Assets	\$ 11,475,094	\$ 10,329,329	\$ 5,038	\$ 233,513	\$ 11,480,132	\$ 10,562,842
Capital Assets, net	<u>5,961,564</u>	<u>5,649,709</u>	<u>1,844,677</u>	<u>1,578,217</u>	<u>7,806,241</u>	<u>7,227,926</u>
TOTAL ASSETS	<u>17,436,658</u>	<u>15,979,038</u>	<u>1,849,715</u>	<u>1,811,730</u>	<u>19,286,373</u>	<u>17,790,768</u>
LIABILITIES						
Current Liabilities	157,060	206,024	7,605	135,885	164,665	341,909
Non-Current Liabilities	<u>967,849</u>	<u>197,023</u>	<u>-</u>	<u>-</u>	<u>967,849</u>	<u>197,023</u>
TOTAL LIABILITIES	<u>1,124,909</u>	<u>403,047</u>	<u>7,605</u>	<u>135,885</u>	<u>1,132,514</u>	<u>538,932</u>
Deferred Inflows						
Unavailable Revenue - Property Taxes	<u>5,216,214</u>	<u>4,899,891</u>	<u>-</u>	<u>-</u>	<u>5,216,214</u>	<u>4,899,891</u>
Net Position						
Net Investment in Capital Assets	5,198,649	5,649,709	1,844,677	1,578,219	7,043,326	7,227,928
Unrestricted	<u>5,896,886</u>	<u>5,026,391</u>	<u>(2,567)</u>	<u>97,626</u>	<u>5,894,319</u>	<u>5,124,017</u>
TOTAL NET POSITION	<u>\$ 11,095,535</u>	<u>\$ 10,676,100</u>	<u>\$ 1,842,110</u>	<u>\$ 1,675,845</u>	<u>\$ 12,937,645</u>	<u>\$ 12,351,945</u>

The statement of net position reflects a cash position totaling \$5,218,255 of total assets. The bulk of the County's resources, \$7 million, are invested in capital assets. These assets consist of land and improvements, buildings, Road & Bridge and Solid Waste equipment. The remaining total assets are property tax and grant receivables.

Kit Carson County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Kit Carson County's investment in its capital assets is reported net of related debt, it should be noted that the funds needed to repay this debt must be provided from other sources since, in general, the capital assets themselves cannot be used to liquidate these liabilities. Unrestricted net position may be used to meet the County's ongoing obligations to citizens and creditors.

Kit Carson County
Management Discussion and Analysis
December 31, 2014

Changes in Net Position

Governmental activities increased the Kit Carson County's net position by \$419,435.

Business activities increased the County's net position by \$166,265. A summary of the changes in net position is as follows:

	Condensed Statement of Activities					
	Governmental		Business-type		Total	
	Activities		Activities			
	2014	2013	2014	2013	2014	2013
Program Revenues						
Charges for Services	\$ 1,486,345	\$ 1,320,283	\$ 269,218	\$ 272,076	\$ 1,755,563	\$ 1,592,359
Operating Grants and Contrib.	5,912,882	5,657,551	15,000	-	5,927,882	5,657,551
Capital Grants and Contrib.	33,206	-	154,930	100,452	188,136	100,452
Total Program Revenues	<u>7,432,433</u>	<u>6,977,834</u>	<u>439,148</u>	<u>372,528</u>	<u>7,871,581</u>	<u>7,350,362</u>
General Revenues:						
Property Taxes	5,070,600	4,909,909	-	-	5,070,600	4,909,909
Specific Ownership Taxes	696,244	691,131	-	-	696,244	691,131
Other General Revenues	147,832	164,312	3,432	-	151,264	164,312
Total General Revenues	<u>5,914,676</u>	<u>5,765,352</u>	<u>3,432</u>	<u>-</u>	<u>5,918,108</u>	<u>5,765,352</u>
Total Revenues	<u>13,347,109</u>	<u>12,743,186</u>	<u>442,580</u>	<u>372,528</u>	<u>13,789,689</u>	<u>13,115,714</u>
Program Expenses						
General Government	2,925,818	2,713,624	-	-	2,925,818	2,713,624
Public Safety	1,830,264	1,852,703	-	-	1,830,264	1,852,703
Health, Welfare and Sanitation	3,640,562	3,774,878	-	-	3,640,562	3,774,878
Public Works	3,709,696	3,482,448	-	-	3,709,696	3,482,448
Culture and Recreation	286,432	269,215	-	-	286,432	269,215
Ambulance Operations	-	-	367,508	318,434	367,508	318,434
Facilities	-	-	36,834	46,834	36,834	46,834
Total Expenses	<u>12,392,772</u>	<u>12,092,868</u>	<u>404,342</u>	<u>365,268</u>	<u>12,797,114</u>	<u>12,458,136</u>
Transfers	<u>(94,855)</u>	<u>(99,724)</u>	<u>94,855</u>	<u>99,724</u>	<u>-</u>	<u>-</u>
Change in Net Position	859,482	550,594	133,093	106,984	992,575	657,578
Net Position, Beginning	10,676,100	10,125,506	1,675,845	1,568,861	12,351,945	11,694,367
Prior Period Restatement	<u>(440,047)</u>	<u>-</u>	<u>33,172</u>	<u>-</u>	<u>(406,875)</u>	<u>-</u>
Net Position, Beginning (As Restated)	<u>10,236,053</u>	<u>10,125,506</u>	<u>1,709,017</u>	<u>1,568,861</u>	<u>11,945,070</u>	<u>11,694,367</u>
Net Position, Ending	<u>\$ 11,095,535</u>	<u>\$ 10,676,100</u>	<u>\$ 1,842,110</u>	<u>\$ 1,675,845</u>	<u>\$ 12,937,645</u>	<u>\$ 12,351,945</u>

Kit Carson County
Management Discussion and Analysis
December 31, 2014

Financial Analysis of the County's Funds

The County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds - The focus of the County's governmental fund is to provide information on near-term inflows, outflows, and balance 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 year.

General Fund – The General Fund went from a balance of \$2,339,451 to \$2,717,445. This increase includes restating prior period adjustments. See note 10 on page 32 for more detail. Total revenues increased by \$307,423, while expenditures increased by \$255,239. There was mostly due to capital outlay projects. The County was required to add a match to the DOLA grant for the Ambulance building. The CSU extension office was also added.

Proprietary Funds - Proprietary funds have historically operated as enterprise funds using the same basis of accounting as business-type activities; therefore, these statements will essentially match the information provided in the statements for the business-type activities of the County as a whole. The proprietary fund statements, however, will provide a greater level of detail than the information found in the government-wide statements.

Ambulance Fund – Ambulance Fund net position increased by \$238,099 from 2013. Expenditures were \$49,053 under budget.

KCC Facilities Fund – KCC Facilities Fund net position decreased by \$71,834 after using a portion of the Fund to building the CSU Extension Office.

Kit Carson County
Management Discussion and Analysis
December 31, 2014

Capital Assets

Approximately 76% of the County's capital assets support governmental activities. The majority of the value is invested in land, buildings and improvements.

GOVERNMENTAL ACTIVITIES:	Restated Balance 01/01/14	Additions	Deletions	Balances 12/31/14
Capital assets not being depreciated:				
Land	\$ 154,107	\$ -	\$ -	\$ 154,107
Capital assets being depreciated:				
Buildings & Improvements	3,806,817	142,784	85,103	3,864,498
Equipment & Furniture	11,504,910	1,182,609	869,570	11,817,949
Total capital assets being depreciated	<u>15,311,727</u>	<u>1,325,393</u>	<u>954,673</u>	<u>15,682,447</u>
Less accumulated depreciation for:				
Buildings & Improvements	2,406,876	49,975	60,081	2,396,770
Equipment & Furniture	7,544,314	630,637	696,731	7,478,220
Total accumulated depreciation	<u>9,951,190</u>	<u>680,612</u>	<u>756,812</u>	<u>9,874,990</u>
Total capital assets being depreciated, net	<u>12,904,851</u>	<u>644,781</u>	<u>197,861</u>	<u>5,807,457</u>
Governmental activity capital assets, net	<u>\$ 5,514,644</u>	<u>\$ 644,781</u>	<u>\$ 197,861</u>	<u>\$ 5,961,564</u>

The County's business-type activities capital assets consist mainly of its investments in its Ambulance and County Facility's.

BUSINESS-TYPE ACTIVITIES:	Balance 01/01/14	Additions	Deletions	Balances 12/31/14
Capital assets not being depreciated:				
Construction in Progress	\$ 223,206	\$ -	\$ 223,206	\$ -
Capital assets being depreciated:				
Buildings & Improvements	1,841,686	533,302	-	2,374,988
Equipment & Furniture	716,922	18,835	-	735,757
Total capital assets being depreciated	<u>2,558,608</u>	<u>552,137</u>	<u>-</u>	<u>3,110,745</u>
Less accumulated depreciation for:				
Buildings & Improvements	515,677	41,574	-	557,251
Equipment & Furniture	687,920	20,896	-	708,816
Total accumulated depreciation	<u>1,203,597</u>	<u>62,470</u>	<u>-</u>	<u>1,266,067</u>
Total capital assets being depreciated, net	<u>1,355,011</u>	<u>489,667</u>	<u>-</u>	<u>1,844,678</u>
Business-Type activity capital assets, net	<u>\$ 1,578,217</u>	<u>\$ 489,667</u>	<u>\$ 223,206</u>	<u>\$ 1,844,678</u>

Kit Carson County
Management Discussion and Analysis
December 31, 2014

Long-Term Debt

The County governmental long-term debt consists of accrued compensated absences and landfill closure and post-closure liability.

	Balance 1/1/14	Additions	Payments	Balance 12/31/14	Current Portion
Governmental Activities:					
Landfill Closure and Postclosure Liability	\$ 740,802	\$ 22,113	\$ -	\$ 762,915	\$ -
Accrued Compensated Absences	197,023	7,911	-	204,934	-
Total Noncurrent Liabilities	<u>\$ 937,825</u>	<u>\$ 30,024</u>	<u>\$ -</u>	<u>\$ 967,849</u>	<u>\$ -</u>

The County does not have any business-type activities long-term debt.

General Fund Budget

The General Fund accounts for all of the general government services provided by the Kit Carson County including: public safety (Sheriff) and general government services. Revenues were \$288,701 in excess of budgeted amounts, primarily due to additional property and specific ownership tax collections. General Fund expenditures, after adjusting for the contingency reserve of \$2,234,368, were \$35,882 under appropriations.

ECONOMIC FACTORS AND FUTURE BUDGETS AND RATES

Impending expenditures for 2016 will be closing a cell at the Solid Waste site and opening a new one. Kit Carson County has a Strategic Plan that outlines upcoming expenditures planned for the next five (5) years. This is available upon request.

