

**Moffat County, Colorado  
Craig, Colorado**

**Financial Statements  
December 31, 2012**



**Moffat County, Colorado  
Financial Report  
December 31, 2012**

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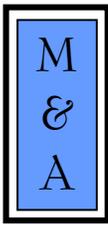
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## INDEPENDENT AUDITOR'S REPORT

**To the Board of County Commissioners  
Moffat County**

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Moffat County, Colorado, Colorado (the "County"), as of and for the year ended December 31, 2012, 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.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion 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. We did not audit the financial statements of The Memorial Hospital, one of the discretely presented component units of Moffat County. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for Moffat County, is based on the report of the other auditors.

An audit includes 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 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 County's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. 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 financial statement presentation.

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

*Member: American Institute of Certified Public Accountants*

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**Opinions**

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Moffat County, Colorado, Colorado as of December 31, 2012, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matters**

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis in Section B 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.

The budgetary comparison information in section E is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. The budgetary comparison 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 financial statement 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's financial statements taken as a whole. The combining fund financial statements, individual fund budgetary information and the Local Highway Finance Report listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the County's financial statements. The combining fund financial statements, the individual fund budgetary information and the Local Highway Finance Report are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the 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 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.

**To the Board of County Commissioners  
Moffat County, Colorado**

Additionally, the Schedule of Expenditures of Federal Awards included in the Single Audit section is presented for the purpose of additional analysis, as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and are not a required part of the County's financial statements. Such information has been subjected to the auditing procedures applied 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 financial statement 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 Schedule of Expenditures of Federal Awards 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 July 1, 2013, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

**McMahan and Associates, L.L.C.  
July 1, 2013**

**MANAGEMENT DISCUSSION AND ANALYSIS**



# Moffat County, Colorado

## Management's Discussion and Analysis

December 31, 2012

As management of Moffat County, Colorado (the "County"), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2012.

### Financial Highlights

- The assets of Moffat County exceeded its liabilities at the close of the most recent fiscal year by \$66,551,449 (net position). Of this amount, \$26,488,464 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net position increased by \$3,019,472. This increase can mainly be attributed from the dissolution of the Moffat County Federal Mineral Leasing District funds resulting in \$2,223,249 applied to the Road and Bridge fund revenue.
- As of the close of the current fiscal year, Moffat County governmental funds reported combined ending fund balances of \$29,053,712 an increase of \$71,111. Approximately \$22,865,679 is available for spending at the government's discretion (committed, assigned, and unassigned).
- At the end of the current year, the fund balance for the General Fund was \$8,814,653 or 96% of total general fund expenditures.

### Overview of the Financial Statements

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

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

The Statement of Net Position presents information on all of the County's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the County include general government, public safety, public works, health and human services, and community development.

The government-wide fund financial statements can be found on pages C1 and C2 of this report.

## Overview of the Financial Statements (continued)

**Fund Financial Statements:** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into two categories: 1) governmental funds; and 2) fiduciary funds.

**Governmental Funds:** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. The County's major governmental funds include the General Fund, Road and Bridge Fund, Social Services Fund, Jail Fund and Lease Purchase Payment Fund. The County also reports a number of non-major governmental funds. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. The Balance Sheet and the Statement of Revenues, Expenditures and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

**General Fund:** Administration of general County operations is accomplished through various departments within the General Fund. At the end of 2012, the fund balance was \$8,814,653; a decrease of \$5,023,124. The decrease in fund balance was budgeted for in 2012 due to property tax levied to other funds. Following is a listing of the General Fund departments listed by function.

### Statutory Functions:

- The Commissioners' Office coordinates County operations, financial reporting and accounting, and budget preparation.
- The Assessor's Office appraises and assesses taxes for all property within the County.
- The Treasurer's Office collects taxes, fees and handles all County banking needs.
- The Clerk & Recorder's Office operates motor vehicle, recordings, runs all elections, and operates the driver's license department.

### Administration:

- The Finance Department is responsible to prepare the County Budget, write and administrate grants, assist department heads and elected officials with finance duties, coordinate the annual audit, oversee fixed asset accounting, collecting and preparing accounts payable and balancing the general ledger, preparation of payroll, and administers and processes all insurance billings.
- The principle functions of the Human Resources Department are to improve the recruitment and retention of qualified employees and to minimize risk through compliance with all local, state and national laws and regulations.
- The County Attorney's office provides legal counsel to the Board of County Commissioners, elected County officials and the County departments and boards.

### Public Safety:

- The District Attorney's Office provides judicial services jointly with other counties within the district.
- The Sheriff's Department, County Jail, Coroner's Office, Emergency Communication Center, Fire Control and the Emergency Management Office provide public safety.

## Overview of the Financial Statements (continued)

### Governmental Funds (continued):

#### General Fund (continued):

##### Public Works:

- The Facilities Department is responsible for the repair and upkeep of the Courthouse, CSU Annex, Museum, Public Safety Center, Loudy Simpson Park and Sherman Youth Camp, Housing Authority, Social Services, Maybell Community Center, Hamilton Community Center, and the Craig, Maybell, and Dinosuar Libraries.
- The Fairgrounds and Luttrell Barn provide gathering facilities for livestock work and many other community and family events.
- The Pest Management Department implements the State and County Undesirable Plant Management Plan including recommendations, physical assistance and herbicide applications, handles mosquito abatement through a comprehensive integrated management plan, and treats Mormon crickets and grasshopper infestations for members of the Pest District on a complaint basis.

##### Health and Human Services:

- The Maybell Ambulance Service serves approximately 2,700 square miles of unincorporated Moffat County, which includes the towns of Lay, Maybell, Greystone and the Brown's Park area. The County assists with purchases and maintains the ambulances and building for the agency. The agencies provide supplies and general operating costs for their ambulance agency.
- Moffat County employ's a part-time Veteran's Officer to assist residents who served honorably in the United States Armed Services or Merchant Marines and their surviving spouses and dependants.
- Moffat County provides funding for the Crisis Intervention Team and Community Evaluation Team, which in turn provides intervention and mediation services to juveniles in conflict and/or to provide screening services to determine if a juvenile should be placed in juvenile detention for a violation of the criminal law.

##### Community Development:

- The Development Services Department provides and monitors procurement for improvements and capital projects within the County, planning information and direction to the general public and developers regarding zoning, subdividing and land use issues and the building inspection of building activities in the County.
- The Natural Resources Department researches and implements solutions to issues affecting Moffat County's natural resources.
- Moffat County provides for the Hamilton Community Center and Maybell Community Center, Senior Bus, Park, Volunteer Fire Department, and Women's Club as well as contributions to many non-profit organizations in Moffat County.
- The Moffat County Extension Office and County Fair consist of a partnership of CSU, Moffat County and the USDA to promote the informal, non-credit educational system that links education and research with the needs of Moffat County citizens.
- Moffat County supports the Museum of Northwest Colorado, which formulates the presentation and preservation of items and artifacts of historical interest in order to preserve the history of both the place and its people.

**Special Revenue Funds:** The County's special revenue funds account for specific revenues that are legally restricted to expenditure for a particular purpose. The County's special revenue funds include the Road and Bridge Fund, Landfill Fund, Airport Fund, Social Services Fund, Retirement Fund, Conservation Trust Fund, Library Fund, Moffat County Tourism Association Fund, Senior Citizens Fund, Cemetery Fund, Emergency 911 Fund, Jail Fund, and Oil & Gas Exemption Fund.

The special revenue funds contained fund balances of \$16,514,315 at the end of 2012 as compared to \$11,457,081 at the end of 2011. The increase is mainly due to property taxes levied to Road and Bridge fund in 2012.

## Overview of the Financial Statements (continued)

### Governmental Funds (continued):

**Capital Projects Funds:** The County's capital projects funds are used to account for the acquisitions and construction of major capital equipment and facilities other than those financed by proprietary funds and trust funds. The County's capital projects funds include the Capital Projects Fund and the Telecommunication Capital Projects Fund. The capital projects funds contained a fund balance of \$2,935,407 at the beginning of 2012 and ended the year with a fund balance of \$2,798,734, a decrease of \$136,673.

**Debt Service Fund:** The County's debt service fund accounts for the resources used to make the lease-purchase payments on the certificates of participation for the Public Safety Center. The debt service fund contained a fund balance of \$926,003 at the beginning of 2012 and ended the year with a fund balance of \$926,010, an increase of \$7.

### Fiduciary Funds:

**Agency Funds:** The County has assets held as an agent for other governments and/or other funds. Agency funds held by the County Treasurer, on behalf of other governments, are the highest dollar amount \$1,008,316. The County also has a number of other minor agency funds.

### Schedules and Notes to the Financial Statements:

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The Notes to the Financial Statements can be found on pages in Section D of this report.

### Schedules:

- The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found in Section E and F of this report.
- The Annual *Statement of Receipts and Expenditures for Roads, Bridges and Streets* is part of the Local Highway Finance Report sent to the State of Colorado (the "State").

### Financial Analysis:

The County uses fund accounting to ensure compliance with finance-related legal requirements. The County adopts an annual appropriated budget for its funds. Budgetary comparison statements have been provided to demonstrate compliance.

### Government-wide Financial Analysis:

As previously mentioned, the government-wide financial statements are designed to provide readers with a broad overview and long-term analysis of the County's finances, in a manner similar to a private-sector business.

**Government-wide Financial Analysis (continued):**

**Moffat County's Net Position:**

	Governmental Activities		Business-type Activities		Total	
	2012	2011	2012	2011	2012	2011
<b>Assets:</b>						
Current and other assets	43,819,026	43,863,504	\$ 18,343	\$ 14,691	\$ 43,837,369	\$ 43,878,195
Capital assets	43,820,513	41,500,865	146,363	157,700	43,966,876	41,658,565
Total Assets	<u>87,639,539</u>	<u>85,364,369</u>	<u>164,706</u>	<u>172,391</u>	<u>87,804,245</u>	<u>85,536,760</u>
<b>Deferred Outflow of Resources:</b>						
Deferred charge on refunding	236,256	212,518	-	-	236,256	212,518
Total deferred outflow of resources	<u>236,256</u>	<u>212,518</u>	<u>-</u>	<u>-</u>	<u>236,256</u>	<u>212,518</u>
<b>Liabilities:</b>						
Other liabilities	1,645,745	1,901,960	470	972	1,646,215	1,902,932
Long-term liabilities	9,520,978	10,049,781	-	-	9,520,978	10,049,781
Total Liabilities	<u>11,166,723</u>	<u>11,951,741</u>	<u>470</u>	<u>972</u>	<u>11,167,193</u>	<u>11,952,713</u>
<b>Deferred Inflow of Resources:</b>						
Unavailable property tax revenue	10,252,655	10,195,384	-	-	10,252,655	10,195,384
Unavailable revenue - Other	69,204	69,204	-	-	69,204	69,204
Total deferred inflow of resources	<u>10,321,859</u>	<u>10,264,588</u>	<u>-</u>	<u>-</u>	<u>10,321,859</u>	<u>10,264,588</u>
<b>Net Position:</b>						
Net investment in capital assets	36,160,512	33,231,790	146,363	157,700	36,306,875	33,389,490
Restricted	3,756,110	3,836,062	-	-	3,756,110	3,836,062
Unrestricted	26,470,591	26,292,706	17,873	13,719	26,488,464	26,306,425
Total Net Position	<u>\$ 66,387,213</u>	<u>\$ 63,360,558</u>	<u>\$ 164,236</u>	<u>\$ 171,419</u>	<u>\$ 66,551,449</u>	<u>\$ 63,531,977</u>

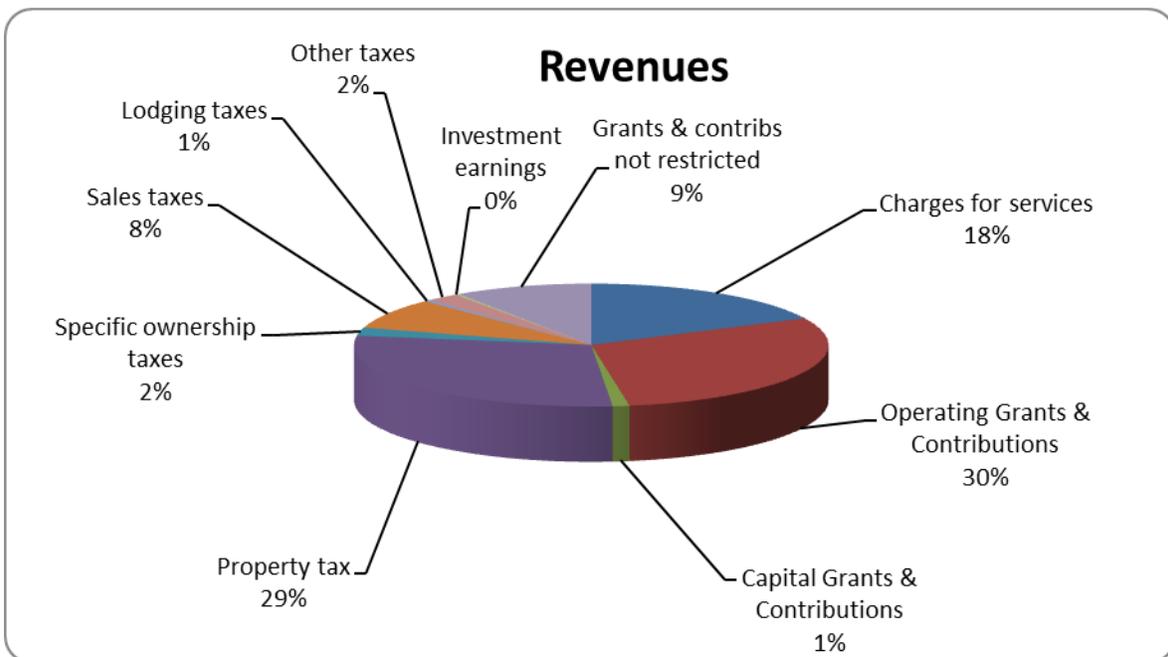
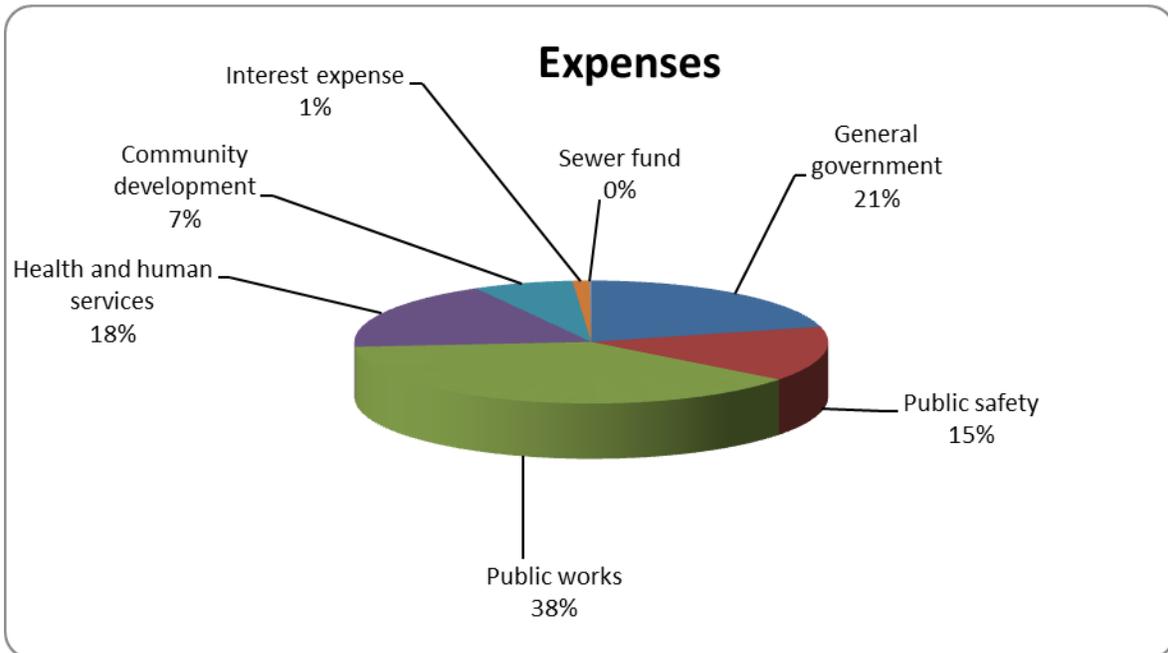
Traditionally, the largest portion of any County investments is in its capital assets: land, infrastructure, building, equipment, machinery, and specialized tools are necessary to deliver and/or provide services to the residents of Moffat County. Capital assets of the County increased due the replacement of several large pieces of equipment and road infrastructure improvements.

**Moffat County's Statement of Activities:**

	Governmental Activities		Business-type Activities		Total	
	2012	2011	2012	2011	2012	2011
<b>Revenues:</b>						
<i>Program revenues:</i>						
Charges for services	\$ 6,169,716	\$ 6,072,604	\$ 15,061	\$ 14,346	\$ 6,184,777	\$ 6,086,950
Operating grants and contributions	13,528,369	12,308,504	9,809	362	13,538,178	12,308,866
Capital grants and contributions	395,850	13,479	-	-	395,850	13,479
<i>General revenues:</i>						
Property taxes	10,007,690	9,894,864	-	-	10,007,690	9,894,864
Specific ownership taxes	746,567	674,924	-	-	746,567	674,924
Sales taxes	2,791,188	2,695,383	-	-	2,791,188	2,695,383
Investment earnings	97,271	110,265	31	25	97,302	110,290
Other	922,095	737,547	-	-	922,095	737,547
Gain (loss) on disposals	(460,602)	(38,702)	-	-	(460,602)	(38,702)
Total Revenues	<u>34,198,144</u>	<u>32,468,868</u>	<u>24,901</u>	<u>14,733</u>	<u>34,223,045</u>	<u>32,483,601</u>
<b>Expenditures:</b>						
General government	6,560,099	7,022,988	-	-	6,560,099	7,022,988
Public safety	4,500,283	4,617,859	-	-	4,500,283	4,617,859
Public works	11,946,299	9,601,264	-	-	11,946,299	9,601,264
Health and human services	5,662,612	6,236,876	-	-	5,662,612	6,236,876
Community development	2,134,615	2,315,888	-	-	2,134,615	2,315,888
Interest	367,581	394,569	-	-	367,581	394,569
Sewer	-	-	32,084	21,273	32,084	21,273
Total Expenses	<u>31,171,489</u>	<u>30,189,444</u>	<u>32,084</u>	<u>21,273</u>	<u>31,203,573</u>	<u>30,210,717</u>
Change in net position before transfers	3,026,655	2,279,424	(7,183)	(6,540)	3,019,472	2,272,884
Transfers	-	-	-	-	-	-
Change in net position after transfers	3,026,655	2,279,424	(7,183)	(6,540)	3,019,472	2,272,884
Net position - Jan 1	63,360,558	61,081,134	171,419	177,959	63,531,977	61,259,093
Net position - Dec 31	<u>\$ 66,387,213</u>	<u>\$ 63,360,558</u>	<u>\$ 164,236</u>	<u>\$ 171,419</u>	<u>\$ 66,551,449</u>	<u>\$ 63,531,977</u>

**Overview of the Financial Statements (continued):**

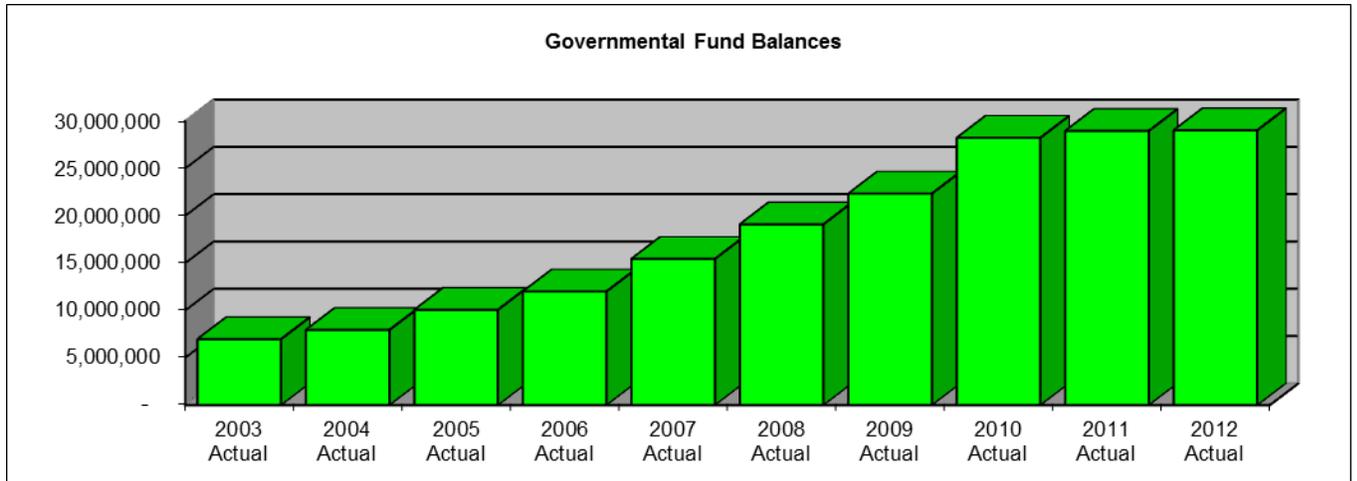
The following graphs depict the County's 2012 expenditures and revenues, respectively:



**Overview of the Financial Statements (continued):**

**Fund Financial Analysis:**

Below shows the County's total actual fund balances for fiscal years 2003 through 2012.



Fund balances have continued to increase in 2012.

**Budget Variances:**

The County is required to amend the budgets of various funds for the current fiscal year. General Fund departments received budgetary increase totaling \$958,692 to cover expenditures.

**Capital Assets and Debt Administration:**

As of the end of the current fiscal year, the County's long-term liabilities decreased \$555,401, due largely to payments made on the County's Certificates of Participation.

**Next Year's Budget:**

The County's General Fund balance at the end of fiscal year 2012 was \$8,814,653. A reserve is necessary to start the year and provide a consistent level of basic services to the residents and visitors of Moffat County from year to year. The County is attempting to maintain a reserve in the General Fund of 30% of operations plus and additional emergency reserve of 10% of operations. At December 31, 2013, the County had a General Fund reserve balance of 96% of the 2012 actual expenditures (including transfers).

In 2013, the County is projected to decrease the General Fund Balance by approximately \$2,647,767.

**Request for Information:** This financial report is designed to provide a general overview of the County's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Moffat County Finance Office, 221 W. Victory Way, Suite 115, Craig, Colorado 81625.

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**



**Moffat County, Colorado**  
**Statement of Net Position**  
**December 31, 2012**

	<u>Primary Government</u>			<u>Component Units</u>	
	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>	<u>Hospital</u>	<u>Housing Authority</u>
<b>Assets:</b>					
<b>Current Assets:</b>					
Cash and cash equivalents	\$ 31,306,886	\$ 16,910	\$ 31,323,796	\$ 5,820,489	\$ 722,506
Accounts, taxes, and other receivables	10,731,646	1,433	10,733,079	6,817,837	3,266
Due from other governments	78,827	-	78,827	-	-
Prepaid expenses	220,432	-	220,432	410,326	-
Inventory	1,231,188	-	1,231,188	391,792	-
Due from component unit	47	-	47	-	-
<b>Other Assets:</b>					
Restricted cash and investments	-	-	-	3,383,422	-
Notes receivable	250,000	-	250,000	-	-
<b>Capital Assets:</b>					
Capital assets	79,755,142	538,989	80,294,131	58,548,962	3,864,710
Accumulated depreciation	<u>(35,934,629)</u>	<u>(392,626)</u>	<u>(36,327,255)</u>	<u>(19,894,861)</u>	<u>(2,358,638)</u>
<b>Total Assets</b>	<u>87,639,539</u>	<u>164,706</u>	<u>87,804,245</u>	<u>55,477,967</u>	<u>2,231,844</u>
<b>Deferred Outflow of Resources:</b>					
Deferred charges	236,256	-	236,256	1,709,004	62,229
Total deferred outflow of resources	<u>236,256</u>	<u>-</u>	<u>236,256</u>	<u>1,709,004</u>	<u>62,229</u>
<b>Liabilities:</b>					
<b>Current Liabilities:</b>					
Accounts payable	1,437,966	381	1,438,347	1,487,287	110,178
Accrued compensation	207,779	89	207,868	1,588,392	1,799
Due to primary government	-	-	-	-	47
<b>Non-Current Liabilities:</b>					
Accrued interest	16,797	-	16,797	-	-
Due within one year:	560,000	-	560,000	791,597	2,605
Due longer than one year:	8,914,002	-	8,914,002	38,363,923	1,553,910
Premium on debt issuance	30,179	-	30,179	-	-
<b>Total Liabilities</b>	<u>11,166,723</u>	<u>470</u>	<u>11,167,193</u>	<u>42,231,199</u>	<u>1,668,539</u>
<b>Deferred Inflow of Resources:</b>					
Unavailable property tax revenue	10,252,655	-	10,252,655	1,452,218	-
Unavailable revenue - Other	69,204	-	69,204	-	-
Total deferred inflow of resources	<u>10,321,859</u>	<u>-</u>	<u>10,321,859</u>	<u>1,452,218</u>	<u>-</u>
<b>Net Position:</b>					
Net investment in capital assets	36,160,512	146,363	36,306,875	2,979,987	(50,443)
Restricted for emergencies	807,825	-	807,825	-	-
Restricted for debt service	926,003	-	926,003	-	-
Restricted for other purposes	2,022,282	-	2,022,282	2,119,076	-
Unrestricted	26,470,591	17,873	26,488,464	8,404,491	675,977
<b>Total Net Position</b>	<u>\$ 66,387,213</u>	<u>\$ 164,236</u>	<u>\$ 66,551,449</u>	<u>\$ 13,503,554</u>	<u>625,534</u>

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

**Moffat County, Colorado**  
**Statement of Activities**  
**For the Year Ended December 31, 2012**

	Net (Expense) Revenue and Changes in Net Position								
	Program Revenues				Primary Government			Component Units	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Hospital	Housing Authority
<b>Functions/Programs:</b>									
<b>Primary Government:</b>									
<b>Governmental Activities:</b>									
General government	\$ 6,560,099	\$ 4,552,811	\$ 151,234	\$ -	\$ (1,856,054)		\$ (1,856,054)		
Public safety	4,500,283	283,769	265,132	-	(3,951,382)		(3,951,382)		
Public works	11,946,299	1,237,057	4,288,620	395,850	(6,024,772)		(6,024,772)		
Health and human services	5,662,612	13,824	4,998,506	-	(650,282)		(650,282)		
Community development	2,134,615	82,255	549,058	-	(1,503,302)		(1,503,302)		
Interest expense	367,581	-	-	-	(367,581)		(367,581)		
<b>Total Governmental Activities</b>	<u>31,171,489</u>	<u>6,169,716</u>	<u>10,252,550</u>	<u>395,850</u>	<u>(14,353,373)</u>		<u>(14,353,373)</u>		
<b>Business-type Activities:</b>									
Sewer	32,084	15,061	9,809	-		\$ (7,214)	(7,214)		
<b>Total Business-type Activities</b>	<u>32,084</u>	<u>15,061</u>	<u>9,809</u>	<u>-</u>		<u>(7,214)</u>	<u>(7,214)</u>		
<b>Total Primary Government</b>	<u>\$ 31,203,573</u>	<u>\$ 6,184,777</u>	<u>\$ 10,262,359</u>	<u>\$ 395,850</u>	<u>(14,353,373)</u>	<u>(7,214)</u>	<u>(14,360,587)</u>		
<b>Component Units:</b>									
Hospital	\$ 34,140,171	\$ 32,733,329	\$ 896,628	\$ -			\$ (510,214)		
Housing authority	571,298	334,763	370,903	-				\$ 134,368	
<b>Total Component Units</b>	<u>\$ 34,711,469</u>	<u>\$ 33,068,092</u>	<u>\$ 1,267,531</u>	<u>\$ -</u>			<u>(510,214)</u>	<u>134,368</u>	
<b>General Revenues:</b>									
Taxes:									
Property tax, levied for general purposes					10,007,690	-	10,007,690	1,434,656	-
Specific ownership taxes					746,567	-	746,567	-	-
Sales taxes					2,791,188	-	2,791,188	-	-
Lodging taxes					168,080	-	168,080	-	-
Other taxes					754,015	-	754,015	-	-
Investment earnings					97,271	31	97,302	16,861	815
Grants and contributions not restricted to a specific purpose					3,275,819	-	3,275,819	255,928	-
Gain (Loss) on disposals					(460,602)	-	(460,602)	-	-
<b>Total General Revenues</b>					<u>17,380,028</u>	<u>31</u>	<u>17,380,059</u>	<u>1,707,445</u>	<u>815</u>
<b>Change in Net Position</b>					3,026,655	(7,183)	3,019,472	1,197,231	135,183
<b>Net Position - January 1</b>					63,360,558	171,419	63,531,977	12,306,323	490,351
<b>Net Position - December 31</b>					<u>\$ 66,387,213</u>	<u>\$ 164,236</u>	<u>\$ 66,551,449</u>	<u>\$ 13,503,554</u>	<u>\$ 625,534</u>