Request for Information

The financial statements are designed to provide information for regulatory reporting to federal and state agencies and those with an interest in the County's finances. Questions concerning this or any additional information should be addressed to Paula Weeks, County Administrator, Kit Carson County, PO Box 160, Burlington, CO 80807.

Holscher, Mayberry & Company, LLC

Certified Public Accountants

Member of the American Institute of Certified Public Accountants
Governmental Audit Quality Center
and Private Company Practice Section

Board of County Commissioners
Kit Carson County
Burlington, Colorado

INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Kit Carson County, Colorado, as of and for the year ended December 31, 2014, and the related notes to the financial statements which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Kit Carson County, Colorado, as of December 31, 2014, and the respective changes in financial position, and, where applicable, cash flows, thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matters

As discussed in Note 10 to the financial statements, the 2014 financial statements have been restated to reflect a change in presentation on the December 31, 2013 balances. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information – Management Discussion and Analysis

Accounting principles generally accepted in the United States of America require that the management, discussion and analysis on pages M1 – M7 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Required Supplementary Information – Budgetary Comparison Schedules and Other Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. Accounting principles generally accepted in the United States of America require that the budgetary comparison schedules shown on pages 33-39 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. The combining and budgetary comparison statements and schedules listed as other supplementary information and included on pages 40-50 are presented for purposes of additional analysis and are not a required part of the financial statements. This information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the 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 financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the 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 September 1, 2015 on our consideration of the Kit Carson County's internal control over financial reporting and on our tests of compliance with certain provisions of laws, regulation, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing on internal control over financial reporting and compliance and the results of testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Kit Carson County's internal control over financial reporting and compliance.

Report on Other Legal and Regulatory Requirements

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The *Local Highway Finance Report* pages 51 - 52 are presented for purposes of legal compliance and are not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Holscher, Mayberry + Company, LLC

Englewood, Colorado
September 1, 2015

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FINANCIAL SECTION

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BASIC FINANCIAL STATEMENTS

The Basic Financial Statements provide a financial overview of the County's operations. These financial statements present the financial position, operating results, and cash flows, where applicable, of all funds and activities as of December 31, 2014.

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KIT CARSON COUNTY

STATEMENT OF NET POSITION
December 31, 2014

	Governmental Activities	Business Type Activities	Total
ASSETS			
Current Assets			
Cash and Investments	\$ 5,358,388	\$ (140,133)	\$ 5,218,255
Property Tax Receivable	5,216,214	-	5,216,214
Receivable from Other Governments	517,897	-	517,897
Other Receivables	40,437	112,689	153,126
Inventory	233,260	30,029	263,289
Prepaid Expenses	<u>108,898</u>	<u>2,453</u>	<u>111,351</u>
Total Current Assets	<u>11,475,094</u>	<u>5,038</u>	<u>11,480,132</u>
Noncurrent Assets			
Capital Assets not being depreciated	154,107	-	154,107
Capital Assets being depreciated (net)	<u>5,807,457</u>	<u>1,844,677</u>	<u>7,652,134</u>
Total Noncurrent Assets	<u>5,961,564</u>	<u>1,844,677</u>	<u>7,806,241</u>
TOTAL ASSETS	<u>17,436,658</u>	<u>1,849,715</u>	<u>19,286,373</u>
LIABILITIES			
Current Liabilities			
Accounts Payable	119,783	7,605	127,388
Other Liabilities	(2,256)	-	(2,256)
Unearned Revenue	<u>39,533</u>	<u>-</u>	<u>39,533</u>
Total Current Liabilities	157,060	7,605	164,665
Noncurrent Liabilities			
Landfill Closure and Postclosure Liability	762,915	-	762,915
Accrued Compensated Absences	<u>204,934</u>	<u>-</u>	<u>204,934</u>
Total Noncurrent Liabilities	<u>967,849</u>	<u>-</u>	<u>967,849</u>
TOTAL LIABILITIES	<u>1,124,909</u>	<u>7,605</u>	<u>1,132,514</u>
DEFERRED INFLOWS OF FINANCIAL RESOURCES			
Deferred Property Taxes	<u>5,216,214</u>	<u>-</u>	<u>5,216,214</u>
NET POSITION			
Net Investment in Capital Assets	5,198,649	1,844,677	7,043,326
Unrestricted Net Position	<u>5,896,886</u>	<u>(2,567)</u>	<u>5,894,319</u>
TOTAL NET POSITION	<u>\$ 11,095,535</u>	<u>\$ 1,842,110</u>	<u>\$ 12,937,645</u>

The accompanying notes are an integral part of these financial statements.

KIT CARSON COUNTY

STATEMENT OF ACTIVITIES
December 31, 2014

Function/Program	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental Activities:				
General Government	\$ (2,925,818)	\$ 762,717	\$ 22,972	\$ 33,206
Public Safety	(1,830,264)	265,974	162,155	-
Health, Welfare & Sanitation	(3,640,562)	266,234	2,994,682	-
Public Works	(3,709,696)	41,695	2,710,908	-
Culture & Recreation	(286,432)	149,725	22,165	-
Total Governmental Activities	(12,392,772)	1,486,345	5,912,882	33,206
Business-Type Activities:				
Ambulance Operations	(367,508)	269,218	-	154,930
Facilities	(36,834)	-	15,000	-
Total Business-Type Activities	(404,342)	269,218	15,000	154,930
Total Primary Government	\$ (12,797,114)	\$ 1,755,563	\$ 5,927,882	\$ 188,136

General Revenues:

Taxes:

Property Taxes

Specific Ownership Taxes

Investment Earnings

Gain on Sale of Assets

Miscellaneous Revenue

Transfers

Total General Revenues and Transfers

Change in Net Position

NET POSITION, Beginning

Prior Period Restatement

NET POSITION, Beginning as Restated

NET POSITION, Ending

The accompanying notes are an integral part of these financial statements.

**Net (Expense) Revenues and Changes in
Net Position**

Governmental Activities	Business-Type Activities	Total
\$ (2,106,923)	\$ -	\$ (2,106,923)
(1,402,135)	-	(1,402,135)
(379,646)	-	(379,646)
(957,093)	-	(957,093)
(114,542)	-	(114,542)
<u>(4,960,339)</u>	<u>-</u>	<u>(4,960,339)</u>
-	56,640	56,640
-	(21,834)	(21,834)
-	34,806	34,806
<u>(4,960,339)</u>	<u>34,806</u>	<u>(4,925,533)</u>
5,070,600	-	5,070,600
696,244	-	696,244
12,578	-	12,578
56,563	-	56,563
78,691	3,432	82,123
<u>(94,855)</u>	<u>94,855</u>	<u>-</u>
<u>5,819,821</u>	<u>98,287</u>	<u>5,918,108</u>
<u>859,482</u>	<u>133,093</u>	<u>992,575</u>
10,676,100	1,675,845	12,351,945
<u>(440,047)</u>	<u>33,172</u>	<u>(406,875)</u>
<u>10,236,053</u>	<u>1,709,017</u>	<u>11,945,070</u>
<u>\$ 11,095,535</u>	<u>\$ 1,842,110</u>	<u>\$ 12,937,645</u>

KIT CARSON COUNTY

BALANCE SHEET
GOVERNMENTAL FUNDS
Year Ended December 31, 2014

	General Fund	Road and Bridge Fund	Human Services Fund	Other Governmental Funds	Total 2014
ASSETS					
Cash and Investments	\$ 2,676,824	\$ 1,574,492	\$ 149,564	\$ 957,508	\$ 5,358,388
Property Tax Receivable	3,533,209	1,236,493	85,868	360,644	5,216,214
Receivable from Other Governments	41,465	183,803	136,718	155,911	517,897
Other Receivables	13,388	-	-	27,049	40,437
Internal Balances	(12,000)	-	-	12,000	-
Inventory	-	200,912	-	32,348	233,260
Prepaid Expenses	<u>52,048</u>	<u>26,403</u>	<u>11,389</u>	<u>19,058</u>	<u>108,898</u>
TOTAL ASSETS	<u>6,304,934</u>	<u>3,222,103</u>	<u>383,539</u>	<u>1,564,518</u>	<u>11,475,094</u>
LIABILITIES					
Accounts Payable	56,536	32,882	9,056	21,309	119,783
Other Liabilities	(2,256)	-	-	-	(2,256)
Unearned Revenue	-	-	<u>39,533</u>	-	<u>39,533</u>
TOTAL LIABILITIES	<u>54,280</u>	<u>32,882</u>	<u>48,589</u>	<u>21,309</u>	<u>157,060</u>
DEFERRED INFLOWS OF FINANCIAL RESOURCES					
Deferred Property Taxes	<u>3,533,209</u>	<u>1,236,493</u>	<u>85,868</u>	<u>360,644</u>	<u>5,216,214</u>
FUND EQUITY					
Unspendable	52,048	227,315	11,389	51,406	342,158
Restricted	172,482	-	-	234,333	406,815
Committed	-	1,725,413	237,693	896,826	2,859,932
Unassigned	<u>2,492,915</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,492,915</u>
TOTAL NET POSITION	<u>\$ 2,717,445</u>	<u>\$ 1,952,728</u>	<u>\$ 249,082</u>	<u>\$ 1,182,565</u>	<u>\$ 6,101,820</u>

The accompanying notes are an integral part of these financial statements.

KIT CARSON COUNTY

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
December 31, 2014

Fund Balance - Governmental Funds \$ 6,101,820

Amounts reported for governmental activities in the Statement
of Net Position are different because:

Capital assets used in governmental activities are not current financial resources
and therefore are not reported in the fund financial statements, but are reported
as assets in the governmental activities Statement of Net Position

Capital Assets not being depreciated	154,107
Capital Assets being depreciated	15,682,447
Accumulated Depreciation	(9,874,990)

Some liabilities, such as Notes Payable, Capital Leases Payable, Accrued
Compensated Absences and Bonds Payable, are not due and payable in the
current period and are not included in the fund level financial statements,
but are included in the governmental activities on the Statement
of Net Position

Capital Leases Payable	
Landfill Closure and Postclosure Liability	(762,915)
Accrued Compensated Absences	<u>(204,934)</u>

Governmental Activities Net Position \$ 11,095,535

The accompanying notes are an integral part of these financial statements.

KIT CARSON COUNTY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
 GOVERNMENTAL FUNDS
 Year Ended December 31, 2014

	Special Revenue Funds				Total 2014
	General Fund	Road and Bridge Fund	Human Services Fund	Other Governmental Funds	
REVENUES					
Taxes	\$ 3,901,039	\$ 1,352,863	\$ 197,285	\$ 315,656	\$ 5,766,843
Licenses and Permits	34,475	-	-	26,390	60,865
Intergovernmental	211,535	2,738,313	1,876,663	1,138,095	5,964,606
Charges for Services	717,317	10,538	-	347,575	1,075,430
Fines and Forfeits	25,887	-	-	-	25,887
Investment Earnings	12,540	-	-	38	12,578
Other Revenue	424,957	75,191	1,951	2,485	504,584
TOTAL REVENUES	<u>5,327,750</u>	<u>4,176,905</u>	<u>2,075,899</u>	<u>1,830,239</u>	<u>13,410,793</u>
EXPENDITURES					
Current:					
General Government	2,763,607	64,486	-	-	2,828,093
Public Safety	1,655,865	-	-	96,590	1,752,455
Health, Welfare & Sanitation	3,000	-	2,056,805	1,572,062	3,631,867
Public Works	-	3,234,825	-	-	3,234,825
Culture & Recreation	264,985	-	-	21,447	286,432
Capital Outlay	160,935	783,617	-	199,587	1,144,139
TOTAL EXPENDITURES	<u>4,848,392</u>	<u>4,082,928</u>	<u>2,056,805</u>	<u>1,889,686</u>	<u>12,877,811</u>
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	<u>479,358</u>	<u>93,977</u>	<u>19,094</u>	<u>(59,447)</u>	<u>532,982</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	-	50,000	50,000
Transfers Out	(144,855)	-	-	-	(144,855)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(144,855)</u>	<u>-</u>	<u>-</u>	<u>50,000</u>	<u>(94,855)</u>
CHANGE IN FUND BALANCE	<u>334,503</u>	<u>93,977</u>	<u>19,094</u>	<u>(9,447)</u>	<u>438,127</u>
FUND BALANCE, Beginning	2,339,451	1,524,826	217,490	1,141,647	5,223,414
Prior Period Restatement	43,491	333,925	12,498	50,365	440,279
FUND BALANCE, Beginning (As Restated)	<u>2,382,942</u>	<u>1,858,751</u>	<u>229,988</u>	<u>1,192,012</u>	<u>5,663,693</u>
FUND BALANCE, Ending	<u>\$ 2,717,445</u>	<u>\$ 1,952,728</u>	<u>\$ 249,082</u>	<u>\$ 1,182,565</u>	<u>\$ 6,101,820</u>

The accompanying notes are an integral part of these financial statements.

KIT CARSON COUNTY

RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE TO
CHANGE IN GOVERNMENTAL ACTIVITIES NET POSITION
December 31, 2014

Change in Governmental Fund Balance \$ 438,127

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

Capital assets used in governmental activities are not current financial resources and therefore are expensed when acquired in the fund financial statements, and are depreciated for the in the governmental activities Statement of Activities

Purchased Capitalized Assets	1,173,562
Depreciation Expense	(680,612)
Donated Capital Assets	33,206
Loss on Capital Asset Disposal	(79,236)

Some liabilities, such as Notes Payable, Capital Leases Payable, Accrued Compensated Absences and Bonds Payable, are not due and payable in the current period and are expensed in the fund level financial statements, but are not included in the governmental activities on the Statement of Activities

Capital Lease Principal Payments	
Change in Accrued Compensated Absences	<u>(7,911)</u>

Change in Governmental Activites Net Postion \$ 877,136

The accompanying notes are an integral part of these financial statements.

KIT CARSON COUNTY

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 December 31, 2014

	Ambulance Fund	Kit Carson County Facility Fund	Total 2014
ASSETS			
Current Assets			
Cash and Investments	\$ (143,477)	\$ 3,344	\$ (140,133)
Other Receivables	97,689	15,000	112,689
Inventory	30,029	-	30,029
Prepaid Expenses	<u>2,453</u>	<u>-</u>	<u>2,453</u>
Total Current Assets	(13,306)	18,344	5,038
Noncurrent Assets			
Capital Assets being depreciated, net	<u>555,502</u>	<u>1,289,175</u>	<u>1,844,677</u>
TOTAL ASSETS	<u>542,196</u>	<u>1,307,519</u>	<u>1,849,715</u>
LIABILITIES			
Current Liabilities			
Accounts Payable	<u>7,605</u>	<u>-</u>	<u>7,605</u>
NET POSITION			
Net Investment in Capital Assets	555,502	1,289,175	1,844,677
Unrestricted Net Position	<u>(20,911)</u>	<u>18,344</u>	<u>(2,567)</u>
TOTAL NET POSITION	<u>\$ 534,591</u>	<u>\$ 1,307,519</u>	<u>\$ 1,842,110</u>

The accompanying notes are an integral part of these financial statements.

KIT CARSON COUNTY

STATEMENT OF REVENUES, EXPENSES AND CHANGE IN NET POSITION
 PROPRIETARY FUNDS
 Year Ended December 31, 2014

	Ambulance Fund	Kit Carson County Facility Fund	Total 2014
OPERATING REVENUES			
Charges for Services	\$ 269,218	\$ -	\$ 269,218
OPERATING EXPENSES			
Personal Services	233,408	-	233,408
Contractual Services	15,463	-	15,463
Utilities and Telephone	20,267	-	20,267
Repairs and Maintenance	10,864	-	10,864
Supplies	21,907	-	21,907
Other Expenses	5,854	-	5,854
Travel and Training	3,786	-	3,786
Capital Outlay	30,322	-	30,322
Depreciation	25,637	36,834	62,471
TOTAL OPERATING EXPENSES	<u>367,508</u>	<u>36,834</u>	<u>404,342</u>
OPERATING INCOME (LOSS)	<u>(98,290)</u>	<u>(36,834)</u>	<u>(135,124)</u>
OTHER REVENUES (EXPENSES)			
Refunds and Reimbursements	1,432	-	1,432
Donations	-	15,000	15,000
Miscellaneous Revenue	2,000	-	2,000
TOTAL OTHER REVENUES (EXPENSES)	<u>3,432</u>	<u>15,000</u>	<u>18,432</u>
NET INCOME (LOSS) BEFORE TRANSFERS	<u>(94,858)</u>	<u>(21,834)</u>	<u>(116,692)</u>
TRANSFERS			
Transfers In	144,855	-	144,855
Transfers Out	-	(50,000)	(50,000)
NET TRANSFERS	<u>144,855</u>	<u>(50,000)</u>	<u>94,855</u>
CAPITAL GRANTS	<u>154,930</u>	<u>-</u>	<u>154,930</u>
CHANGE IN NET POSITION	<u>204,927</u>	<u>(71,834)</u>	<u>133,093</u>
NET POSITION, Beginning	296,492	1,379,353	1,675,845
Prior Period Restatement	33,172	-	33,172
NET POSITION, Beginning (As Restated)	<u>329,664</u>	<u>1,379,353</u>	<u>1,709,017</u>
NET POSITION, Ending	<u>\$ 534,591</u>	<u>\$ 1,307,519</u>	<u>\$ 1,842,110</u>

The accompanying notes are an integral part of these financial statements.

KIT CARSON COUNTY

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS

Year Ended December 31, 2014

	Ambulance Fund	Kit Carson County Facility Fund	<u>2014</u>
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash from goods and services	\$ 268,324	\$ -	\$ 268,324
Cash paid for employees and benefits	(233,408)	-	(233,408)
Cash paid to vendors	(104,841)	-	(104,841)
Net Cash Provided (Used) by Operating Activities	<u>(69,925)</u>	<u>-</u>	<u>(69,925)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Other Receipts	<u>3,432</u>	<u>-</u>	<u>3,432</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Transfers In (Out)	144,855	(50,000)	94,855
Capital Grants	255,382	-	255,382
Purchases of Capital Assets	(460,142)	-	(460,142)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(59,905)</u>	<u>(50,000)</u>	<u>(109,905)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	(126,398)	(50,000)	(176,398)
CASH AND CASH EQUIVALENTS, Beginning	<u>(17,079)</u>	<u>53,344</u>	<u>36,265</u>
CASH AND CASH EQUIVALENTS, Ending	<u>\$ (143,477)</u>	<u>\$ 3,344</u>	<u>\$ (140,133)</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities			
Operating Income (Loss)	\$ (98,290)	\$ (36,834)	\$ (135,124)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities			
Depreciation	25,637	36,834	62,471
(Increase) Decrease in Assets:			
Other Receivables	(894)	-	(894)
Prepaid Expenses	691	-	691
Increase (Decrease) in Liabilities:			
Accounts Payable	<u>2,931</u>	<u>-</u>	<u>2,931</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ (69,925)</u>	<u>\$ -</u>	<u>\$ (69,925)</u>

The accompanying notes are an integral part of these financial statements.

KIT CARSON COUNTY

STATEMENT OF FIDUCIARY NET POSITION
December 31, 2014

	County Treasurer Agency Fund	County Clerk Agency Fund	County Sheriff Agency Fund	Total
ASSETS				
Cash and equivalents	<u>\$ 591,054</u>	<u>\$ 142,070</u>	<u>\$ 49,631</u>	<u>\$ 782,755</u>
FIDUCIARY NET POSITION				
Funds Held for Others	<u>\$ 591,054</u>	<u>\$ 142,070</u>	<u>\$ 49,631</u>	<u>\$ 782,755</u>

The accompanying notes are an integral part of these financial statements.

KIT CARSON COUNTY, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of Kit Carson County, Colorado (the County) conform to accounting principles generally accepted in the United States of America (USGAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following summary of significant accounting policies is presented to assist the reader in evaluating the County's financial statements. Based upon the application of these criteria, there are no other entities included in the County's reporting entity.

Reporting Entity

Kit Carson County is a political subdivision of the State of Colorado, governed by an elected three-member Board of County Commissioners. There are also five other elected officials of Kit Carson County (Assessor, Clerk and Recorder, Sheriff, Coroner, and Treasurer).

All financial transactions of the offices of elected officials of Kit Carson County are included in the General Fund of the County's basic financial statements. The Board of County Commissioners has budgetary authority over the elected officials and is accountable for all fiscal matters. County property taxes fund a significant portion of the costs of operating the elected officials' offices. Services provided by the elected officials are for the benefit of Kit Carson County residents and are conducted within the boundaries of the County.

These basic financial statements present the financial position of Kit Carson County (the primary government) and its component units in accordance with Statements of the Governmental Accounting Standards Board. The County has no component units.

Government-Wide and Fund Financial Statements

The County's government-wide financial statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of Governmental and Business-Type Activities for the County accompanied by a total column. Fiduciary activities of the County are not included in these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

KIT CARSON COUNTY, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-Wide and Fund Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct expenses of the given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are presented on an *economic resources measurement focus* and the *accrual basis of accounting*. Accordingly, all of the County's assets and liabilities, including capital assets, and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both 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. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

The primary revenue sources, which have been treated as susceptible to accrual by the County, are property tax, intergovernmental revenues and other taxes. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the County.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments are recorded only when payment is due.