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

**FUND FINANCIAL STATEMENTS**



**Moffat County, Colorado**  
**Governmental Funds**  
**Balance Sheets**  
**December 31, 2012**

	<b>General Fund</b>	<b>Road and Bridge Fund</b>	<b>Human Services Fund</b>	<b>Jail Fund</b>	<b>Lease Purchase Payment Fund</b>	<b>Non- major Funds</b>	<b>Total Governmental Funds</b>
<b>Assets:</b>							
Cash and cash equivalents	\$ 10,037,195	\$ 10,264,974	\$ 1,526,895	\$ 656,182	\$ 926,010	\$ 5,166,669	\$ 28,577,925
Taxes receivable	9,150,561	-	445,076	-	-	-	9,595,637
Accounts receivable	68,415	161,162	9,151	200,386	-	691,216	1,130,330
Due from other governments	15,000	-	24,530	-	-	39,297	78,827
Prepaid expenses	-	-	2,177	-	-	-	2,177
Inventories	-	1,231,188	-	-	-	-	1,231,188
Due from other funds	(625,133)	11,112	-	(1,026)	-	(285)	(615,332)
<b>Total Assets</b>	<b><u>\$ 18,646,038</u></b>	<b><u>\$ 11,668,436</u></b>	<b><u>\$ 2,007,829</u></b>	<b><u>\$ 855,542</u></b>	<b><u>\$ 926,010</u></b>	<b><u>\$ 5,896,897</u></b>	<b><u>\$ 40,000,752</u></b>
<b>Liabilities, Deferred Inflow of Resources and Fund Balances:</b>							
<b>Liabilities:</b>							
Accounts/vouchers payable	\$ 595,104	\$ 185,072	\$ 153,498	\$ 7,121	\$ -	\$ 757,139	\$ 1,697,934
Accrued salaries and benefits	85,720	69,126	2,259	22,506	-	16,422	196,033
Due to other funds	-	(635,373)	16,489	-	-	7,632	(611,252)
<b>Total Liabilities</b>	<b><u>680,824</u></b>	<b><u>(381,175)</u></b>	<b><u>172,246</u></b>	<b><u>29,627</u></b>	<b><u>-</u></b>	<b><u>781,193</u></b>	<b><u>1,282,715</u></b>
<b>Deferred inflow of resources:</b>							
Unavailable property tax revenue	9,150,561	-	445,076	-	-	-	9,595,637
Unavailable revenue - other	-	-	68,688	-	-	-	68,688
<b>Total deferred inflow of resources</b>	<b><u>9,150,561</u></b>	<b><u>-</u></b>	<b><u>513,764</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>9,664,325</u></b>
<b>Fund Balances:</b>							
Non-spendable	-	1,231,188	2,177	-	-	-	1,233,365
Spendable:							
Restricted	807,825	-	1,319,642	825,915	926,010	1,075,276	4,954,668
Committed	1,518,086	329,667	-	-	-	3,289,559	5,137,312
Assigned	-	10,488,756	-	-	-	750,869	11,239,625
Unassigned	6,488,742	-	-	-	-	-	6,488,742
<b>Total Fund Balances</b>	<b><u>8,814,653</u></b>	<b><u>12,049,611</u></b>	<b><u>1,321,819</u></b>	<b><u>825,915</u></b>	<b><u>926,010</u></b>	<b><u>5,115,704</u></b>	<b><u>29,053,712</u></b>
<b>Total Liabilities, Deferred Inflow of Resources and Fund Balances</b>	<b><u>\$ 18,646,038</u></b>	<b><u>\$ 11,668,436</u></b>	<b><u>\$ 2,007,829</u></b>	<b><u>\$ 855,542</u></b>	<b><u>\$ 926,010</u></b>	<b><u>\$ 5,896,897</u></b>	<b><u>\$ 40,000,752</u></b>

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

**Moffat County, Colorado**  
**Reconciliation of Governmental Fund Balances to the Statement of Net Position**  
**December 31, 2012**

<b>Governmental Funds Total Fund Balance</b>	\$	29,053,712
<i>Add:</i>		
Capital assets, net of depreciation, are used in governmental activities are not considered current financial resources and, therefore, not reported in the governmental funds.		43,736,438
Notes receivable are long-term assets of the County.		250,000
Internal service funds are used by the County to charge the costs of the employee's health insurance and administrative services to the individual funds. The assets and liabilities of the internal service fund are included with governmental activities.		2,533,534
Prepaid telecommunications costs are long-term assets of the County.		98,250
Bond issuance costs and discounts are capitalized and amortized over the life of the debt in the Statement of Activities. This is the unamortized amount of issuance costs and discount.		236,256
<i>Less:</i>		
Bonded debt payable, is not due and payable in the current period and therefore are not reported in the funds. This is the amount of bonded debt payable, net of unamortized premium on insurance.		(7,690,179)
Compensated absences, are not due and payable in the current period and therefore are not reported in the funds. This is the amount of compensated absences payable.		(926,364)
Landfill closure and post-closure costs, are not due and payable in the current period and therefore are not reported in the funds. This is the amount of landfill closure and post-closure payable.		(887,637)
Interest payable on debt is not recorded on the fund statements but rather recognized as an expenditure when due. This is the accrued interest on bonded debt that has been incurred but not yet due.		(16,797)
	<hr/>	
<b>Governmental Activities Net Position</b>	<b>\$</b>	<b>66,387,213</b>
	<hr/> <hr/>	

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

**Moffat County, Colorado**  
**Governmental Funds**  
**Statement of Revenues, Expenses and Changes in Fund Balances**  
**For the Year Ended December 31, 2012**

	<u>General Fund</u>	<u>Road and Bridge Fund</u>	<u>Human Services Fund</u>	<u>Jail Fund</u>	<u>Lease Purchase Payment Fund</u>	<u>Non- major Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues:</b>							
Taxes	\$ 2,921,001	\$ 8,774,994	\$ 441,863	\$ 1,376,446	\$ -	\$ 953,234	\$ 14,467,538
Intergovernmental revenue	185,993	6,855,447	4,864,241	207,879	-	475,209	12,588,769
Charges for services	1,332,558	398,616	5,035	181,605	-	494,513	2,412,327
Reimbursements	224,841	-	-	-	-	-	224,841
Investment income	21,892	18,650	2,501	1,574	40,386	8,227	93,230
Other revenue	589,985	608,097	41,268	6,743	-	302,137	1,548,230
<b>Total Revenues</b>	<u>5,276,270</u>	<u>16,655,804</u>	<u>5,354,908</u>	<u>1,774,247</u>	<u>40,386</u>	<u>2,233,320</u>	<u>31,334,935</u>
<b>Expenditures:</b>							
General government	3,233,117	-	-	-	-	422,548	3,655,665
Public safety	2,515,199	-	-	1,871,886	-	63,198	4,450,283
Public works	1,774,208	10,988,894	-	-	-	1,474,250	14,237,352
Health and human services	458,203	-	5,361,393	-	-	-	5,819,596
Community development	1,155,683	-	-	-	-	1,056,785	2,212,468
Debt service:							
Principal	-	-	-	-	525,000	-	525,000
Interest	-	-	-	-	363,460	-	363,460
<b>Total Expenditures</b>	<u>9,136,410</u>	<u>10,988,894</u>	<u>5,361,393</u>	<u>1,871,886</u>	<u>888,460</u>	<u>3,016,781</u>	<u>31,263,824</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	(3,860,140)	5,666,910	(6,485)	(97,639)	(848,074)	(783,461)	71,111
<b>Other Financing Sources (Uses):</b>							
Transfers in	8,500	-	-	477,118	848,081	685,866	2,019,565
Transfers (out)	(1,171,484)	-	-	(848,081)	-	-	(2,019,565)
<b>Total Other Financing Sources (Uses)</b>	<u>(1,162,984)</u>	<u>-</u>	<u>-</u>	<u>(370,963)</u>	<u>848,081</u>	<u>685,866</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	(5,023,124)	5,666,910	(6,485)	(468,602)	7	(97,595)	71,111
<b>Fund Balances - January 1</b>	<u>13,837,777</u>	<u>6,382,701</u>	<u>1,328,304</u>	<u>1,294,517</u>	<u>926,003</u>	<u>5,213,299</u>	<u>28,982,601</u>
<b>Fund Balances - December 31</b>	<u>\$ 8,814,653</u>	<u>\$ 12,049,611</u>	<u>\$ 1,321,819</u>	<u>\$ 825,915</u>	<u>\$ 926,010</u>	<u>\$ 5,115,704</u>	<u>\$ 29,053,712</u>

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

**Moffat County, Colorado**  
**Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds to the Statement of Activities**  
**For the Year Ended December 31, 2012**

<b>Net Change in Fund Balances - Governmental Funds</b>	\$	71,111
<i>Adjustments:</i>		
The repayment of debt is a use of current available resources but has no effect on Net Position because although the County has less current available resources, it also has less debt. This is the amount of principal payments on bonded debt and capital leases during the year.		525,000
Internal service funds are used by management to charge the cost of health insurance and administrative services to individual funds. This is the amount of internal service fund net income during the year.		136,322
Long-term liabilities, including compensated absences, are not due and payable in the current period and therefore are not reported in the funds. This is the change in the amount of compensated absences not currently payable.		25,662
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the costs of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeded capital outlay, including gain or loss on disposal.		2,319,648
The reduction of prepaid expenses relating to telecom results in an expense on the government wide financial statements.		(18,055)
Interest payable on debt is not recorded on the fund statements but rather recognized as an expenditure when due. This is the change in accrued interest and premium on bonded debt that has been incurred but not yet due.		20,769
Decreases in long-term payables does not impact current financial resources to governmental funds. This transaction does not however, have any effect on Net Position because the County is responsible for future payments of this payable. This is the change in the estimated landfill closure and post-closure costs as a result of updating the closure cost study during the year.		(28,912)
Payment of debt issuance costs is an expenditure in the governmental funds, but is amortized over the life of the outstanding debt in the Statement of Net Position. This is the bond issuance and bond discount amortization for the year.		(24,890)
		(24,890)
<b>Change in Net Position of Governmental Activities</b>	<b>\$</b>	<b>3,026,655</b>

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

**Moffat County, Colorado  
Proprietary Funds  
Statement of Net Position  
December 31, 2012**

	<b>Business-type Activities Enterprise Fund</b>	<b>Governmental Activities Internal Service Funds</b>
	<b>Sewer Fund</b>	<b>Internal Service Funds</b>
<b>Assets:</b>		
Current assets:		
Cash and investments	\$ 16,910	\$ 2,848,959
Accounts receivable	1,433	5,624
Internal balances	-	4,080
Due (to) from component unit	-	47
<b>Total current assets</b>	18,343	2,858,710
<b>Non-current assets:</b>		
Capital assets	538,989	143,883
Accumulated depreciation	(392,626)	(59,808)
<b>Total non-current assets</b>	146,363	84,075
<b>Total Assets</b>	164,706	2,942,785
<b>Liabilities:</b>		
Accounts payable and accrued liabilities	380	396,989
Accrued salaries and benefits	89	11,746
<b>Total Liabilities</b>	469	408,735
<b>Deferred Inflow of Resources:</b>		
Unearned revenue - other	-	516
<b>Total deferred inflow of resources</b>	-	516
<b>Net Position:</b>		
Net investment in capital assets	146,363	84,075
Unrestricted	17,874	2,449,459
<b>Total Net Position</b>	\$ 164,237	\$ 2,533,534

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

**Moffat County, Colorado**  
**Proprietary Funds**  
**Statement of Revenues, Expenses and Changes in Fund Net Position**  
**For the Year Ended December 31, 2012**

	<b>Business-type Activities Enterprise Fund</b>	<b>Governmental Activities Internal Service Funds</b>
	<b>Sewer Fund</b>	
<b>Operating Revenues:</b>		
Charges for services	\$ 15,061	\$ 207,427
Contributions	-	2,871,310
Reimbursements	-	1,188,486
Intergovernmental	9,809	-
Other	-	515,537
<b>Total Operating Revenues</b>	<u>24,870</u>	<u>4,782,760</u>
<b>Operating Expenses:</b>		
Operations and maintenance	20,746	1,999,627
Claims and related insurance expenses	-	2,633,463
Depreciation	11,337	17,388
<b>Total Operating Expenses</b>	<u>32,083</u>	<u>4,650,478</u>
<b>Operating Income (Loss)</b>	(7,213)	132,282
<b>Non-operating Revenue:</b>		
Investment income	<u>31</u>	<u>4,040</u>
<b>Income (Loss) Before Transfers</b>	(7,182)	136,322
Transfers In	8,500	-
Transfers (out)	<u>(8,500)</u>	<u>-</u>
<b>Change in Net Position</b>	(7,182)	136,322
<b>Net Position - January 1</b>	<u>171,419</u>	<u>2,397,212</u>
<b>Net Position - December 31</b>	<u>\$ 164,237</u>	<u>\$ 2,533,534</u>