KIT CARSON COUNTY, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

The County reports the following major governmental funds:

General Fund

This is the County's primary operating fund. It accounts for all activities of the general government, except those required to be accounted for in another fund.

Road & Bridge Fund

This fund accounts for maintenance of all County roads and bridges.

Department of Human Services

This fund accounts for public welfare costs paid to qualifying clients. The majority of federal funds expended are through this fund.

Proprietary funds are accounted for using the *economic resources measurement focus* and the *accrual basis of accounting*. Accordingly, all assets and liabilities (whether current or non-current) are included on the Statement of Net Position. The Statement of Revenues, Expenses, and Changes in Fund Net Position present increases (revenue) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operating of the fund. All other expenses are reported as non-operating expenses.

The County reports the following major proprietary funds:

Kit Carson County Facility Fund

This fund accounts for the purchase of the jail and the sheriff's office and the lease of the facility to the general fund. This fund is also the reporting of donations and money earmarked for the construction of future KCC facilities such as a new 4H building at the fairgrounds.

Ambulance Fund

This fund accounts for ambulance services provided by the County.

KIT CARSON COUNTY, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

The County reports the following fiduciary agency funds.

County Treasurer & Public Trustee, County Clerk and County Sheriff Agency Funds

These funds accounts for cash held at year-end and due to other individuals or entities. The amounts are not included in any other financial statements. The County Treasurer holds the County Clerk and County Sheriff Funds as part of the overall County Treasurer account balance.

Eliminations

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities.

Reconciliation of the Fund financial statements to the Government-Wide financial statements is provided in the financial statements to explain the differences created by the integrated approach of GASB Statement No. 34.

Budgets and Budgetary Accounting

Annual budgets are adopted as required by Colorado Statutes. Formal budgetary integration is employed as a management control device during the year.

The budget calendar is as follows:

August 25 - Assessors must submit abstract of assessments, reflecting all assessed values of property in the County by class and subclass to the Division of Property Taxation. Assessors must certify to all taxing entities and the Division of Local Government the new total assessed valuation and the amounts for the various factors needed to compute the statutory property tax revenue limits.

October 15 - Statutory deadline for submission of proposed budget to the local governing body. "Notice of Budget" to be published when budget received.

December 15 - Statutory deadline for certification of mill levies to the Board of County Commissioners. Local government levying a property tax must adopt their budget before certifying the levy to the County. Local Governing Body shall enact an ordinance or resolution making appropriations for the ensuing fiscal period.

December 22 - Statutory deadline for Board of County Commissioners to certify levies and revenues to assessor and the Division of Property Taxation.

KIT CARSON COUNTY, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgets and Budgetary Accounting (Continued)

Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgetary comparisons in this report are presented on the GAAP basis except those adopted by the proprietary funds.

Appropriations are adopted by resolution for each fund in total. Over expenditures are not deemed to exist unless the fund as a total has expenditures in excess of appropriations. All appropriations lapse at yearend. Supplemental budgets were not adopted during the year. The following funds overspent their budgets which may be a violation of Colorado Revised Statutes:

Capital Fund

Cash and Equivalents

For purposes of the statement of cash flows, the County considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Property Taxes

Annual property taxes are levied and assessed on January 1, and are certified by the County by November 1 of the current year. On January 1 of the following year, the County Treasurer bills the property owners, thus establishing an enforceable lien on the property. The County Treasurer also collects the property taxes and remits collections on a monthly basis to the County. County property tax revenues are recognized, as they become current receivables from the County Treasurer. One-half of the property taxes are due by February 28 and one-half due by June 15 or all may be paid by April 30 to avoid penalties and interest.

Inventory

Inventories are valued at cost, using the first-in, first-out (FIFO) method.

Capital Assets

The County follows the policy of capitalizing all assets that cost more than \$5,000 with an estimated useful life of more than one year. The useful lives of the assets are:

Infrastructure	75 years
Buildings & Improvements	50-100 years
Furniture & Fixtures	7-12 years
Machinery, Equipment, & Vehicles	5-12 years

KIT CARSON COUNTY, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets (Continued)

Infrastructure, if any, has been capitalized beginning January 1, 2006.

Revenues

Program revenues derive directly from the program itself or from parties outside the reporting government's taxpayers or citizenry, as a whole; they reduce the net cost of the function to be financed from the government's general revenues. The statement of activities reports separately three categories of program revenues: (a) charges for services, (b) program specific operating grants and contributions, and (c) program-specific capital grants and contributions.

Charges for services include revenues based on exchange or exchange like transactions. These revenues arise from charges to customers or applicants who purchase, use, or directly benefit from the goods, services, or privileges provided. Revenues in this category include fees charged for specific services, such as water use or garbage collection; licenses and permits, such as liquor licenses, and building permits; operating special assessments and any other amounts charged to service recipients.

Program-specific grants and contributions (operating and capital) include revenues arising from mandatory and voluntary nonexchange transactions with other governments, organizations, or individuals that are restricted for use in a particular program. Some grants and contributions consist of capital assets or resources that are restricted for capital purposes- to purchase, construct, or renovate capital assets associated with a specific program. These are reported separately from grants and contributions that may be used either for operating expenses or for capital expenditures of the program at the discretion of the reporting government. These categories of program revenue are specifically attributable to a program and reduce the net expense of that program to the reporting government. Multi-purpose grants (those that provide financing for more than one program) are reported as program revenue if the amounts restricted to each program are specifically identified in either the grant award or the grant application. Multi-purpose grants that do not provide for specific identification of the programs and amounts are reported as general revenues.

KIT CARSON COUNTY, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Estimates

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

Interfund Transactions

Transactions between funds that would be treated as revenues, expenditures, or expenses if they involved organizations external to the County are accounted for as revenues, expenditures, or expenses in the funds involved. Transactions which constitute reimbursements of a fund for expenditures or expenses initially made from that fund which are properly applicable to another fund are recorded as expenditures or expended in the reimbursing fund and as reductions of the expenditure or expense in the fund that is reimbursed. At year-end, outstanding balances between funds are reported as "due 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".

Compensated Absences

Full-time employees are allowed sick leave of 12 days per year after one year of employment. Up to 180 days may be accumulated. Upon separation of employment, 25% of accumulated days may be paid at the employee's current pay level. Full-time employees accrue vacation immediately at a rate of 1 day per month. They receive these 12 working days per year through 5 years of service. Those employees with 6-10 years of service receive 13.5 working days, those with 11-20 years receive 18 working days, and those with 21 and more years receive 25.5 working days per year. Leave must be taken in the subsequent year, with no more than 5 days (40 hours) balance at the end of the qualifying year will be paid upon termination. For employees hired after April 1, 2011, the amount that can be accumulated was decreased. Accrued compensated absence balances are presented in Note 4.

Contraband

Per Colorado Contraband Forfeiture Act (CRS 16-13-501 to 511), proceeds received from the seizure of contraband must be used for the specific purpose of law enforcement activities. These proceeds are exempt from the appropriation process. Kit Carson County received no material proceeds from contraband during the year.

KIT CARSON COUNTY, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Inflows of Resources

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has only one type of item, which arises both under the full accrual and modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported in both the governmental activities statement of net position and in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Since property tax revenues are collected in arrears during the succeeding year, a receivable and corresponding deferred inflow is recorded at December 31. As the tax is collected in the succeeding year, the deferred inflow is recognized as revenue and the receivable is reduced.

Net Position/Fund Balance

In the government-wide financial statements and for the proprietary fund statements, Net Position are either shown as net investment in capital assets, with these assets essentially being nonexpendable; restricted when constraints placed on the net position are externally imposed; or unrestricted.

For the governmental fund presentation, fund balances that are classified as "nonspendable" include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts.

Fund balances are reported as "restricted" when constraints placed on the use of resources are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Amounts that can only be used for specific purposes pursuant to constraints imposed by the highest formal action, the adoption of an Ordinance, of the government's highest level of decision-making authority, the County Board, are reported as "committed" fund balance. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action (for example, legislation, resolution, ordinance) it employed to previously commit those amounts.

Amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed, are reported as "assigned" fund balance. Intent should be expressed by (a) the governing body itself or (b) a body (a budget or finance committee, for example) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes.

KIT CARSON COUNTY, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Position/Fund Balance (Continued)

All remaining fund balance in the General Fund or deficits in the other governmental funds are presented as unassigned.

Net Position/Fund Balance Flow Assumptions

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance, if allowed under the terms of the restriction. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

NOTE 2: CASH AND INVESTMENTS

A summary of cash and investments follows:

Governmental Activities	\$ 5,358,388
Business-Type Activities	(140,133)
Fiduciary Funds	<u>974,457</u>
Total Cash and Investments	<u>\$ 6,192,712</u>

The County's cash and investment balances are comprised of the following:

Cash Equivalents	\$ 5,191,525
Investments	<u>1,001,187</u>
Total Cash and Investments	<u>\$ 6,192,712</u>

KIT CARSON COUNTY, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2014

NOTE 2: CASH AND INVESTMENTS (Continued)

Deposits (Continued)

Custodial Credit Risk - Deposits

In the case of deposits, this is the risk that in the event of bank failure, the government's deposits may not be returned to it. The County's deposit policy is in accordance with CRS 11-10.5-101, The Colorado Public Deposit Protection Act (PDPA), which governs the investment of public funds. PDPA requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. Amounts on deposit in excess of federal insurance levels (\$250,000) must be collateralized by eligible collateral as determined by the PDPA. The financial institution is allowed to create a single collateral pool for all public funds held. 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 uninsured deposits.

The institution's internal records identify collateral by depositor and as such, these deposits are considered uninsured but collateralized. The State Regulatory Commissions for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools. At December 31, 2014, all of the County's bank deposits as shown below were either insured by federal depository insurance or collateralized under PDPA. Uninsured deposits in financial institutions are placed into three categories depending on the custody credit risk. The categories are as follows:

1. Uncollateralized
2. Collateralized with securities held by the pledging financial institution
3. Collateralized with securities held by the pledging financial institution's trust department, or agent but not in the entity's name

	<u>Bank Balance</u>	<u>Book Balance</u>
FDIC Insured	\$ 1,616,593	\$ 1,616,593
PDPA Collateralized not in County's name	3,549,196	3,568,883
Cash On Hand	-	6,049
Total Cash Equivalentents	<u>\$ 5,165,789</u>	<u>\$ 5,191,525</u>

KIT CARSON COUNTY, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2014

NOTE 2: CASH AND INVESTMENTS (Continued)

Investments (Continued)

Credit Risk

The County invests excess funds under the prudent investor rule. The criteria for selection of investments and their order of priority are: 1) Safety, 2) Liquidity, and 3) Yield. The County Treasurer is responsible for all of the investments of the County.

Eligible investments shall conform to state law and may include any of the following:

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

As of December 31, 2014, the County's investments consisted of the following:

	Market Value	Weighted Mat. in Years	% of Overall Investments
Federal Farm Credit Bank	\$ 298,635	2.26	29.83%
Federal Home Loan Bank	702,552	2.87	70.17%
Total Investments	<u>\$ 1,001,187</u>	<u>2.69</u>	<u>100.00%</u>

Interest Rate Risk

The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates, other than those contained in state statutes. The County's investment portfolio does not contain investments that exceed that limitation.

KIT CARSON COUNTY, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2014

NOTE 2: CASH AND INVESTMENTS (Continued)

Investments (Continued)

Concentration of Credit Risk

The County places no limit on the amount that may be invested in any one issuer. The County's allocation of investment risk is as presented in the above table.

Custodial Credit Risk – Investments

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County Board of Trustees approves a list of financial institutions and depositories authorized to provide investment services. The County's investments are held by First Financial Equity Corporation.

NOTE 3: RECEIVABLES

The County has recorded receivables from various governmental and non-governmental sources. The largest governmental activity receivable is for \$5,216,214 of property taxes levied in 2014 for collection in 2015. In addition, the County has recorded intergovernmental tax and grant receivables of \$517,897. The governmental activities also report an additional \$40,437 of other receivables. No allowance has been recorded against these receivables.

The Ambulance Fund reports the majority of the business-type activity receivables. There were \$269,532 of ambulance charges receivable at year end. The County has reported an allowance of \$171,842 against this amount for a net receivable of \$97,689.

KIT CARSON COUNTY, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2014

NOTE 4: CAPITAL ASSETS

A Summary of the County's governmental activity capital assets is as follows:

	Restated			Balances
	Balance			
GOVERNMENTAL ACTIVITIES:	01/01/14	Additions	Deletions	12/31/14
Capital assets not being depreciated:				
Land	\$ 154,107	\$ -	\$ -	\$ 154,107
Capital assets being depreciated:				
Buildings & Improvements	3,806,817	142,784	85,103	3,864,498
Equipment & Furniture	<u>11,504,910</u>	<u>1,182,609</u>	<u>869,570</u>	<u>11,817,949</u>
Total capital assets being depreciated	<u>15,311,727</u>	<u>1,325,393</u>	<u>954,673</u>	<u>15,682,447</u>
Less accumulated depreciation for:				
Buildings & Improvements	2,406,876	49,975	60,081	2,396,770
Equipment & Furniture	<u>7,544,314</u>	<u>630,637</u>	<u>696,731</u>	<u>7,478,220</u>
Total accumulated depreciation	<u>9,951,190</u>	<u>680,612</u>	<u>756,812</u>	<u>9,874,990</u>
Total capital assets being depreciated, net	<u>12,904,851</u>	<u>644,781</u>	<u>197,861</u>	<u>5,807,457</u>
Governmental activity capital assets, net	<u>\$ 5,514,644</u>	<u>\$ 644,781</u>	<u>\$ 197,861</u>	<u>\$ 5,961,564</u>

Depreciation is charged to the County's governmental activities as follows:

General Government	\$ 95,212
Public Safety	77,809
Public Works	498,896
Public Health	<u>8,695</u>
Total Depreciation	<u>\$ 680,612</u>

KIT CARSON COUNTY, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2014

NOTE 4: CAPITAL ASSETS (Continued)

The following schedule presents business-type activities capital assets at December 31, 2014:

	Balance			Balances
BUSINESS-TYPE ACTIVITIES:	01/01/14	Additions	Deletions	12/31/14
Capital assets not being depreciated:				
Construction in Progress	\$ 223,206	\$ -	\$ 223,206	\$ -
Capital assets being depreciated:				
Buildings & Improvements	1,841,686	533,302	-	2,374,988
Equipment & Furniture	<u>716,922</u>	<u>18,835</u>	<u>-</u>	<u>735,757</u>
Total capital assets being depreciated	<u>2,558,608</u>	<u>552,137</u>	<u>-</u>	<u>3,110,745</u>
Less accumulated depreciation for:				
Buildings & Improvements	515,677	41,574	-	557,251
Equipment & Furniture	<u>687,920</u>	<u>20,896</u>	<u>-</u>	<u>708,816</u>
Total accumulated depreciation	<u>1,203,597</u>	<u>62,470</u>	<u>-</u>	<u>1,266,067</u>
Total capital assets being depreciated,	<u>1,355,011</u>	<u>489,667</u>	<u>-</u>	<u>1,844,678</u>
Business-Type activity capital assets, net	<u>\$ 1,578,217</u>	<u>\$ 489,667</u>	<u>\$ 223,206</u>	<u>\$ 1,844,678</u>

Depreciation is charged to the County's business-type activities as follows:

Depreciation is charged to the County's Business-Type Activities as follows:

Facility Fund	\$ 36,834
Ambulance Fund	<u>25,636</u>
Total Depreciation	<u>\$ 62,470</u>

KIT CARSON COUNTY, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2014

NOTE 5: LONG-TERM LIABILITIES

The County has recorded governmental activities long-term liabilities related accrued compensated absences and for future landfill closure costs. Changes in these liabilities are summarized below.

	Balance 1/1/14	Additions	Payments	Balance 12/31/14	Current Portion
Governmental Activities:					
Landfill Closure and Postclosure Liability	\$ 740,802	\$ 22,113	\$ -	\$ 762,915	\$ -
Accrued Compensated Absences	<u>197,023</u>	<u>7,911</u>	<u>-</u>	<u>204,934</u>	<u>-</u>
Total Noncurrent Liabilities	<u><u>\$ 937,825</u></u>	<u><u>\$ 30,024</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 967,849</u></u>	<u><u>\$ -</u></u>

Landfill Closure and Postclosure Liability

State and federal laws and regulations require the County to place a final cover on its landfill when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and post closure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and post closure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date.

The estimated cost is to perform all closure and post closure care was \$768,739, based on a cost estimate completed in March 2010. The costs were comprised of \$403,333 of closure costs and \$365,406 of post-closure costs. As adjusted for inflation, these costs are now estimated to be \$828,114. The County currently has a filled pit (the old landfill) as well as a partially filled "Cell A" that has approximately 19% capacity remaining for an overall filled amount of slightly less than 94%. Based on this usage, the County has recorded a long-term liability of \$758,350. The County estimates that there are three years remaining before capacity is fully utilized. The County anticipates opening an additional "Cell B" at that point, although closure and postclosure costs for the future cell are not included in the above amounts. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

The County is required by state and federal laws and regulations to make annual contributions to a trust to finance closure and post closure care or to exhibit financial assurance that it is able to finance these costs without the contributions to a trust. The County has demonstrated financial assurance and as a result has not made any contributions to a trust.

KIT CARSON COUNTY, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2014

NOTE 6: JOINT VENTURES

The County participates in the Colorado Technical Services, Inc. (CTSI) Insurance Pool. This joint venture does not meet the criteria for inclusion within the reporting entity because the CTSI Insurance Pool:

- Is financially independent and responsible for its own financial deficits and entitled to its own surpluses.
- Has a separate governing board from that of the County.
- The governing board and management have the ability to significantly influence operations by approving budgetary requests and adjustments, signing contracts, hiring personnel, exercising control over facilities and determining the outcome or disposition of matters affecting the recipients of services provided, and
- Has absolute authority over all funds and fiscal responsibility including budgetary responsibility and reporting to state agencies and controls fiscal management.

The County is part of a joint venture to support Northeast Colorado Bookmobile Service. The counties involved are Kit Carson, Logan, Morgan, Phillips, Washington and Yuma. Each county's funding proportion is determined by a percentage method based on the previous year's contribution and/or an original formula, which weighs factors such as population, area, and assessed valuation. Complete financial statements may be obtained at their offices in Wray, Colorado. The County is also part of a joint venture of the Thirteenth Judicial District comprised of the Colorado counties of Morgan, Logan, Yuma, Kit Carson, Washington, Phillips and Sedgwick. Each county's funding is determined primarily by population. Complete financial statements may be obtained at their offices in Fort Morgan, Colorado. Financial information is not included for any of the entities. Finally, the County also provides an extension office affiliated with Colorado State University and jointly participates in providing health related services through Centennial Mental Health.

KIT CARSON COUNTY, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2014

NOTE 7: PENSION PLANS

The County currently provides a retirement program with Colorado County Officials and Employees Retirement Association (CCOERA) for eligible. This is in addition to Social Security coverage.

When the employee is hired it is mandatory that the employee enrolls in the retirement plan. The employee must work at least 20 hours per week or an average of 20 hours per week throughout the year, but no less than 1,040 hours in a 12 month period during the year to remain eligible for retirement benefits.

The minimum monthly contribution by the employee is 3% of the employee's monthly salary with the County making a matching contribution of 3%.

Employees hired after January 1, 2013 will be vested 0% in year 1, 20% in year 2, 40% in year 3, 60% in year 4, 80% in year 5 and 100% in year 6 of employment. If the employee leaves before being fully vested, the employee will only be able to take the earned percentage of vestment. If the employee is age 55 or above on the date of hire or before the 6 year vesting period is complete, the employee will be immediately vested.

The amount paid into CCOERA by the County in 2014 was \$125,491 regarding eligible salaries of \$4,184,046 and total salaries of \$4,256,539. Mandatory employee contributions in 2013 were \$120,124.

The County has a 457 Pension Plan. The employer does not make any contributions to the plan. The employee contributions and earnings fund the plan.

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' Compensations Pool (CWCP), a public entity risk pool currently operating as a common risk management and insurance program for member counties. The County pays an annual contribution to CWCP for its workers' compensation insurance coverage. The intergovernmental agreement of formation of CWCP provides that the pool will be financially self-sustaining through member contributions and additional assessments, if necessary, and the Pool will purchase excess insurance through commercial companies for members' claims in excess of a specified self-insured retention, which is determined each policy year. Additional information may be obtained from CWCP.

KIT CARSON COUNTY, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2014

NOTE 8: RISK MANAGEMENT (Continued)

Colorado Counties Casualty and Property Pool

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

The County, in their opinion, has obtained adequate coverage as required by Colorado Revised Statutes to settle claims in the ordinary course of business. However, due to the unknown nature of potential liability, some claims may arise that fall outside the coverage limits for which the County would be financially responsible. There have not been any claims in excess of coverages during the past three years.