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

**Moffat County, Colorado**  
**Proprietary Funds**  
**Statement of Cash Flows**  
**For the Year Ended December 31, 2012**

	<b>Business-type Activities Enterprise Fund</b>	<b>Governmental Activities Internal Service Funds</b>
	<b>Sewer Fund</b>	<b>Internal Service Funds</b>
<b>Cash Flows From Operating Activities:</b>		
Cash received from customers	\$ 14,493	\$ 4,435,738
Other cash receipts	9,809	415,298
Cash paid for goods and services	(21,249)	(4,472,964)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>3,053</b>	<b>378,072</b>
<b>Cash Flows From Non-Capital Financing Activities:</b>		
Transfer from other fund	-	44,435
<b>Net Cash Provided by Non-Capital Financing Activities</b>	<b>-</b>	<b>44,435</b>
<b>Cash Flows From Investing Activities:</b>		
Interest received	31	4,040
<b>Net Cash Provided by Investing Activities</b>	<b>31</b>	<b>4,040</b>
<b>Net Change in Cash and Cash Equivalents</b>	<b>3,084</b>	<b>426,547</b>
<b>Cash and Cash Equivalents - Beginning</b>	<b>13,826</b>	<b>2,422,412</b>
<b>Cash and Cash Equivalents - Ending</b>	<b>16,910</b>	<b>2,848,959</b>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>		
Operating income (loss)	(7,213)	132,282
<b>Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:</b>		
Depreciation expense	11,337	17,388
(Increase) decrease in accounts receivable	(568)	68,673
(Increase) decrease in prepaid expenses	-	33,750
Increase (decrease) in accounts payable and accrued liabilities	(140)	140,413
Increase (decrease) in accrued salaries and benefits	(363)	(14,037)
Increase (decrease) in unavailable revenues	-	(397)
<b>Total Adjustments</b>	<b>10,266</b>	<b>245,790</b>
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$ 3,053</b>	<b>\$ 378,072</b>

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

**Moffat County, Colorado  
Agency Funds  
Statement of Fiduciary Net Position  
December 31, 2012**

	<u>County Treasurer</u>	<u>Public Trustee</u>	<u>Inmate Commissary</u>	<u>Inmate Welfare</u>	<u>Sheriff Scholarship</u>	<u>Extension</u>	<u>Search and Rescue</u>	<u>Total</u>
<b>Assets:</b>								
Cash and investments	\$ 30,945,580	\$ 36,541	\$ 10,919	\$ 45,260	\$ 4,633	\$ 55,840	\$ 5,039	\$ 31,103,812
Less: cash held for County funds	<u>(29,937,264)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(29,937,264)</u>
<b>Total Assets</b>	<u><u>\$ 1,008,316</u></u>	<u><u>\$ 36,541</u></u>	<u><u>\$ 10,919</u></u>	<u><u>\$ 45,260</u></u>	<u><u>\$ 4,633</u></u>	<u><u>\$ 55,840</u></u>	<u><u>\$ 5,039</u></u>	<u><u>\$ 1,166,548</u></u>
<b>Liabilities</b>								
Held for other governments and agencies	\$ 1,008,316	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,008,316
Held by Public Trustee	-	36,541	-	-	-	-	-	36,541
Held for others	<u>-</u>	<u>-</u>	<u>10,919</u>	<u>45,260</u>	<u>4,633</u>	<u>55,840</u>	<u>5,039</u>	<u>121,691</u>
<b>Total Liabilities</b>	<u><u>\$ 1,008,316</u></u>	<u><u>\$ 36,541</u></u>	<u><u>\$ 10,919</u></u>	<u><u>\$ 45,260</u></u>	<u><u>\$ 4,633</u></u>	<u><u>\$ 55,840</u></u>	<u><u>\$ 5,039</u></u>	<u><u>\$ 1,166,548</u></u>

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

**NOTES TO THE FINANCIAL STATEMENTS**



**Moffat County, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2012**

**I. Summary of Significant Accounting Policies**

Moffat County (the "County") is located in northern Colorado. An elected Board of Commissioners is responsible for setting policy, appointing administrative personnel and the adoption of an annual budget in accordance with state statutes. The County's operations include health and human services, police protection, road maintenance, community development, landfill and general government operations. The County is also responsible for the operation of the County's jail and the Maybell Water and Sanitation District.

The County's financial statements are prepared in accordance with generally accepted accounting principles ("GAAP"). The Governmental Accounting Standards Board ("GASB") is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

**A. Reporting Entity**

The reporting entity consists of (a) the primary government; i.e., the County, and (b) organizations for which the County is financially accountable. The County is considered financially accountable for legally separate organizations if it is able to appoint a voting majority of an organization's governing body and is either able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the County. Consideration is also given to other organizations which are fiscally dependent; i.e., unable to adopt a budget, levy taxes, or issue debt without approval by the County. Organizations for which the nature and significance of their relationship with the County are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete are also included in the reporting entity.

The following entities are discretely presented as component units within the reporting entity:

**The Memorial Hospital**

The Memorial Hospital (the "Hospital") operations are included in these financial statements as a component unit due to the positive responses to the majority of the reporting entity criteria. The Hospital was formed to provide services within the County's boundaries. The Board of Directors is appointed by the County and the County approves the mill levy and approves all debt arrangements. Complete financial statements for the Hospital may be obtained directly from their administrative offices: 750 Hospital Loop, Craig, Colorado, 81625.

**Housing Authority of Moffat County, Colorado**

The Housing Authority of Moffat County (the "Housing Authority") operations are included in these financial statements as a component unit due to the positive responses to the majority of the reporting entity criteria. The Authority was formed to provide housing within the County boundaries. The Board of Directors is appointed by the County. Complete financial statements for the Housing Authority may be obtained directly from their administrative offices: 595 Ledford Street, Craig, Colorado, 81625.

**Moffat County, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2012**  
**(Continued)**

**I. Summary of Significant Accounting Policies (continued)**

**A. Reporting Entity (continued)**

**Moffat County Finance Corporation**

The Moffat County Finance Corporation (the "Finance Corporation") operations are included in these financial statements as a component unit due to the positive responses to the reporting entity criteria. The Finance Corporation was formed to issue certificates of participation to finance the construction of the county public safety center. The financial statements of the Finance Corporation are blended in the County's statements as the Lease Purchase Payment Fund.

**Other**

The County has entered into various governmental agreements that do not meet the criteria for inclusion in these financial statements as component units or as joint ventures. The County receives funding from local, state, and federal government sources and must comply with all requirements of these funding sources. However, the County is not included in any other governmental reporting entity.

**Moffat County, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2012**  
**(Continued)**

**I. Summary of Significant Accounting Policies (continued)**

**B. Component Unit Condensed Financial Statements**

	<b>The Memorial Hospital</b>	<b>Housing Authority of Moffat County</b>	<b>Total Component Units</b>
<b>Assets:</b>			
Current assets and other	\$ 16,823,866	\$ 725,772	\$ 17,549,638
Plant, property, and equipment, net	38,654,101	1,506,072	40,160,173
<b>Total Assets</b>	<b>55,477,967</b>	<b>2,231,844</b>	<b>57,709,811</b>
<b>Deferred Outflow of Resources:</b>			
Deferred charges	1,709,004	62,229	1,771,233
<b>Total Deferred Outflow of Resources</b>	<b>1,709,004</b>	<b>62,229</b>	<b>1,771,233</b>
<b>Total Assets and Deferred Outflow of Resources</b>	<b>57,186,971</b>	<b>2,294,073</b>	<b>59,481,044</b>
<b>Liabilities and Fund Equity:</b>			
Current liabilities	3,075,679	112,024	3,187,703
Long-term debt	39,155,520	1,556,515	40,712,035
<b>Total Liabilities</b>	<b>42,231,199</b>	<b>1,668,539</b>	<b>43,899,738</b>
<b>Deferred Inflow of Resources:</b>			
Unavailable property tax revenue	1,452,218	-	1,452,218
<b>Total Deferred Inflow of Resources</b>	<b>1,452,218</b>	<b>-</b>	<b>1,452,218</b>
<b>Fund Equity:</b>			
Net position - Restricted	5,099,063	(50,443)	5,048,620
Net position - Unrestricted	8,404,491	675,977	9,080,468
<b>Total Fund Equity</b>	<b>13,503,554</b>	<b>625,534</b>	<b>14,129,088</b>
<b>Total Liabilities, Deferred Inflow of Resources and Fund Equity</b>	<b>\$ 57,186,971</b>	<b>\$ 2,294,073</b>	<b>\$ 59,481,044</b>
<b>Operating Revenues</b>	<b>\$ 33,629,957</b>	<b>\$ 705,666</b>	<b>\$ 34,335,623</b>
<b>Expenses:</b>			
Operating and other expenses	(30,986,470)	(468,927)	(31,455,397)
Depreciation and amortization	(3,153,701)	(102,371)	(3,256,072)
<b>Operating Income (Loss)</b>	<b>(510,214)</b>	<b>134,368</b>	<b>(375,846)</b>
<b>Net Non-operating Revenues, Expenses and Transfers</b>	<b>1,707,445</b>	<b>815</b>	<b>1,708,260</b>
<b>Net Income</b>	<b>1,197,231</b>	<b>135,183</b>	<b>1,332,414</b>
<b>Net Position - January 1</b>	<b>12,306,323</b>	<b>490,351</b>	<b>12,796,674</b>
<b>Net Position - December 31</b>	<b>\$ 13,503,554</b>	<b>\$ 625,534</b>	<b>\$ 14,129,088</b>

**Moffat County, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2012**  
**(Continued)**

**I. Summary of Significant Accounting Policies (continued)**

**C. Government-wide and Fund Financial Statements**

The County's basic financial statements include both government-wide (reporting the County as a whole) and fund financial statements (reporting the County's major funds). Government-wide financial statements report on information of all of the non-fiduciary activities of the County and its component units. Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The County's public safety, public works, health and human services, community development, and administration are classified as governmental activities. The Maybell Water and Sanitation District is reported as a business-type activity.

The government-wide Statement of Activities reports both the gross and net cost of each of the County's functions and business-type activities. The governmental functions are also supported by general government revenues (sales taxes, property and specific ownership taxes, investment earnings, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the governmental function or business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The government-wide focus is on the sustainability of the County as an entity and the change in the County's net position resulting from the current year's activities.

**D. Fund Financial Statements**

The financial transactions of the County are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses.

The fund focus is on current available resources and budget compliance.

The County reports the following major governmental fund types and funds:

**General Fund** – The *General Fund* is the County's primary operating fund. It accounts for all financial resources of the County, except those required to be accounted for in another fund.

**Special Revenue Funds** - Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The term "proceeds of specific revenue sources" establishes that one or more specific restricted or committed revenues should be the foundation for a special revenue fund. The County reports the following major special revenue funds:

The *Road and Bridge Fund* accounts for the County's share of state revenues that are legally restricted for the maintenance of highways and roads within the County's boundaries and to account for property taxes and other revenues restricted for highway and road purposes.

The *Human Services Fund* administers the County's state and federal revenues that are restricted for the providing of health and human services to the residents of the County.

**Moffat County, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2012**  
**(Continued)**

**I. Summary of Significant Accounting Policies (continued)**

**D. Fund Financial Statements (continued)**

The *Jail Fund* accounts for transactions relating to the operation of the County Jail building. Expenditures are funded by dedicated sales tax revenue.

The *Lease Purchase Payment Fund* accounts for revenue collected for payment of the County's certificates of participation.

**Capital Projects Funds** - Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments. The County doesn't report any major capital projects funds.

**Proprietary Funds** - Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows.

The *Sewer Fund* accounts for the operations of the Maybell Sanitation District, which operates a sewage treatment plant in an unincorporated area.

*Internal service funds* account for the health insurance plan provided to County employees and administrative services and maintenance provided to the various County departments.

**Fiduciary Funds** - These funds include agency funds which account for monies held on behalf of other governments and agencies that use the County as a depository or for property taxes collected on behalf of the other governments or agencies. Agency funds are excluded from reporting in the government-wide financial statements. No budgets are adopted for the County's agency funds.

**E. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

Measurement focus refers to whether financial statements measure changes in current resources only (current financial focus) or changes in both current and long-term resources (long-term economic focus). Basis of accounting refers to the point at which revenues, expenditures, or expenses are recognized in the accounts and reported in the financial statements. Financial statement presentation refers to classification of revenues by source and expenses by function.

**1. Long-term Economic Focus and Accrual Basis**

Both the governmental and business-type activities in the government-wide financial statements and the proprietary and fiduciary financial statements use the long-term economic focus and are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred, regardless of the timing of the related cash flows.

**Moffat County, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2012**  
**(Continued)**

**I. Summary of Significant Accounting Policies (continued)**

**E. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)**

**2. Current Financial Focus and Modified Accrual Basis**

The governmental fund financial statements use the current financial focus and are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or soon enough thereafter (60 days) to be used to pay liabilities of the current period. Expenditures are generally recognized when the related liability is incurred. The exception to this general rule is that principal and interest on general long-term debt and compensated absences are recorded only when payment is due.

**3. Financial Statement Presentation**

As a general rule, the effect of Interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments where the amounts are reasonable equivalent to the value of the Interfund services provided and other charges between the County's sanitation function and various other functions of the County. Elimination of these charges would distort the direct costs and program revenues reported for the sanitation function.

Amounts reported as program revenues include 1) charges to customers and applicants for goods, services or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County's enterprise fund are charges to customers for services. Operating expenses for the enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

**F. Financial Statement Accounts**

**1. Equity in Pooled Cash and Investments**

The County's Treasurer is responsible for central cash management for all funds, as well as other entities falling under their jurisdiction. The County pools deposits and investments of all funds. Each fund's share of the pool is readily identified by the County's internal records. Investments are stated at market value.

**Moffat County, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2012**  
**(Continued)**

**I. Summary of Significant Accounting Policies (continued)**

**F. Financial Statement Accounts (continued)**

**1. Equity in Pooled Cash and Investments (continued)**

Cash and cash equivalents held by the County Treasurer include demand deposits, short-term investments with original maturities of three months or less from the date of acquisition, and long-term investments in U.S. government obligations.