NOTE 9: COMMITMENTS

TABOR Amendment

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several 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 1997, the County passed the following election question with regards to TABOR:

SHALL KIT CARSON COUNTY, COLORADO, WITHOUT CREATING, INCREASING, OR ADDING ANY TAXES OF ANY KIND, INCLUDING ANY INCREASE IN THE PROPERTY TAX MILL LEVY, BE AUTHORIZED TO COLLECT, RETAIN AND EXPEND THE FULL AMOUNT OF REVENUES, INCLUDING GRANTS AND ANY OTHER REVENUES RECEIVED, IN 1996 AND EACH SUBSEQUENT YEAR, AND TO SPEND SUCH REVENUES FOR COUNTY ROADS, COUNTY AGENCIES AND LAWFUL GOVERNMENTAL PURPOSES, NOTWITHSTANDING ANY RESTRICTIONS IMPOSED BY OR CONTAINED IN ARTICLE X, SECTION 20, OF THE COLORADO CONSTITUTION?

The TABOR Amendment requires the County to establish a reserve for emergencies. At December 31, 2014, the County's total TABOR reserve of \$377,000 is divided \$204,518 in the Contingent Fund and \$172,482 in the General Fund.

KIT CARSON COUNTY, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2014

NOTE 10: PRIOR PERIOD RESTATEMENTS

December 31, 2013 balances have been restated to reflect unrecorded receivables, inventory and prepaid insurance amounts. In addition, as part of the review of the capital asset records it was determined that equipment with a value of \$128,795 should have been deleted in prior years' and an additional \$6,270 of depreciation should have been recorded. Finally, the County had disclosed its landfill closure and postclosure obligations in the prior year footnotes, but failed to record the liability at the activity level. A summary of these restatements is as follows:

	12/31/2013		Prepaid		Capital	Landfill	Restated
	Ending	Receivables	Expenses	Inventory	Assets	Closure	1/1/2014
							Beginning
General Fund	\$ 2,339,451	\$ -	\$ 43,491	\$ -	\$ -	\$ -	\$ 2,382,942
Road & Bridge Fund	1,524,826	144,709	24,776	164,440	-	-	1,858,751
Human Services Fund	217,490	-	12,498	-	-	-	229,988
Nonmajor Governmental Fun	1,141,647	-	17,596	32,769	-	-	1,192,012
Governmental Activities	10,676,100	144,709	98,361	197,209	(135,065)	(745,261)	10,236,053
Ambulance Fund	296,492	-	3,143	30,029	-	-	329,664
Business Type Activites	1,675,842	-	3,143	30,029	-	-	1,709,014

REQUIRED SUPPLEMENTARY INFORMATION

KIT CARSON COUNTY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND

Year Ended December 31, 2014

	2014		
	Original & Final Budget	Actual	Variance with Final Budget
REVENUES			
Taxes			
Property Taxes	\$ 3,354,377	\$ 3,447,776	\$ 93,399
Specific Ownership Taxes	360,000	453,263	93,263
Total Taxes	<u>3,714,377</u>	<u>3,901,039</u>	<u>186,662</u>
Licenses and Permits	<u>56,575</u>	<u>34,475</u>	<u>(22,100)</u>
Intergovernmental			
Govt Grants and Contracts	170,447	181,619	11,172
IGA and MOU Agreements	28,000	27,913	(87)
Other Intergovernmental	11,200	2,003	(9,197)
Total Intergovernmental	<u>209,647</u>	<u>211,535</u>	<u>1,888</u>
Charges for Services			
Transfer from Treasurer	574,000	564,526	(9,474)
Miscellaneous Fees	62,450	14,032	(48,418)
Charges for Services	130,300	138,759	8,459
Total Charges for Services	<u>766,750</u>	<u>717,317</u>	<u>(49,433)</u>
Fines and Forfeits	<u>17,500</u>	<u>25,887</u>	<u>8,387</u>
Investment Earnings	<u>34,000</u>	<u>12,540</u>	<u>(21,460)</u>
Other Revenue			
Refunds and Reimbursements	2,000	16,120	14,120
Sale of Assets	18,000	97,000	79,000
Insurance Proceeds	-	58,106	58,106
Indirect Revenue	103,000	100,000	(3,000)
Miscellaneous Revenue	117,200	153,730	36,530
Total Other Revenues	<u>240,200</u>	<u>424,957</u>	<u>184,757</u>
TOTAL REVENUES	<u>5,039,049</u>	<u>5,327,750</u>	<u>288,701</u>

(Continued)

See accompanying Independent Auditors' Report.

KIT CARSON COUNTY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND

Year Ended December 31, 2014

	2014		
	Original & Final Budget	Actual	Variance with Final Budget
EXPENDITURES			
General Government			
Commissioners	410,911	427,320	(16,409)
County Attorney	19,175	14,653	4,522
Planning & Zoning	18,532	17,580	952
Clerk & Recorder	307,832	308,457	(625)
Elections	149,609	107,209	42,400
Treasurer	200,982	193,837	7,145
Assessor	256,484	253,818	2,666
Grounds & Building	384,421	334,744	49,677
Self Insurance	320,000	279,187	40,813
CSU Extension Office	205,506	199,769	5,737
ECCOG	33,649	42,312	(8,663)
Administrator	160,586	154,710	5,876
Community Programs	231,590	230,500	1,090
Public Trustee	14,300	8,813	5,487
Information Technology	82,260	83,875	(1,615)
Treasurer's Fees	-	106,823	(106,823)
Reserves	2,234,368	-	2,234,368
Total General Government	5,030,205	2,763,607	2,266,598

(Continued)

See accompanying Independent Auditors' Report.

KIT CARSON COUNTY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND

Year Ended December 31, 2014

	2014		Variance with Final Budget
	Original & Final Budget	Actual	
Public Safety			
Victims Assistance	67,697	65,611	2,086
Sheriff	597,981	586,735	11,246
Jail	601,900	583,823	18,077
Coroner	65,413	54,652	10,761
Emergency Management	23,600	19,578	4,022
Communications Center	288,868	242,782	46,086
Emergency Communications Towers	30,250	11,914	18,336
Useful Public Service	2,155	1,875	280
Court Security	101,891	88,895	12,996
Commissary	10,000	-	10,000
Total Public Safety	<u>1,789,755</u>	<u>1,655,865</u>	<u>133,890</u>
Health, Welfare & Sanitation			
Veteran Officer	3,000	3,000	-
Culture & Recreation			
Fair	104,610	131,533	(26,923)
Rodeo	134,572	133,452	1,120
Total Culture & Recreation	<u>239,182</u>	<u>264,985</u>	<u>(25,803)</u>
Capital Outlay			
General Government	16,000	21,561	(5,561)
Public Safety	40,500	139,374	(98,874)
Total Capital Outlay	<u>56,500</u>	<u>160,935</u>	<u>(104,435)</u>
TOTAL EXPENDITURES	<u>7,118,642</u>	<u>4,848,392</u>	<u>2,270,250</u>
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	<u>(2,079,593)</u>	<u>479,358</u>	<u>2,558,951</u>

(Continued)

See accompanying Independent Auditors' Report.

KIT CARSON COUNTY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
 BUDGET AND ACTUAL
 GENERAL FUND

Year Ended December 31, 2014

	2014		Variance with Final Budget
	Original & Final Budget	Actual	
OTHER FINANCING SOURCES (USES)			
Transfers Out	(394,216)	(144,855)	249,361
CHANGE IN FUND BALANCE	(2,473,809)	334,503	2,808,312
FUND BALANCE, Beginning	2,473,809	2,339,451	(134,358)
Prior Period Restatement	-	43,491	43,491
FUND BALANCE, Beginning (As Restated)	2,473,809	2,382,942	(90,867)
FUND BALANCE, Ending	<u>\$ -</u>	<u>\$ 2,717,445</u>	<u>\$ 2,717,445</u>

See accompanying Independent Auditors' Report.

KIT CARSON COUNTY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
 BUDGET AND ACTUAL
 ROAD AND BRIDGE FUND
 Year Ended December 31, 2014

	2014		
	Original & Final Budget	Actual	Variance with Final Budget
REVENUES			
Taxes			
Property Taxes	\$ 1,158,547	\$ 1,169,482	\$ 10,935
Specific Ownership Taxes	<u>155,000</u>	<u>183,381</u>	<u>28,381</u>
Total Taxes	<u>1,313,547</u>	<u>1,352,863</u>	<u>39,316</u>
Intergovernmental			
Govt Grants and Contracts	-	99,742	99,742
Other Intergovernmental	<u>2,539,914</u>	<u>2,638,571</u>	<u>98,657</u>
Total Intergovernmental	<u>2,539,914</u>	<u>2,738,313</u>	<u>198,399</u>
Charges for Services			
Miscellaneous Fees	9,748	6,325	(3,423)
Charges for Services	<u>5,000</u>	<u>4,213</u>	<u>(787)</u>
Total Charges for Services	<u>14,748</u>	<u>10,538</u>	<u>(4,210)</u>
Other Revenue			
Refunds and Reimbursements	-	21,605	21,605
Sale of Assets	28,800	38,799	9,999
Insurance Proceeds	-	11,035	11,035
Miscellaneous Revenue	<u>4,500</u>	<u>3,752</u>	<u>(748)</u>
Total Other Revenues	<u>33,300</u>	<u>75,191</u>	<u>41,891</u>
TOTAL REVENUES	<u>3,901,509</u>	<u>4,176,905</u>	<u>275,396</u>

(Continued)

See accompanying Independent Auditors' Report.

KIT CARSON COUNTY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
 BUDGET AND ACTUAL
 ROAD AND BRIDGE FUND
 Year Ended December 31, 2014

	2014		
	Original & Final Budget	Actual	Variance with Final Budget
EXPENDITURES			
General Government			
Treasurer's Fees	56,000	64,486	(8,486)
Public Works			
Road & Bridge Dist #1	945,184	911,354	33,830
Road & Bridge Dist #2	897,591	803,868	93,723
Road & Bridge Dist #3	807,206	816,238	(9,032)
Weed District	80,285	70,497	9,788
Road and Bridge Improvement	366,968	627,208	(260,240)
CDL Testing	9,748	5,660	4,088
Reserves	1,724,784	-	1,724,784
Total Public Works	4,831,766	3,234,825	1,596,941
Capital Outlay			
Public Works	900,250	783,617	116,633
TOTAL EXPENDITURES	5,788,016	4,082,928	1,705,088
CHANGE IN FUND BALANCE	(1,886,507)	93,977	1,980,484
FUND BALANCE, Beginning	1,886,507	1,524,826	(361,681)
Prior Period Restatement	-	333,925	333,925
FUND BALANCE, Beginning (As Restated)	1,886,507	1,858,751	(27,756)
FUND BALANCE, Ending	\$ -	\$ 1,952,728	\$ 1,952,728

See accompanying Independent Auditors' Report.

KIT CARSON COUNTY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
 BUDGET AND ACTUAL
 HUMAN SERVICES FUND
 Year Ended December 31, 2014

	2014			Variance with Final Budget
	Original Budget	Final Budget	Actual	
REVENUES				
Taxes				
Property Taxes	\$ 174,880	\$ 174,880	\$ 174,363	\$ (517)
Specific Ownership Taxes	16,000	16,000	22,922	6,922
Total Taxes	<u>190,880</u>	<u>190,880</u>	<u>197,285</u>	<u>6,405</u>
Intergovernmental				
Human Services Grants	2,705,782	2,705,782	1,872,485	(833,297)
Other Intergovernmental	-	-	4,178	4,178
Total Intergovernmental	<u>2,705,782</u>	<u>2,705,782</u>	<u>1,876,663</u>	<u>(829,119)</u>
Charges for Services				
Charges for Services	10,000	10,000	-	(10,000)
Other Revenue				
Miscellaneous Revenue	6,270	6,270	1,951	(4,319)
TOTAL REVENUES	<u>2,912,932</u>	<u>2,912,932</u>	<u>2,075,899</u>	<u>(837,033)</u>
EXPENDITURES				
Health, Welfare & Sanitation				
Social Services	2,697,463	2,697,563	2,056,805	640,758
CHANGE IN FUND BALANCE	<u>215,469</u>	<u>215,369</u>	<u>19,094</u>	<u>(196,275)</u>
FUND BALANCE, Beginning	266,099	266,099	217,490	(48,609)
Prior Period Restatement	-	-	12,498	12,498
FUND BALANCE, Beginning (As Restated)	<u>266,099</u>	<u>266,099</u>	<u>229,988</u>	<u>(36,111)</u>
FUND BALANCE, Ending	<u>\$ 481,568</u>	<u>\$ 481,468</u>	<u>\$ 249,082</u>	<u>\$ (232,386)</u>

See accompanying Independent Auditors' Report.

OTHER SUPPLEMENTARY INFORMATION

INTENTIONALLY LEFT BLANK

SPECIAL REVENUE FUND

Special Revenue Fund is established to account for the proceeds of specific revenue sources, other than special assessments, expendable trusts, or major capital projects that are legally restricted to expenditures for specified purposes.

KIT CARSON COUNTY

BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2014

	Special Revenue Funds			
	Public Health Fund	Contingent Fund	Conservation Trust Fund	Solid Waste Fund
ASSETS				
Cash and Investments	\$ (39,722)	\$ 204,518	\$ 17,815	\$ 681,783
Property Tax Receivable	-	-	-	274,776
Receivable from Other Governments	155,911	-	-	-
Other Receivables	14,207	-	-	-
Internal Balances	-	-	12,000	-
Inventory	19,624	-	-	12,724
Prepaid Expenses	15,258	-	-	2,588
TOTAL ASSETS	<u>165,278</u>	<u>204,518</u>	<u>29,815</u>	<u>971,871</u>
LIABILITIES				
Accounts Payable	7,927	-	-	13,374
DEFERRED INFLOWS OF FINANCIAL RESOURCES				
Deferred Property Taxes	-	-	-	274,776
FUND EQUITY				
Unspendable	34,882	-	-	15,312
Restricted	-	204,518	29,815	-
Committed	122,469	-	-	668,409
TOTAL NET POSITION	<u>\$ 157,351</u>	<u>\$ 204,518</u>	<u>\$ 29,815</u>	<u>\$ 683,721</u>

See accompanying Independent Auditors' Report.

<u>Spec Rev</u>		<u>Cap Proj Fd</u>	
<u>E-911</u>	<u>Capital</u>	<u>Total</u>	
<u>Fund</u>	<u>Fund</u>	<u>2014</u>	
\$ 92,329	\$ 785	\$	957,508
-	85,868		360,644
-	-		155,911
12,842	-		27,049
-	-		12,000
-	-		32,348
<u>1,212</u>	<u>-</u>		<u>19,058</u>
<u>106,383</u>	<u>86,653</u>		<u>1,564,518</u>
<u>8</u>	<u>-</u>		<u>21,309</u>
<u>-</u>	<u>85,868</u>		<u>360,644</u>
1,212	-		51,406
-	-		234,333
<u>105,163</u>	<u>785</u>		<u>896,826</u>
<u>\$ 106,375</u>	<u>\$ 785</u>	<u>\$</u>	<u>1,182,565</u>

KIT CARSON COUNTY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2014

	Special Revenue Funds			
	Public Health Fund	Contingent Fund	Conservation Trust Fund	Solid Waste Fund
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ 315,656
Licenses and Permits	26,390	-	-	-
Intergovernmental	1,114,423	-	22,166	-
Charges for Services	31,236	-	-	208,295
Investment Earnings	-	-	38	-
Other Revenue	2,482	-	-	3
TOTAL REVENUES	<u>1,174,531</u>	<u>-</u>	<u>22,204</u>	<u>523,954</u>
EXPENDITURES				
Current:				
Public Safety	-	-	-	-
Health, Welfare & Sanitation	1,232,654	-	-	339,408
Culture & Recreation	-	-	21,447	-
Capital Outlay	-	-	16,690	49,854
TOTAL EXPENDITURES	<u>1,232,654</u>	<u>-</u>	<u>38,137</u>	<u>389,262</u>
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	(58,123)	-	(15,933)	134,692
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
CHANGE IN FUND BALANCE	<u>(58,123)</u>	<u>-</u>	<u>(15,933)</u>	<u>134,692</u>
FUND BALANCE, Beginning	181,530	204,518	45,748	533,522
Prior Period Restatement	33,944	-	-	15,507
FUND BALANCE, Beginning (As Restated)	<u>215,474</u>	<u>204,518</u>	<u>45,748</u>	<u>549,029</u>
FUND BALANCE, Ending	<u>\$ 157,351</u>	<u>\$ 204,518</u>	<u>\$ 29,815</u>	<u>\$ 683,721</u>

See accompanying Independent Auditors' Report.

<u>Spec Rev</u>	<u>Cap Proj Fd</u>	
<u>E-911</u>	<u>Capital</u>	<u>Total</u>
<u>Fund</u>	<u>Fund</u>	<u>2014</u>
\$ -	\$ -	\$ 315,656
-	-	26,390
1,506	-	1,138,095
108,044	-	347,575
-	-	38
-	-	2,485
<u>109,550</u>	<u>-</u>	<u>1,830,239</u>
96,590	-	96,590
-	-	1,572,062
-	-	21,447
-	<u>133,043</u>	<u>199,587</u>
<u>96,590</u>	<u>133,043</u>	<u>1,889,686</u>
12,960	(133,043)	(59,447)
-	<u>50,000</u>	<u>50,000</u>
<u>12,960</u>	<u>(83,043)</u>	<u>(9,447)</u>
92,501	83,828	1,141,647
914	-	50,365
<u>93,415</u>	<u>83,828</u>	<u>1,192,012</u>
<u>\$ 106,375</u>	<u>\$ 785</u>	<u>\$ 1,182,565</u>

KIT CARSON COUNTY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
 BUDGET AND ACTUAL
 PUBLIC HEALTH FUND

Year Ended December 31, 2014

	2014		Variance with Final Budget
	Original & Final Budget	Actual	
REVENUES			
Licenses and Permits	\$ 20,000	\$ 26,390	\$ 6,390
Intergovernmental			
Govt Grants and Contracts	1,146,274	1,114,130	(32,144)
Human Services Grants	44,000	293	(43,707)
Total Intergovernmental	<u>1,190,274</u>	<u>1,114,423</u>	<u>(75,851)</u>
Charges for Services			
Health Insurance Receipts	-	285	285
Miscellaneous Fees	40,131	30,951	(9,180)
Total Charges for Services	<u>40,131</u>	<u>31,236</u>	<u>(8,895)</u>
Other Revenue			
Refunds and Reimbursements	-	524	524
Donations	5,000	1,938	(3,062)
Miscellaneous Revenue	-	20	20
Total Other Revenues	<u>5,000</u>	<u>2,482</u>	<u>(2,518)</u>
TOTAL REVENUES	<u>1,255,405</u>	<u>1,174,531</u>	<u>(80,874)</u>

(Continued)

See accompanying Independent Auditors' Report.

KIT CARSON COUNTY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
 BUDGET AND ACTUAL
 PUBLIC HEALTH FUND
 Year Ended December 31, 2014

	2014		
	Original & Final Budget	Actual	Variance with Final Budget
EXPENDITURES			
Health, Welfare & Sanitation			
Nurse	206,801	181,653	25,148
Prenatal	33,840	22,753	11,087
WIC	86,280	86,251	29
Healthy Communities	25,539	3,274	22,265
Health Officer	2,400	2,400	-
EPR	54,268	35,747	18,521
CVP	108,333	95,965	12,368
Single Entry Point/OLTC	161,802	121,642	40,160
Connect Colorado	167,533	78,382	89,151
Aging Resources	-	4,389	(4,389)
Family Planning	64,267	52,787	11,480
Health Specialist	69,038	62,134	6,904
Cancer Control	21,318	9,616	11,702
Health Promotion	106,769	105,202	1,567
Nurse Family Partnership	402,578	358,939	43,639
Reserves	-	11,520	(11,520)
TOTAL EXPENDITURES	<u>1,510,766</u>	<u>1,232,654</u>	<u>278,112</u>
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	(255,361)	(58,123)	197,238
OTHER FINANCING SOURCES (USES)			
Transfers In	<u>255,361</u>	-	<u>(255,361)</u>
CHANGE IN FUND BALANCE	<u>-</u>	<u>(58,123)</u>	<u>(58,123)</u>
FUND BALANCE, Beginning	-	181,530	181,530
Prior Period Restatement	-	33,944	33,944
FUND BALANCE, Beginning (As Restated)	<u>-</u>	<u>215,474</u>	<u>215,474</u>
FUND BALANCE, Ending	<u>\$ -</u>	<u>\$ 157,351</u>	<u>\$ 157,351</u>

See accompanying Independent Auditors' Report.

KIT CARSON COUNTY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
 BUDGET AND ACTUAL
 CONTINGENT FUND

Year Ended December 31, 2014

	2014		
	Original & Final Budget	Actual	Variance with Final Budget
EXPENDITURES			
General Government			
Reserves	\$ 204,518	\$ -	\$ 204,518
CHANGE IN FUND BALANCE	(204,518)	-	204,518
FUND BALANCE, Beginning	204,518	204,518	-
FUND BALANCE, Ending	\$ -	\$ 204,518	\$ 204,518

See accompanying Independent Auditors' Report.