Certain proceeds of debt issues, as well as certain resources set aside for their repayment, have been classified as restricted assets on the balance sheet because their use is limited by applicable covenants. Restricted assets also include certain deposits that have been limited as to usage pursuant to escrow and similar agreements.

**2. Receivables**

Receivables are reported net of an allowance for uncollectible accounts.

**3. Property Taxes**

Property taxes are assessed in one year as a lien on the property, but not collected by the governmental unit until the subsequent year. In accordance with GAAP, the assessed but uncollected property taxes have been recorded as a receivable and as unavailable revenue on the fund financial statements.

**4. Internal Transactions**

Interfund services provided and used are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures or expenses initially made from it that are properly applicable to another fund, are recorded as expenditures or expenses in the reimbursing fund and as reductions of expenditures or expenses in the fund that is reimbursed.

**5. Inventories**

Inventory consists of fuel, gravel, parts and supplies for the County's use and is carried at cost using the first-in, first-out method. The costs of governmental fund type inventories are recorded as expenditures when consumed rather than when purchased.

**6. Prepaid Expenses**

Payments made to vendors for services that will benefit periods beyond December 31, 2012 are recorded as prepaid expenses. The cost of governmental type prepaid expenses are recorded as expenditures when consumed rather than when purchased.

**Moffat County, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2012**  
**(Continued)**

**I. Summary of Significant Accounting Policies (continued)**

**F. Financial Statement Accounts (continued)**

**7. Capital Assets**

Capital assets, which include land, buildings, improvements, equipment, vehicles and infrastructure assets, are reported in the applicable governmental or business-type activity columns in the government-wide financial statements. Capital assets are defined by the County as assets with an initial cost of \$5,000 or more and an estimated useful life in excess of one year. Such assets are recorded at cost where historical records are available and at an estimated historical cost where no historical record exists. Donated capital assets are recorded at estimated fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable. Capital outlay for projects is capitalized as projects are constructed. Interest incurred during the construction phase is capitalized as part of the value of the assets.

Capital assets (excluding land) are depreciated using the straight-line method, over the following estimated lives:

Buildings	25 - 40 years
Building improvements	7 - 25 years
Infrastructure	5 - 30 years
Vehicles	5 - 15 years
Equipment	5 - 10 years

**8. Deferred Outflows and Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The government only has one item that qualifies for reporting in this category. It is deferred charges reported in the government-wide statement of net position. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial 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 and so will not be recognized as an inflow of resources (revenue) until that time. The government has only two types of items that qualify for reporting in this category. Accordingly, the items, unavailable property tax revenue and unavailable revenue – other, are deferred and recognized as inflows of resources in the period that the amounts become available.

**Moffat County, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2012**  
**(Continued)**

**I. Summary of Significant Accounting Policies (continued)**

**F. Financial Statement Accounts (continued)**

**9. Compensated Absences**

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported in the governmental activities column in the government-wide financial statements. Vested or accumulated vacation leave of the proprietary fund type is recorded as an expense and liability of that fund as the benefits accrue to employees. In accordance with provisions of GASB No.16 *Accounting for Compensated Absences*, no liability is recorded for non-vesting accumulating rights to receive sick pay benefits.

**10. Premium on Bonded Debt**

The premium on bonded debt is deferred and amortized over the life of the debt using the amount of principal outstanding methodology. The unamortized premium at December 31, 2012 was \$30,179.

**11. Interfund Transactions**

Quasi-external transactions are accounted for as revenue, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures or expenses initially made from it that are properly applicable to another fund, are recorded as expenditures or expenses in the reimbursing fund as a reduction of expenditures or expenses in the fund that is reimbursed. All other interfund transactions, except for quasi-external transactions and reimbursements, are reported as transfers.

**G. Significant Accounting Policies**

**1. Use of Estimates**

The preparation of financial statements in conformity with GAAP requires the County's management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenues and expenditures or expenses during the reporting period. Actual results could differ from those estimates.

**2. Proprietary Funds**

As required by GASB 62, the County has elected to follow for its proprietary funds, all GASB pronouncements.

**Moffat County, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2012**  
**(Continued)**

**I. Summary of Significant Accounting Policies (continued)**

**G. Significant Accounting Policies (continued)**

**3. Credit Risk**

Receivables in the County's funds are primarily due from other governments. Management believes that the credit risk related to these receivables is minimal.

**4. Restricted and Unrestricted Resources**

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.

**5. Net Position and Categories and Classification of Fund Balance**

Governmental accounting standards establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Fund balance classifications, include Non-spendable, Restricted, Committed, Assigned, and Unassigned. These classifications reflect not only the nature of funds, but also provide clarity to the level of restriction placed upon fund balance. Fund Balance can have different levels of restraint, such as external versus internal compliance requirements. Unassigned fund balance is a residual classification within the general fund. The general fund should be the only fund that reports a positive unassigned balance. In all other funds, unassigned is limited to negative residual fund balance. For further details of the various fund balance classifications refer to Note IV (K).

At December 31, 2012, the County reported \$926,003 of net position restricted for debt service payments, and \$807,825 of net position restricted for emergencies.

**II. Reconciliation of Government-wide and Fund Financial Statements**

**A. Explanation of Certain Differences between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position**

The governmental fund Balance Sheet includes a reconciliation between fund balance of the total governmental funds and net position of governmental activities as reported in the government-wide Statement of Net Position. One element of that reconciliation explains that "Capital assets, net of depreciation, are used in governmental activities are not considered current financial resources, and therefore, are not reported in the governmental funds". This \$43,736,438 difference is related to property, plant and equipment of \$79,611,259 less accumulated depreciation of \$35,874,822.

**Moffat County, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2012**  
**(Continued)**

**II. Reconciliation of Government-wide and Fund Financial Statements (continued)**

**B. Explanation of Certain Differences between the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-wide Statement of Activities**

The governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances includes reconciliation between net change in fund balances of governmental funds and changes in net position of governmental activities as reported in the government-wide Statement of Activities. One element of that reconciliation explains "Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense". The details of this \$2,319,648 difference represents capital outlay of \$4,616,274, less depreciation expense of \$1,836,025 and gain or loss on disposals in the amount of \$460,602.

**III. Stewardship, Compliance, and Accountability**

**A. Budgetary Information**

As required by Colorado Statutes, all funds have legally adoptable budgets and appropriations. The total expenditures for each fund may not exceed the amount appropriated. Appropriations for a fund may be increased if unanticipated revenues offset them. All appropriations lapse at year-end.

Budgets are prepared on the basis of GAAP for all funds except for the Sewer Fund, and the Central Duplicating/IT Fund.

The budgets for these funds have been adopted on a non-GAAP basis and are reconciled to GAAP below:

	Sewer Fund	Central Duplicating/ IT Fund
Change in Net Position - Budget Basis	\$ 4,155	\$ 29,408
Reconciliation to GAAP Basis:		
Adjustments:		
Depreciation	(11,337)	(17,388)
Change in Net Position - GAAP Basis	(7,182)	12,020
Net Position - January 1	171,419	214,302
Net Position - December 31	<u>\$ 164,237</u>	<u>\$ 226,322</u>

As required by Colorado Statutes, the County followed the required timetable noted below in preparing, approving, and enacting its budget for 2012.

1. For the 2012 budget year, prior to August 25, 2011, the County Assessor sent to the County a certified assessed valuation of all taxable property within the County's boundaries. The County Assessor may change the assessed valuation on or before December 10, 2011 only once by a single notification.
2. On or before October 15, 2011, the County Administrator submitted to the County Commissioners a recommended budget which detailed the necessary property taxes needed along with other available revenues to meet the County's operating requirements.

**Moffat County, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2012**  
**(Continued)**

**III. Stewardship, Compliance, and Accountability (continued)**

**A. Budgetary Information (continued)**

3. Prior to December 15, 2011, the County computed and certified to the County Commissioners a rate of levy that derived the necessary property taxes as computed in the proposed budget.
4. After a required publication of "Notice of Proposed Budget" and a public hearing, the County adopted the proposed budget and an appropriating resolution, which legally appropriated expenditures for the upcoming year.
5. After adoption of the budget resolution, the County may make the following changes: a) it may transfer appropriated money between funds; b) approve supplemental appropriations to the extent of revenues in excess of estimated revenues in the budget; c) approve emergency appropriations; and d) reduce appropriations for which originally estimated revenues are insufficient.

Taxes levied in one year are collected in the succeeding year. Thus, taxes certified in 2011 were collected in 2012 and taxes certified in 2012 will be collected in 2013. Taxes are due on January 1st in the year of collection; however, they may be paid in either one installment (no later than April 30th) or two equal installments (not later than February 28th and June 15th) without interest or penalty. Taxes that are not paid within the prescribed time bear interest at the rate of one percent (1%) per month until paid. Unpaid amounts and the accrued interest thereon become delinquent on June 16th.

During the year, supplemental appropriations were necessary. The budgetary comparison statements reflect the original budget and the final budget after legally authorized revisions were made.

**B. TABOR Amendment**

In November 1992, Colorado voters amended Article X of the Colorado Constitution by adding Section 20, commonly known as the Taxpayer's Bill of Rights ("TABOR"). TABOR contains revenue, spending, tax and debt limitations that apply to the State of Colorado and local governments. TABOR requires, with certain exceptions, advance voter approval for any new tax, tax rate increase, mill levy above that for the prior year, extension of any expiring tax, or tax policy change directly causing a net tax revenue gain to any local government.

Except for refinancing bonded debt at a lower interest rate or adding new employees to existing pension plans, TABOR requires advance voter approval for the creation of any multiple-fiscal year debt or other obligation unless adequate present cash reserves are pledged irrevocably and held for payments in all future fiscal years.

TABOR also requires local governments to establish emergency reserves to be used for declared emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. These reserves are required to be 3% or more of fiscal year spending for fiscal years ending after December 31, 1995. Fiscal year spending excludes bonded debt service and enterprise spending. The County has reserved a portion of the December 31, 2012 year-end fund balance in the General Fund for this purpose in the amount of \$807,825, which is the approximate required reserve.

**Moffat County, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2012**  
**(Continued)**

**III. Stewardship, Compliance, and Accountability (continued)**

**B. TABOR Amendment (continued)**

On November 5, 1996 the County's electorate approved the following ballot question:

*"Shall Moffat County, Colorado be authorized and permitted to collect, retain and expend all revenues and other funds collected during 1995 and each subsequent year from any source; notwithstanding the limitations of Article X, Section 20 of the Colorado Constitution, effective January 1, 1995, provided, however, that no sales tax, use tax or property tax mill levy shall increased at any time nor shall any new tax be imposed without the prior approval of the voters of Moffat County?"*

The County's management believes it is in compliance with the financial provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of its provisions, including the interpretation of how to calculate fiscal year spending limits, will require judicial interpretation.

**IV. Detailed Notes on All Funds**

**A. Authorization for Deposits and Investments**

The County has adopted, by ordinance, an investment policy governing the types of institutions and investments with which it may deposit funds and transact business. Under this policy, the County may invest in federally insured banks, debt obligations of the U.S. Government, its agencies and instrumentalities, governmental mutual funds and pools and repurchase agreements subject to policy requirements.

The County's deposits are entirely covered by federal depository insurance ("FDIC") or by collateral held under Colorado's Public Deposit Protection Act ("PDPA"). Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. The PDPA allows the institution to create a single collateral pool for all public funds. The collateral pool is to be maintained by another institution or held in trust for all the uninsured public as a group. The market value of the collateral must equal or exceed 102% of the uninsured deposits.

**Moffat County, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2012**  
**(Continued)**

**IV. Detailed Notes on All Funds (continued)**

**A. Authorization for Deposits and Investments (continued)**

At December 31, 2012, the carrying value of the County's deposits was \$32,490,344. The bank balances of these accounts were \$32,813,337. At the end of 2012, the County held deposits and investments with the following maturities:

Type:	Rating	Carrying Amount	Maturities	
			Less Than One Year	Less Than Five Years
<i>Deposits:</i>				
Petty Cash	Not Rated	\$ 9,253	\$ 9,253	\$ -
Checking Accounts	Not Rated	712,182	712,182	-
Savings Accounts	Not Rated	11,355,910	11,355,910	-
Certificates of Deposit	Not Rated	2,042,020	2,042,020	-
<i>Investments:</i>				
Investment Pools	AAAm	2,703,348	2,703,348	-
Repurchase agreements	Not Rated	14,415,816	14,415,816	-
U.S. Agencies	AA+	325,805	-	325,805
Cash with Trustee	Not Rated	926,010	926,010	-
		<b>\$ 32,490,344</b>	<b>\$ 32,164,539</b>	<b>\$ 325,805</b>

The County's holdings in investment pools are comprised of balances with COLOTRUST and CSAFE, which are investment vehicles established for local government entities in Colorado to pool surplus funds. They operate similarly to money market funds, whereby each share is equal in value to \$1. Investments of the trusts consist of U.S. Treasury bills, notes and note strips, and repurchase agreements collateralized by U.S. Treasury securities. The County has no regulatory oversight for the pool.

The County has a standard "Master Repurchase Agreement" that requires that the securities underlying the repurchase agreement have market values equal to or exceeding the aggregate "Buyers Margin Amount". Percentages for calculating the "Buyers Margin Amount" are 100% for cash, 103% for FNMA mortgage backed securities.

*Interest Rate Risk.* As a means of limiting its exposure to interest rate risk, the County diversifies its investments by security type and institution, and limits holdings in any one type of investment with any one issuer. The County coordinates its investment maturities to closely match cash flow needs and restricts the maximum investment term to less than five years from the purchase date. As a result of the limited length of maturities the County has limited its interest rate risk.

**Moffat County, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2012**  
**(Continued)**

**IV. Detailed Notes on All Funds (continued)**

**B. Deposits and Investments (continued)**

*Credit Risk.* State law and County policy limit investments to those authorized by State statutes including U.S. Agencies and 2a7-like pools. The County's general investment policy is to apply the prudent-person rule: A prudent investor shall exercise the judgment and care, under circumstances prevailing, which men of prudence, discretion, and intelligence exercise in the management of property of one another, not in regard to speculation but in regard to the permanent disposition of funds, considering the probable income as well as the probable safety of their capital.