KIT CARSON COUNTY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
 BUDGET AND ACTUAL
 CONSERVATION TRUST FUND
 Year Ended December 31, 2014

	2014		
	Original & Final Budget	Actual	Variance with Final Budget
REVENUES			
Intergovernmental			
Govt Grants and Contracts	\$ 22,108	\$ 22,166	\$ 58
Investment Earnings	35	38	3
TOTAL REVENUES	<u>22,143</u>	<u>22,204</u>	<u>61</u>
EXPENDITURES			
Culture & Recreation			
Conservation	36,005	21,447	14,558
Reserves	<u>31,592</u>	<u>-</u>	<u>31,592</u>
Total Culture & Recreation	67,597	21,447	46,150
Capital Outlay			
Other Capital	<u>-</u>	<u>16,690</u>	<u>(16,690)</u>
TOTAL EXPENDITURES	<u>67,597</u>	<u>38,137</u>	<u>29,460</u>
CHANGE IN FUND BALANCE	(45,454)	(15,933)	29,521
FUND BALANCE, Beginning	<u>45,454</u>	<u>45,748</u>	<u>294</u>
FUND BALANCE, Ending	<u>\$ -</u>	<u>\$ 29,815</u>	<u>\$ 29,815</u>

See accompanying Independent Auditors' Report.

KIT CARSON COUNTY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
SOLID WASTE FUND

Year Ended December 31, 2014

	2014		
	Original & Final Budget	Actual	Variance with Final Budget
REVENUES			
Taxes			
Property Taxes	\$ 274,857	\$ 278,980	\$ 4,123
Specific Ownership Taxes	28,000	36,676	8,676
Total Taxes	<u>302,857</u>	<u>315,656</u>	<u>12,799</u>
Charges for Services			
Charges for Services	190,000	208,295	18,295
Other Revenue			
Refunds and Reimbursements	-	3	3
TOTAL REVENUES	<u>492,857</u>	<u>523,954</u>	<u>31,097</u>
EXPENDITURES			
Health, Welfare & Sanitation			
Solid Waste	429,150	339,408	89,742
Reserves	557,395	-	557,395
Total Health, Welfare & Sanitation	<u>986,545</u>	<u>339,408</u>	<u>647,137</u>
Capital Outlay			
Health, Welfare & Sanitation	58,000	49,854	8,146
TOTAL EXPENDITURES	<u>1,044,545</u>	<u>389,262</u>	<u>655,283</u>
CHANGE IN FUND BALANCE	<u>(551,688)</u>	<u>134,692</u>	<u>686,380</u>
FUND BALANCE, Beginning	551,688	533,522	(18,166)
Prior Period Restatement	-	15,507	15,507
FUND BALANCE, Beginning (As Restated)	<u>551,688</u>	<u>549,029</u>	<u>(2,659)</u>
FUND BALANCE, Ending	<u>\$ -</u>	<u>\$ 683,721</u>	<u>\$ 683,721</u>

See accompanying Independent Auditors' Report.

KIT CARSON COUNTY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
E911 FUND

Year Ended December 31, 2014

	2014		
	Original & Final Budget	Actual	Variance with Final Budget
REVENUES			
Intergovernmental			
Govt Grants and Contracts	\$ 8,561	\$ 1,506	\$ (7,055)
Charges for Services			
Charges for Services	<u>103,800</u>	<u>108,044</u>	<u>4,244</u>
TOTAL REVENUES	<u>112,361</u>	<u>109,550</u>	<u>(2,811)</u>
EXPENDITURES			
Public Safety			
E-911	98,633	96,590	2,043
Reserves	<u>75,613</u>	<u>-</u>	<u>75,613</u>
Total Public Safety	174,246	96,590	77,656
Capital Outlay			
Public Safety	<u>13,000</u>	<u>-</u>	<u>13,000</u>
TOTAL EXPENDITURES	<u>187,246</u>	<u>96,590</u>	<u>90,656</u>
CHANGE IN FUND BALANCE	<u>(74,885)</u>	<u>12,960</u>	<u>87,845</u>
FUND BALANCE, Beginning	74,885	92,501	17,616
Prior Period Restatement	-	914	914
FUND BALANCE, Beginning (As Restated)	<u>74,885</u>	<u>93,415</u>	<u>18,530</u>
FUND BALANCE, Ending	<u>\$ -</u>	<u>\$ 106,375</u>	<u>\$ 106,375</u>

See accompanying Independent Auditors' Report.

KIT CARSON COUNTY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
 BUDGET AND ACTUAL
 CAPITAL FUND

Year Ended December 31, 2014

	2014		
	Original & Final Budget	Actual	Variance with Final Budget
EXPENDITURES			
Capital Outlay			
Other Capital	\$ 83,828	\$ 133,043	\$ (49,215)
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	(83,828)	(133,043)	(49,215)
OTHER FINANCING SOURCES (USES)			
Transfers In	-	50,000	50,000
CHANGE IN FUND BALANCE	(83,828)	(83,043)	785
FUND BALANCE, Beginning	83,828	83,828	-
FUND BALANCE, Ending	\$ -	\$ 785	\$ 785

See accompanying Independent Auditors' Report.

ENTERPRISE FUNDS

Enterprise Funds are used to account for operations that are financed in a manner similar to private business enterprises. The costs of providing goods or services to the general public on a continuing basis are recovered primarily from user charges.

KIT CARSON COUNTY

STATEMENT OF REVENUES, EXPENSES AND CHANGE IN NET POSITION
 BUDGET AND ACTUAL
 AMBULANCE FUND
 Year Ended December 31, 2014

	2014		
	Original & Final Budget	Actual	Variance with Final Budget
OPERATING REVENUES			
Charges for Services	\$ 350,000	\$ 269,218	\$ (80,782)
OPERATING EXPENSES			
Personal Services	205,670	233,408	(27,738)
Contractual Services	41,350	15,463	25,887
Utilities and Telephone	13,500	20,267	(6,767)
Repairs and Maintenance	10,500	10,864	(364)
Supplies	25,350	21,907	3,443
Other Expenses	4,600	5,854	(1,254)
Travel and Training	3,900	3,786	114
Capital Outlay	414,985	359,253	55,732
TOTAL OPERATING EXPENSES	<u>719,855</u>	<u>670,802</u>	<u>49,053</u>
OPERATING INCOME (LOSS)	<u>(369,855)</u>	<u>(401,584)</u>	<u>(31,729)</u>
OTHER REVENUES (EXPENSES)			
Refunds and Reimbursements	-	1,432	1,432
Miscellaneous Revenue	-	2,000	2,000
TOTAL OTHER REVENUES (EXPENSES)	<u>-</u>	<u>3,432</u>	<u>3,432</u>
NET INCOME (LOSS) BEFORE TRANSFERS	<u>(369,855)</u>	<u>(398,152)</u>	<u>(28,297)</u>
TRANSFERS			
Transfers In	144,855	144,855	-
CAPITAL GRANTS	<u>225,000</u>	<u>154,930</u>	<u>(70,070)</u>
CHANGE IN NET POSITION - BUDGET BASIS	<u>\$ -</u>	<u>(98,367)</u>	<u>\$ (98,367)</u>
RECONCILIATION OF BUDGET TO GAAP BASIS			
Capital Outlay		328,931	
Depreciation		(25,637)	
CHANGE IN NET POSITION - GAAP BASIS		<u>204,927</u>	
NET POSITION, Beginning		296,492	
Prior Period Restatement		33,172	
NET POSITION, Beginning (As Restated)		<u>329,664</u>	
NET POSITION, Ending		<u>\$ 534,591</u>	

See accompanying Independent Auditors' Report.

KIT CARSON COUNTY

STATEMENT OF REVENUES, EXPENSES AND CHANGE IN NET POSITION
 BUDGET AND ACTUAL
 KIT CARSON COUNTY FACILITY FUND
 Year Ended December 31, 2014

	2014		
	Original & Final Budget	Actual	Variance with Final Budget
OPERATING EXPENSES			
Capital Outlay	\$ 53,212	\$ -	\$ 53,212
OPERATING INCOME (LOSS)	(53,212)	-	53,212
OTHER REVENUES (EXPENSES)			
Donations	-	15,000	15,000
NET INCOME (LOSS) BEFORE TRANSFERS	(53,212)	15,000	68,212
TRANSFERS			
Transfers Out	-	(50,000)	(50,000)
CHANGE IN NET POSITION - BUDGET BASIS	<u>\$ (53,212)</u>	<u>(35,000)</u>	<u>\$ 18,212</u>
RECONCILIATION OF BUDGET TO GAAP BASIS			
Depreciation		(36,834)	
CHANGE IN NET POSITION - GAAP BASIS		(71,834)	
NET POSITION, Beginning		1,379,353	
NET POSITION, Ending		<u>\$ 1,307,519</u>	

See accompanying Independent Auditors' Report.

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COMPLIANCE SECTION

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State Compliance

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

LOCAL HIGHWAY FINANCE REPORT		City or County:
		YEAR ENDING : December 2014
This Information From The Records Of Kit Carson County :	Prepared By: Phone:	Paula Weeks 719-346-8133 ext 220

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)	0
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	4,120,628
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	
2. General fund appropriations		b. Snow and ice removal	
3. Other local imposts (from page 2)	1,352,863	c. Other	
4. Miscellaneous local receipts (from page 2)	85,690	d. Total (a. through c.)	0
5. Transfers from toll facilities		4. General administration & miscellaneous	
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	
a. Bonds - Original Issues		6. Total (1 through 5)	4,120,628
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)	1,438,553	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	2,699,219	2. Notes:	
D. Receipts from Federal Government (from page 2)	0	a. Interest	
E. Total receipts (A.7 + B + C + D)	4,137,772	b. Redemption	
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	0
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	
			4,120,628

IV. LOCAL HIGHWAY DEBT STATUS
(Show all entries at par)

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

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	1,515,315	4,137,772	4,120,628	1,532,459	0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT

STATE:
Colorado
YEAR ENDING (mm/yy):
December 2014

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

This Information From The Records Of Kit Carson County :

Paula Weeks

ITEM	AMOUNT	ITEM	ext 220
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments	1,169,482	a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	38,799
4. Licenses		f. Charges for Services	4,213
5. Specific Ownership &/or Other	183,381	g. Other Misc. Receipts	42,678
6. Total (1. through 5.)	183,381	h. Other	0
c. Total (a. + b.)	1,352,863	i. Total (a. through h.)	85,690
	(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	2,572,072	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	27,405	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant	99,742	e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	127,147	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	2,699,219	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
A.1. Capital outlay:			
a. Right-Of-Way Costs			0
b. Engineering Costs			0
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements			0
(3). System Preservation			0
(4). System Enhancement & Operation			0
(5). Total Construction (1) + (2) + (3) + (4)	0	0	0
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	0	0
			(Carry forward to page 1)

Notes and Comments:

C3d - DOLA Energy Impact Grant for chip seal project on Rd. 31