*Concentration of Credit Risk.* The County diversifies its investments by security type and institution. Investments may only be made in those financial institutions which are insured or issued by the Federal Deposit Insurance Corporation, the Federal Home Mortgage Association, the Federal Savings and Loan Insurance Corporation, Congressionally authorized mortgage lenders and investments that are federally guaranteed. Financial institutions holding County funds must provide the County a copy of the certificate from the Banking Authority that states that the institution is an eligible public depository.

The County's Certificates of Participation, Series 2001 and 2006 require securities to be held by the Trustee, Wells Fargo Investment Management and Trust.

The bank balance value of deposits for the Hospital, a discretely presented component unit, was \$6,640,963. At December 31, 2012 all of the Hospital's bank balances were either insured by FDIC or collateralized by securities held by the pledging financial institution's trust department in the Hospital's name.

At December 31, 2012, the Hospital, held the following investments:

Cash and cash equivalents	\$ 6,640,963
Fixed income funds	1,240,000
Investment pool	<u>1,322,948</u>
Total	<u><u>\$ 9,203,911</u></u>

**C. Receivables**

Receivables as of year-end for the County's governmental funds, including applicable allowances for uncollectible accounts, are as follows:

	General Fund	Road and Bridge Fund	Human Services Fund	Jail Fund	Non- major Funds	Total Governmental Funds
Receivables:						
Accounts	\$ 466,972	\$ 161,162	\$ -	\$ 211,699	\$ 39,877	\$ 879,710
Taxes	9,150,561	-	445,076	-	657,018	10,252,655
Other	-	-	9,151	-	-	9,151
Intergovernmental	15,000	-	24,530	-	39,297	78,827
Gross receivables	9,632,533	161,162	478,757	211,699	736,192	11,220,343
Less: allowance for uncollectible	(398,557)	-	-	(11,313)	-	(409,870)
<b>Net Receivables</b>	<b>\$ 9,233,976</b>	<b>\$ 161,162</b>	<b>\$ 478,757</b>	<b>\$ 200,386</b>	<b>\$ 736,192</b>	<b>\$ 10,810,473</b>

**Moffat County, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2012**  
**(Continued)**

**IV. Detailed Notes on All Funds (continued)**

**C. Receivables (continued)**

Governmental funds report *unearned revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. The \$10,252,655 of unearned revenue is property taxes levied in 2012 but not available until 2013. Additionally, grants and fees totaling \$69,204 were collected in 2012, but will not be available for use until 2013.

**D. Notes Receivable**

On January 26, 2010 the County received a promissory note for the sale of the Shadow Mountain facility in the amount of \$250,000. The note is secured by a deed of trust on the property. The terms of the note are as follows:

The sum of \$10.00 per month, commencing on the first day of February 2010, and with monthly payments due and payable on the first day of each month thereafter, and with the entire unpaid balance due and payable upon the occurrence of the earliest of the following:

- a) The County's receipt of grant funding sufficient to pay the entire principal amount outstanding; or
- b) February 1, 2011, unless said Note is extended in writing, in which case the entire principal amount outstanding shall be due and payable on February 1, 2016

At December 31, 2012, \$250,000 was outstanding as receivable on this note receivable.

**E. Capital Assets**

Capital asset activity for the year ended December 31, 2012 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Governmental activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 1,823,694	\$ -	\$ -	\$ 1,823,694
Construction in progress	486,555	-	(486,455)	100
Total capital assets, not being depreciated	<u>2,310,249</u>	<u>-</u>	<u>(486,455)</u>	<u>1,823,794</u>
Capital assets, being depreciated:				
Infrastructure	29,629,629	2,993,587	(3,497)	32,619,719
Improvements	5,633,727	248,256	(1,067)	5,880,916
Buildings	21,212,153	562,581	-	21,774,734
Equipment	17,291,880	811,850	(447,751)	17,655,979
Total capital assets being depreciated	<u>73,767,389</u>	<u>4,616,274</u>	<u>(452,315)</u>	<u>77,931,348</u>
Less accumulated depreciation for:				
Infrastructure	(9,470,393)	(543,925)	-	(10,014,318)
Improvements	(4,071,652)	(106,616)	-	(4,178,268)
Buildings	(8,628,096)	(381,425)	-	(9,009,521)
Equipment	(12,389,244)	(821,446)	478,168	(12,732,522)
Total accumulated depreciation	<u>(34,559,385)</u>	<u>(1,853,412)</u>	<u>478,168</u>	<u>(35,934,629)</u>
Total capital assets being depreciated, net	<u>39,208,004</u>	<u>2,762,862</u>	<u>25,853</u>	<u>41,996,719</u>
<b>Governmental activities capital assets, net</b>	<u>\$ 41,518,253</u>	<u>\$ 2,762,862</u>	<u>\$ (460,602)</u>	<u>\$ 43,820,513</u>

**Moffat County, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2012**  
**(Continued)**

**IV. Detailed Notes on All Funds (continued)**

**E. Capital Assets (continued)**

The Governmental Accounting Standards Board Statement No. 34 ("GASB-34") requires the capitalization of general infrastructure not prospectively and retroactively. Retroactive application requires governments to capitalize major infrastructure assets they acquired in the past 25 years or during fiscal years ending after June 30, 1980.

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Business-type activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 37,000	\$ -	\$ -	\$ 37,000
Total capital assets, not being depreciated	<u>37,000</u>	<u>-</u>	<u>-</u>	<u>37,000</u>
Capital assets, being depreciated:				
Improvements	416,211	-	-	416,211
Buildings	37,278	-	-	37,278
Equipment	48,500	-	-	48,500
Total capital assets being depreciated	<u>501,989</u>	<u>-</u>	<u>-</u>	<u>501,989</u>
Less accumulated depreciation for:				
Improvements	(306,953)	(10,405)	-	(317,358)
Buildings	(25,836)	(932)	-	(26,768)
Equipment	(48,500)	-	-	(48,500)
Total accumulated depreciation	<u>(381,289)</u>	<u>(11,337)</u>	<u>-</u>	<u>(392,626)</u>
Total capital assets being depreciated, net	<u>120,700</u>	<u>(11,337)</u>	<u>-</u>	<u>109,363</u>
<b>Business-type activities capital assets, net</b>	<u><u>\$ 157,700</u></u>	<u><u>\$ (11,337)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 146,363</u></u>

The County had the following capital outlay and depreciation expense for the following functions:

	<u>Capital Outlay</u>	<u>Depreciation</u>
<b>Governmental Activities:</b>		
General government	\$ 350,605	\$ 56,305
Public safety	355,283	410,060
Public works	3,171,532	1,332,863
Health and human services	140,068	6,447
Community development	112,331	47,737
<b>Total Governmental Activities</b>	<u><u>\$ 4,129,819</u></u>	<u><u>\$ 1,853,412</u></u>
<b>Business-type Activities:</b>		
Sanitation	\$ -	\$ 11,337
<b>Total Business-type Activities</b>	<u><u>\$ -</u></u>	<u><u>\$ 11,337</u></u>

**Moffat County, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2012**  
**(Continued)**

**IV. Detailed Notes on All Funds (continued)**

**F. Operating Leases**

The County is committed to leases for office equipment. These leases are considered, for accounting purposes, to be operating leases, and therefore, the liability and the related assets have not been recorded on these financial statements.

**G. Interfund Transfers**

Transfers for 2012 were as follows:

<u>Transfer In</u>	<u>Transfer out</u>	<u>Amount</u>
General	Sewer	\$ 8,500
Retirement	General	449,129
Airport	General	5,861
Capital Projects	General	62,430
Sewer Fund	General	8,500
Senior Citizens	General	168,446
Lease purchase	Jail	848,081
Jail	General	477,118
Total		<u><u>\$ 2,028,065</u></u>

All transfers were made to supplement funds available for operations or to make debt service payments.

**H. Interfund Receivables and Payables**

Internal balances at December 31, 2012 were comprised of the following:

<u>Due (to) from:</u>	<u>Receivable</u>	<u>Payable</u>
General Fund	\$ (625,132)	\$ -
Special Revenue Funds:		
Road and Bridge	11,112	635,373
Human services	-	(16,489)
Jail	(1,026)	-
Non-Major Funds	(285)	(7,632)
Internal Service Funds:		
Central Duplicating/IT	257	3,822
	<u><u>\$ (615,074)</u></u>	<u><u>\$ 615,074</u></u>

These balances resulted from the time lag between the dates that (1) interfund goods and services were provided or reimbursable expenditures occurred, (2) transactions were recorded in the accounting system, and (3) payments between funds were made.

**Moffat County, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2012**  
**(Continued)**

**IV. Detailed Notes on All Funds (continued)**

**I. Long-term Liabilities – Governmental Activities**

**1. Certificates of Participation, Series 2001**

On February 1, 2001, the County issued \$2,100,000 of COPs, Series 2001. Approximately \$675,000 of the net proceeds of this series was used for the completion of the public safety center. The County has appropriated amounts from the Lease Purchase Payment Fund to meet required payments. The balance was issued for telecommunications and other capital projects. The certificates are in \$5,000 denominations. The 2001 series has an interest rate ranging from 3.25% to 5.05%. Principal payments began May 15, 2001. All certificates are insured by Ambac. These bonds were refunded by the Series 2006 COPs. There are considered defeased for financial reporting purposes.

**2. Refunding Certificates of Participation, Series 2006**

In 2006 the County issued refunding Certificates of Participation, Series 2006. The proceeds were used to refund a portion of the 1998 COPs. The certificates are in \$5,000 denominations and carry an interest rate of 3.6% to 4.4%. All certificates are insured by Ambac.

**3. Defeasance of Debt**

As noted above, proceeds of the 2006 refunding bond issuance were used to purchase U.S. government securities to retire previous bond issues. Sufficient U.S. government, state and local governmental securities were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of the refunded debt. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the County's financial records. The amount of the County's defeased debt is not readily determinable.

**4. Compensated Absences**

The County has a policy allowing the accumulation of paid vacation and sick leave, subject to certain maximum limits. In accordance with GAAP, the County's approximate liability for vacation pay earned by employees at December 31, 2012 has been reflected in the governmental activities column of the government-wide financial statements.

**Moffat County, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2012**  
**(Continued)**

**IV. Detailed Notes on All Funds (continued)**

**I. Long-term Liabilities – Governmental Activities (continued)**

**5. Landfill Closure Costs – Contingent Liability**

State and federal laws and regulations require that the County place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. In addition to operating expenses relating to current activities of the landfill, a liability provision is being recognized based on the future closure and postclosure care. Closure and postclosure care costs are being recognized based on the amount of the landfill used during the year. The County is appropriating amounts from the Landfill Operations Fund to meet landfill closure costs. The estimated liability is calculated as follows:

Landfill	Total Costs	Used	Liability
Regional - Closure	\$ 1,031,133	49.17%	\$ 506,999
Regional - Postclosure	421,506	49.17%	\$ 207,251
Closed - Postclosure	346,775	50.00%	\$ 173,387
<b>Total</b>	<b>\$ 1,799,414</b>		<b>\$ 887,637</b>

The County has stopped accepting waste and has substantially completed closure of one landfill (noted as closed above) in 1997. The postclosure costs relating to the closed landfill are anticipated to be paid out over the next twenty four years. The regional landfill, which is now accepting waste, is estimated to be filled to 49.17% of capacity as of year-end. It is estimated that another \$911,777 will be recognized between the balance sheet date and the date the landfills are expected to reach capacity in 2041. The actual costs of closure and post closure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

**6. Schedule of Changes in Long-Term Debt**

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental Activities:</b>					
Certificates of Participation:					
Series 2001	\$ 1,535,000	\$ -	\$ (50,000)	\$ 1,485,000	\$ 75,000
Series 2006	6,650,000	-	(475,000)	6,175,000	485,000
Landfill postclosure	858,719	28,918	-	887,637	-
Compensated absences	952,027	-	(25,662)	926,365	-
Premium on debt issuance	34,918	-	(4,739)	30,179	-
<b>Total Governmental Activities</b>					
<b>Long-term Liabilities</b>	<b>\$ 10,030,664</b>	<b>\$ 28,918</b>	<b>\$ (555,401)</b>	<b>\$ 9,504,181</b>	<b>\$ 560,000</b>

**Moffat County, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2012**  
**(Continued)**

**IV. Detailed Notes on All Funds (continued)**

**I. Long-term Liabilities – Governmental Activities (continued)**

**7. Schedule of Future Payments**

The County's annual debt service is as follows:

Year	Principal	Interest	Total
2013	\$ 560,000	\$ 335,942	\$ 895,942
2014	570,000	309,693	879,693
2015	560,000	281,528	841,528
2016	620,000	252,040	872,040
2017	635,000	223,580	858,580
2018	2022 3,400,000	705,604	4,105,604
2023	2025 1,315,000	94,080	1,409,080
Total	<u>\$ 7,660,000</u>	<u>\$ 2,202,467</u>	<u>\$ 9,862,467</u>

**J. General Long-term Debt – Component Units**

At December 31, 2012, the Hospital had note payable obligations of \$39,155,520.

The Housing Authority has \$1,553,910 of mortgages outstanding and a long-term capital recovery payable of \$39,155,520. The mortgages included in the Housing Authority liability are:

- CHFA Primary Mortgage (6.5%) \$187,372
- HUD Restructuring Note (1%) \$1,217,516
- HUD Contingent Note (1%) \$149,022

The following is a schedule of future annual debt payments for all component units:

Year	Hospital		Housing Authority	
	Principal	Interest	Principal	Interest
2013	\$ 791,597	\$ 3,048,382	\$ 4,465	\$ 25,743
2014	827,574	2,989,488	4,763	25,445
2015	766,585	2,928,711	5,082	25,126
2016	829,181	2,866,115	5,423	24,785
2017	896,888	2,798,408	5,786	24,422
2018	2022 5,710,148	12,766,331	35,287	47,425
2023	2027 8,454,582	10,021,897	48,795	33,917
2028	2032 12,518,057	5,958,422	67,476	15,236
2033	2035 8,360,908	877,331	1,379,438	311,334
Total	<u>\$ 39,155,520</u>	<u>\$ 44,255,085</u>	<u>\$ 1,556,515</u>	<u>\$ 533,433</u>

**Moffat County, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2012**  
**(Continued)**

**IV. Detailed Notes on All Funds (continued)**

**K. Fund Balance Disclosure**

The County classifies governmental fund balances as follows:

*Non-spendable* - includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual requirements.

*Spendable Fund Balance:*

Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.

Committed – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority which is the Board of County Commissioners. The County's original budget legislation begins with combining historical data, assessment of needs for the upcoming year and the Board's platform to review, and/or make changes to each department's budget. Before year end, a budgetary committee will meet again with each department for final review and approval of preliminary budget. The Budget is then formally presented to the Board via an advertised public process for their review, revisions and final approval by year end. All subsequent budget requests made during the year, after Board approval, must be presented via a public process and again approval by the Board.

Assigned – includes spendable fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund Balance may be assigned by the Board or its management designee.

Unassigned - includes residual positive fund balance within the General Fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

The County uses restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the County would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

The County does not have a formal minimum fund balance policy. However, the County's budget includes a calculation of a targeted reserve positions and the Administration calculates targets and report them annually to the Board.

**Moffat County, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2012**  
**(Continued)**

**IV. Detailed Notes on All Funds (continued)**

**K. Fund Balance Disclosure (continued)**

At December 31, 2012, the County had restricted fund balances for the following purposes:

<u>Restricted For:</u>	<u>Balance</u>
<i>General Fund (Tabor)</i>	\$ 807,825
<i>Human Services</i>	1,319,642
<i>Jail</i>	825,915
<i>Lease Purchase</i>	926,010
<i>Non-major funds:</i>	
Landfill post-closure	276,000
Conservation trust projects	187,935
E-911	341,312
Oil and Gas Exemption projects	152,279
Tourism promotion	117,750
	<u>\$ 4,954,668</u>

At December 31, 2012, the County had committed fund balances for the following purposes:

<u>Committed For:</u>	<u>Balance</u>
<i>General Fund:</i>	
Museum	\$ 1,243,994
30% operating reserve	274,092
<i>Road and Bridge - 30% operating reserve</i>	329,667
<i>Non-major funds:</i>	
Landfill - 30% operating reserve	167,759
Library - Memorial	81,177
Library - 30% operating reserve	168,714
Senior Citizens - 30% operating reserve	86,964
Airport 30% operating reserve	(13,789)
Capital projects:	
Courthouse expansion/major renovation	544,908
Senior Housing Improvements	319,908
Multi-use building at Fairgrounds	533,180
Capital projects	959,724
Telecommunications	441,015
	<u>\$ 5,137,312</u>

**Moffat County, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2012**  
**(Continued)**

**V. Other Information**

**A. Pension Plans**

**1. Deferred Compensation Plan (457)**

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The Plan is administered by Valic. The plan, available to all employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are to be held in trust for the exclusive benefit of the plan participants and their beneficiaries.

Plan investment purchases are determined by the plan participant and therefore, the plan's investment concentration varies between participants.

**2. Money Savings Plan**

The County also offers its employees a money savings plan. The plan requires all employees to contribute a minimum of 6% of their salary. Additional contributions in excess of 6% are not allowed. The County contributes an additional six percent of the employee's salary. Vesting in the plan occurs at a rate of 25% per annum, with 100% vesting after four years. Taxes on the employee contribution, the County's match, and any investment earnings are deferred until distribution. The plan is administered by Valic and investment decisions are determined by the employees.

**B. County's Employee's Health Insurance Trust Fund**

The County established a fund to account for the monies accumulated to offset the costs of a health and dental plan for County employees. The resources accumulated in this fund can only be used to offset the cost of the County employees' health and dental insurance program. The County accounts for the fund as an internal service fund. The County carried commercial reinsurance to pay for any individual claims greater than \$80,000 and total claims greater than \$2,886,744.

**C. Post Employment HealthCare Benefits**

All County employees covered by COBRA insurance may continue their health insurance due to a reduction in work hours or termination of employment. Employees who elect continued coverage must pay the County for premiums from the termination date of coverage and monthly thereafter. No cost to the County is recognized as employees reimburse 100% of their premium cost to the County.

**D. Commitments and Contingencies**

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the County expects such amounts, if any, to be immaterial.

**Moffat County, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2012**  
**(Continued)**

**V. Other Information (continued)**

**D. Commitments and Contingencies (continued)**

During the normal course of business, the County incurs claims and other assertions against it from various agencies and individuals. Management of the County and their legal representatives feel none of these claims or assertions are significant enough that they would materially affect the fairness of the presentation of the financial statements at December 31, 2012.

In 1994 the County issued \$42,855,000 of Pollution Control Revenue Refunding Bonds PACIFIC CORP Project Series 1995 of Moffat County. The bonds were authorized by the State of Colorado to promote industry and develop trade or other economic activity within the State of Colorado. The bonds are not a debt of the County. The bonds will be payable and secured only by the revenues arising from the pledge and assignment under the indentures of the amounts due under the loan agreement.

**E. Risk Management**

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; workers compensation; and natural disasters. The County carries commercial insurance to provide coverage for the risks noted. Losses are not expected to exceed the commercial limits.

**F. Federal Seizure Funds**

Funds received by the County Sheriff from seizures are accounted for in the General Fund. These funds are to be used only for the specific purpose of law enforcement activities.

**G. Museum Collections**

The County operates a Museum as a department of the General Fund. The County has elected not to capitalize its collections and therefore, does not include its collections as an asset on its financial statements. The Museum has met the following conditions in order to not recognize donation contributions of works of art, historical treasures, and similar assets. Collections are for public exhibition in furtherance of public service rather than financial gain, protected, kept unencumbered, cared for, preserved, and subject to an organizational policy that requires the proceeds from sales of collection items to be used to acquire other collection items.

The Museum's collections consists of pictures, paintings, books, paper documents, scientific data, relics, mementos, artifacts, and related items that preserve for posterity the history of those honored by the Museum, together with documentation of their accomplishments and contributions to the region of the American west.

**Moffat County, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2012**  
**(Continued)**

**V. Other Information (continued)**

**H. Significant Taxpayers**

Fifty-nine (59%) of all County property taxes were paid by ten taxpayers. The following are the top ten taxpayers in the County:

Name	Assessed Value	Tax Dollars
TRI-STATE GEN & TRANS ASSOC INC	\$ 91,328,598	\$ 5,799,946
WEXPRO COMPANY	48,486,930	2,824,039
ROCKIES EXPRESS PIPELINE	26,252,388	1,534,868
PACIFICORP-ELEC OPERATIONS	21,563,095	1,370,572
TRAPPER MINING INC	18,708,936	1,256,824
WYOMING INTERSTATE GAS	18,068,595	1,052,485
AXIAL BASIN/COLOWYO	17,528,602	1,047,268
PUBLIC SERVICE CO OF COLORADO	16,406,606	1,039,976
SALT RIVER PROJECT	14,159,801	900,011
CHEVRON USA INC	10,563,519	615,304
TOTALS	<u>\$ 283,067,070</u>	<u>\$ 17,441,293</u>

**I. Implementation of Government Accounting Standards Board Statement No. 63, Financial Reporting of Deferred Outflows, Deferred Inflows of Resources, and Net Position**

The County implemented Government Accounting Standards Board Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position, which establishes guidance for reporting deferred outflows of resources, deferred inflows of resources and net position in a financial statement. As such, the financial statements have been modified to reflect these components of net position. Net position in total has not been affected by implementation.

**REQUIRED SUPPLEMENTARY INFORMATION**



**Moffat County, Colorado**  
**General Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual (GAAP Basis)**  
**For the Year Ended December 31, 2012**  
**(With Comparative Actual Amounts For the Year Ended December 31, 2011)**

	2012			Final Budget Variance Positive (Negative)	2011
	Original Budget	Final Budget	Actual Amounts		Actual
<b>Revenues:</b>					
Taxes:					
Property taxes	\$ 3,012,028	\$ 3,012,028	\$ 2,884,585	\$ (127,443)	\$ 9,452,793
Sales tax	20,000	20,000	25,444	5,444	24,008
Cigarette tax	4,000	4,000	4,201	201	4,478
Other	-	-	6,771	6,771	2,459
Intergovernmental:					
Federal	48,500	212,330	55,072	(157,258)	72,348
State and local	67,642	98,483	130,921	32,438	192,188
Charges for services	1,342,730	1,365,730	1,332,558	(33,172)	1,529,421
Investment earnings	37,000	37,000	21,892	(15,108)	36,143
Other	391,905	642,110	814,826	172,716	932,971
<b>Total Revenues</b>	<b>4,923,805</b>	<b>5,391,681</b>	<b>5,276,270</b>	<b>(115,411)</b>	<b>12,246,809</b>
<b>Expenditures:</b>					
<b>General Government:</b>					
Commissioners	451,089	470,932	447,133	23,799	405,709
Clerk and Recorder	609,293	632,293	597,297	34,996	590,395
Elections	75,997	75,997	66,710	9,287	35,900
Treasurer	772,857	772,857	432,339	340,518	434,955
Public Trustee	19,430	19,430	14,751	4,679	15,279
Assessor	715,467	715,467	585,320	130,147	527,202
Accounting	226,525	249,783	232,739	17,044	226,752
Administration	117,810	117,810	95,715	22,095	118,434
Human resources	295,779	295,779	277,441	18,338	294,817
County Attorney	199,442	366,592	209,748	156,844	181,872
Surveyor	24,514	24,514	21,510	3,004	24,108
Other administrative services	909,143	759,766	252,414	507,352	761,547
<b>Total General Government</b>	<b>4,417,346</b>	<b>4,501,220</b>	<b>3,233,117</b>	<b>1,268,103</b>	<b>3,616,970</b>
<b>Public Safety:</b>					
District Attorney	384,639	384,639	384,639	-	394,666
Sheriff	1,868,486	1,877,377	1,756,206	121,171	1,713,726
Emergency management	39,351	39,351	35,145	4,206	37,432
Fire control	37,900	132,591	127,613	4,978	31,244
Coroner	105,455	105,455	108,522	(3,067)	93,029
Community safety	104,728	104,728	103,074	1,654	99,328
<b>Total Public Safety</b>	<b>2,540,559</b>	<b>2,644,141</b>	<b>2,515,199</b>	<b>128,942</b>	<b>2,369,425</b>
<b>Public Works:</b>					
Grounds and buildings	213,880	308,780	196,411	112,369	485,997
Fairgrounds	290,095	386,637	348,646	37,991	362,617
Parks and recreation	386,268	386,268	452,062	(65,794)	553,458
Cemetery	101,960	341,128	193,723	147,405	97,579
Sherman youth camp	25,636	25,636	26,850	(1,214)	12,030
Arts	2,750	2,750	1,926	824	2,090
Pest and weed control	539,948	588,515	554,590	33,925	472,013
<b>Total Public Works</b>	<b>1,560,537</b>	<b>2,039,714</b>	<b>1,774,208</b>	<b>265,506</b>	<b>1,985,784</b>

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

**Moffat County, Colorado**  
**General Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual (GAAP Basis)**  
**For the Year Ended December 31, 2012**  
**(With Comparative Actual Amounts For the Year Ended December 31, 2011)**  
**(Continued)**

	<u>2012</u>			<u>Final Budget</u>	<u>2011</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance Positive (Negative)</u>	<u>Actual</u>
<b>Expenditures (continued):</b>					
<b>Health and Human Services:</b>					
Ambulance service	26,243	31,643	25,993	5,650	19,345
Maybell fire	12,500	18,848	8,884	9,964	10,536
Allotments - Health	226,000	241,766	207,602	34,164	219,228
Veterans office	25,250	27,161	24,497	2,664	19,758
Community evaluation team	218,324	219,978	191,227	28,751	219,327
<b>Total Health and Human Services</b>	<u>508,317</u>	<u>539,396</u>	<u>458,203</u>	<u>81,193</u>	<u>488,194</u>
<b>Community Development:</b>					
Building inspector	99,231	17,575	15,503	2,072	93,091
Planning	93,737	15,532	14,994	538	88,753
Natural resources	164,902	164,902	146,203	18,699	192,983
Hamilton community center	4,071	4,071	4,265	(194)	5,670
Maybell center	16,321	16,321	11,888	4,433	9,497
County fair	61,767	112,511	84,085	28,426	71,651
Extension service	153,243	153,243	144,073	9,170	127,633
Museum	218,717	423,772	405,209	18,563	281,916
Museum minerals	1,000	3,510	522	2,988	1,852
Contributions	91,000	123,900	98,900	25,000	70,000
Development services	114,499	244,131	230,041	14,090	-
<b>Total Community Development</b>	<u>1,018,488</u>	<u>1,279,468</u>	<u>1,155,683</u>	<u>123,785</u>	<u>943,046</u>
<b>Total Expenditures</b>	<u>10,045,247</u>	<u>11,003,939</u>	<u>9,136,410</u>	<u>1,867,529</u>	<u>9,403,419</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(5,121,442)</u>	<u>(5,612,258)</u>	<u>(3,860,140)</u>	<u>1,752,118</u>	<u>2,843,390</u>
<b>Other Financing Sources (Uses):</b>					
Transfers in	115,354	115,354	8,500	(106,854)	-
Transfers (out)	(1,776,693)	(1,776,693)	(1,171,484)	605,209	(2,109,916)
<b>Total Other Financing (Uses)</b>	<u>(1,661,339)</u>	<u>(1,661,339)</u>	<u>(1,162,984)</u>	<u>498,355</u>	<u>(2,109,916)</u>
<b>Net Change in Fund Balances</b>	<u>\$ (6,782,781)</u>	<u>\$ (7,273,597)</u>	<u>(5,023,124)</u>	<u>\$ 2,250,473</u>	<u>733,474</u>
<b>Fund Balances - January 1</b>			<u>13,837,777</u>		<u>13,104,303</u>
<b>Fund Balances - December 31</b>			<u>\$ 8,814,653</u>		<u>\$ 13,837,777</u>

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

**Moffat County, Colorado**  
**Special Revenue Funds**  
**Road and Bridge Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual (GAAP Basis)**  
**For the Year Ended December 31, 2012**  
**(With Comparative Actual Amounts For the Year Ended December 31, 2011)**

	2012			Final Budget Variance Positive (Negative)	2011
	Original Budget	Final Budget	Actual Amounts		Actual
<b>Revenues:</b>					
Taxes:					
Property taxes	\$ 6,039,642	\$ 6,039,642	\$ 6,021,696	\$ (17,946)	\$ -
Delinquent taxes & interest	-	-	59	59	-
Sales tax	1,200,000	1,200,000	1,380,877	180,877	1,326,330
Specific ownership	650,000	650,000	746,567	96,567	674,924
Other taxes	300,000	300,000	625,795	325,795	478,238
Intergovernmental:					
Federal	563,500	563,500	2,799,763	2,236,263	559,790
State and local	3,841,213	3,853,565	4,055,684	202,119	4,013,799
Charges for services	240,600	335,691	398,616	62,925	301,125
Investment income	20,000	20,000	18,650	(1,350)	12,084
Other	8,700	3,189,526	608,097	(2,581,429)	3,711
<b>Total Revenues</b>	<b>12,863,655</b>	<b>16,151,924</b>	<b>16,655,804</b>	<b>503,880</b>	<b>7,370,001</b>
<b>Expenditures:</b>					
Highways:					
Personnel	3,030,436	3,030,436	2,873,625	156,811	2,868,848
Operating	1,111,700	1,133,377	1,000,235	133,142	591,283
Maintenance and equipment:					
Personnel	573,830	573,830	492,172	81,658	495,283
Operating	1,338,500	1,375,498	1,177,508	197,990	1,129,019
Administration:					
Personnel	315,692	339,692	323,416	16,276	308,389
Operating	154,878	163,370	149,754	13,616	133,474
Other:					
Fuel & other	122,600	3,212,160	606,950	2,605,210	144,897
Intergovernmental revenue sharing	577,558	852,664	851,755	909	39,607
Capital outlay	650,000	798,000	352,212	445,788	292,970
Capital projects	5,784,000	5,794,000	3,161,267	2,632,733	1,194,217
<b>Total Expenditures</b>	<b>13,659,194</b>	<b>17,273,027</b>	<b>10,988,894</b>	<b>6,284,133</b>	<b>7,197,987</b>
<b>Net Change in Fund Balances</b>	<b>\$ (795,539)</b>	<b>\$ (1,121,103)</b>	<b>5,666,910</b>	<b>\$ 6,788,013</b>	<b>172,014</b>
<b>Fund Balances - January 1</b>			<b>6,382,701</b>		<b>6,210,687</b>
<b>Fund Balances - December 31</b>			<b>\$ 12,049,611</b>		<b>\$ 6,382,701</b>

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

**Moffat County, Colorado**  
**Special Revenue Funds**  
**Human Services Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual (GAAP Basis)**  
**For the Year Ended December 31, 2012**  
**(With Comparative Actual Amounts For the Year Ended December 31, 2011)**

	2012			2011
	Original and Final Budget	Actual Amounts	Final Budget Variance Positive (Negative)	Restated Actual
<b>Revenues:</b>				
Taxes:				
Property taxes	\$ 452,551	\$ 441,724	\$ (10,827)	\$ 440,617
Delinquent taxes & interest	500	139	(361)	781
Intergovernmental	5,941,440	4,864,241	(1,077,199)	5,226,613
Charges for services	2,500	5,035	2,535	31,030
Investment income	4,500	2,501	(1,999)	3,115
Other	25,000	41,268	16,268	51,378
<b>Total Revenues</b>	<b>6,426,491</b>	<b>5,354,908</b>	<b>(1,071,583)</b>	<b>5,753,534</b>
<b>Expenditures:</b>				
Health & Welfare:				
State Sponsored	-	6,921	(6,921)	-
Medication transportation	7,500	(32)	7,532	21,974
CSBG	14,348	11,196	3,152	11,976
IVE Incentives	-	-	-	703
Home Based treatment	48,885	44,784	4,101	43,188
Intensive family therapy	39,288	15,863	23,425	33,281
Life skills	202,595	82,665	119,930	128,596
Day treatment	92,990	26,386	66,604	44,857
Sexual abuse	39,121	25,041	14,080	35,454
Mental health & sub abuse	169,998	90,575	79,423	112,002
Spec. economic assistance	2,000	-	2,000	64
Child care	203,810	151,626	52,184	171,626
Child care quality	1,432	1,433	(1)	1,413
NCCCF	156,397	53,231	103,166	93,299
C4K	-	67,313	(67,313)	-
C4K - TBH	7,171	10,292	(3,121)	-
Child welfare 80/20	516,599	565,586	(48,987)	569,025
Child welfare 100	85,936	80,870	5,066	75,877
Child welfare program	537,500	411,032	126,468	543,926
OAP	81,500	47,226	34,274	55,267
Colorado works	475,038	252,016	223,022	270,188
Fraud incentives	-	585	(585)	-
Aid to the Blind	500	-	500	-
Aid to Needy Disabled	18,000	9,168	8,832	26,205
LEAP - Low-income Energy Assistance	245,000	159,921	85,079	197,656
LEAP Administration	18,025	11,942	6,083	20,067
LEAP Outreach	2,500	67	2,433	747
Food stamps	2,972,500	2,520,183	452,317	2,537,763
Commodities	30	1,451	(1,421)	603
COLO refugee & immigration	200	-	200	-
Regular administration	458,335	459,179	(844)	468,679
Non allocated administration	1,974	2,294	(320)	2,134
OAP administration	13,600	5,389	8,211	7,291
Child support	232,509	203,422	29,087	222,273
IVD State incentives	-	45,097	(45,097)	-
AFDC RTND - CO portion of collector	(40,000)	(28,562)	(11,438)	(34,192)
GA / WF	8,000	27,233	(19,233)	45,242
<b>Total Expenditures</b>	<b>6,613,281</b>	<b>5,361,393</b>	<b>1,251,888</b>	<b>5,707,184</b>
<b>Net Change in Fund Balances</b>	<b>\$ (186,790)</b>	<b>(6,485)</b>	<b>\$ 180,305</b>	<b>46,350</b>
<b>Fund Balances - January 1</b>		<b>1,328,304</b>		<b>1,281,954</b>
<b>Fund Balances - December 31</b>		<b>\$ 1,321,819</b>		<b>\$ 1,328,304</b>

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

**Moffat County, Colorado**  
**Special Revenue Funds**  
**Jail Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual (GAAP Basis)**  
**For the Year Ended December 31, 2012**  
**(With Comparative Actual Amounts For the Year Ended December 31, 2011)**

	2012			Final Budget Variance Positive (Negative)	2011
	Original Budget	Final Budget	Actual		Actual
<b>Revenues:</b>					
Taxes					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ 2
Sales tax	1,270,000	1,270,000	1,376,446	106,446	1,340,797
Intergovernmental					
Federal	308,248	351,118	187,394	(163,724)	307,545
State	15,000	19,059	20,485	1,426	22,158
Charges for services	43,000	43,000	181,605	138,605	65,326
Investment Income	2,000	2,000	1,574	(426)	2,470
Other	-	6,743	6,743	-	1,126
<b>Total Revenues</b>	<u>1,638,248</u>	<u>1,691,920</u>	<u>1,774,247</u>	<u>82,327</u>	<u>1,739,424</u>
<b>Expenses:</b>					
Personnel	1,428,351	1,474,138	1,297,707	176,431	1,380,800
Operating	547,514	628,209	574,179	54,030	414,620
<b>Total Expenses</b>	<u>1,975,865</u>	<u>2,102,347</u>	<u>1,871,886</u>	<u>230,461</u>	<u>1,795,420</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	(337,617)	(410,427)	(97,639)	312,788	(55,996)
<b>Other Financing Sources (Uses):</b>					
Transfers in	1,127,118	1,127,118	477,118	(650,000)	1,064,470
Transfers (out)	(891,160)	(891,160)	(848,081)	43,079	(878,847)
<b>Total Other Financing Sources (Uses)</b>	<u>235,958</u>	<u>235,958</u>	<u>(370,963)</u>	<u>(606,921)</u>	<u>185,623</u>
<b>Net Change in Fund Balances</b>	<u>\$ (101,659)</u>	<u>\$ (174,469)</u>	(468,602)	<u>\$ (294,133)</u>	129,627
<b>Fund Balances - January 1</b>			1,294,517		1,164,890
<b>Fund Balances - December 31</b>			<u>\$ 825,915</u>		<u>\$ 1,294,517</u>

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

**Moffat County, Colorado**  
**Special Revenue Funds**  
**Lease Purchase Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual (GAAP Basis)**  
**For the Year Ended December 31, 2012**  
**(With Comparative Actual Amounts For the Year Ended December 31, 2011)**

	<u>2012</u>			<u>2011</u>
	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>	<u>Actual</u>
<b>Revenues:</b>				
Investment income	\$ 40,000	\$ 40,386	\$ 386	\$ 40,370
<b>Total revenues</b>	<u>40,000</u>	<u>40,386</u>	<u>386</u>	<u>40,370</u>
<b>Expenses:</b>				
Principal	525,000	525,000	-	530,000
Interest and other	366,160	363,460	2,700	389,323
<b>Total expenses</b>	<u>891,160</u>	<u>888,460</u>	<u>2,700</u>	<u>919,323</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	(851,160)	(848,074)	3,086	(878,953)
<b>Other Financing Sources:</b>				
Transfers in	891,160	848,081	(43,079)	878,847
<b>Total Other Financing Sources</b>	<u>891,160</u>	<u>848,081</u>	<u>(43,079)</u>	<u>878,847</u>
<b>Net Change in Fund Balances</b>	<u>\$ 40,000</u>	7	<u>\$ (39,993)</u>	(106)
<b>Fund Balances - January 1</b>		<u>926,003</u>		<u>926,109</u>
<b>Fund Balances - December 31</b>		<u>\$ 926,010</u>		<u>\$ 926,003</u>

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

**SUPPLEMENTARY INFORMATION**



**Moffat County, Colorado**  
**Combining Balance Sheet**  
**Non-major Governmental Funds**  
**December 31, 2012**

	Special Revenue Funds							Capital Projects Funds		Total Non-major Governmental Funds		
	Landfill Fund	Library Fund	Retirement Fund	Senior Citizens Fund	Airport Fund	Conservation Trust Fund	E-911 Fund	Oil & Gas Exemption Fund	Tourism Promotion Fund		Capital Projects Fund	Telecomm- unications Fund
<b>Assets:</b>												
Cash and cash equivalents	\$ 835,383	\$ 492,444	\$ 150,031	\$ 100,993	\$ 36,815	\$ 187,935	\$ 320,524	\$ 152,279	\$ 89,382	\$ 2,358,224	\$ 442,659	\$ 5,166,669
Accounts receivable	12,032	657,018	-	-	65	-	22,101	-	-	-	-	691,216
Due from other governments	-	-	-	-	-	-	-	-	39,297	-	-	39,297
Due from other funds	(285)	-	-	-	-	-	-	-	-	-	-	(285)
<b>Total Assets</b>	<b>\$ 847,130</b>	<b>\$ 1,149,462</b>	<b>\$ 150,031</b>	<b>\$ 100,993</b>	<b>\$ 36,880</b>	<b>\$ 187,935</b>	<b>\$ 342,625</b>	<b>\$ 152,279</b>	<b>\$ 128,679</b>	<b>\$ 2,358,224</b>	<b>\$ 442,659</b>	<b>\$ 5,896,897</b>
<b>Liabilities and Fund Balances:</b>												
Accounts payable and accrued liabilities	\$ 16,727	\$ 669,012	\$ 9,240	\$ 4,243	\$ 43,578	\$ -	\$ 1,313	\$ -	\$ 10,877	\$ 505	\$ 1,644	\$ 757,139
Accrued salaries and benefits	5,189	8,037	-	3,031	165	-	-	-	-	-	-	16,422
Due to other funds	-	42	-	612	6,926	-	-	-	52	-	-	7,632
<b>Total Liabilities</b>	<b>21,916</b>	<b>677,091</b>	<b>9,240</b>	<b>7,886</b>	<b>50,669</b>	<b>-</b>	<b>1,313</b>	<b>-</b>	<b>10,929</b>	<b>505</b>	<b>1,644</b>	<b>781,193</b>
<b>Fund Balances:</b>												
Spendable												
Restricted	276,000	-	-	-	-	187,935	341,312	152,279	117,750	-	-	1,075,276
Committed	167,759	249,891	-	86,964	(13,789)	-	-	-	-	2,357,719	441,015	3,289,559
Assigned	381,455	222,480	140,791	6,143	-	-	-	-	-	-	-	750,869
<b>Total Fund Balances</b>	<b>825,214</b>	<b>472,371</b>	<b>140,791</b>	<b>93,107</b>	<b>(13,789)</b>	<b>187,935</b>	<b>341,312</b>	<b>152,279</b>	<b>117,750</b>	<b>2,357,719</b>	<b>441,015</b>	<b>5,115,704</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 847,130</b>	<b>\$ 1,149,462</b>	<b>\$ 150,031</b>	<b>\$ 100,993</b>	<b>\$ 36,880</b>	<b>\$ 187,935</b>	<b>\$ 342,625</b>	<b>\$ 152,279</b>	<b>\$ 128,679</b>	<b>\$ 2,358,224</b>	<b>\$ 442,659</b>	<b>\$ 5,896,897</b>

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

**Moffat County, Colorado**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Non-major Governmental Funds**  
**For the Year Ended December 31, 2012**

	Special Revenue Funds							Capital Projects Funds		Total Non-major Governmental Funds		
	Landfill Fund	Library Fund	Retirement Fund	Senior Citizens Fund	Airport Fund	Conservation Trust Fund	E-911 Fund	Oil & Gas Exemption Fund	Tourism Promotion Fund		Capital Projects Fund	Telecomm- unications Fund
<b>Revenues:</b>												
Taxes	\$ -	\$ 662,500	\$ -	\$ -	\$ 4,009	\$ -	\$ 121,659	\$ (3,014)	\$ 168,080	\$ -	\$ -	\$ 953,234
Intergovernmental	-	-	-	19,833	414,968	40,068	340	-	-	-	-	475,209
Charges for services	430,334	11,864	5,042	37,233	5,857	-	-	-	-	4,183	-	494,513
Investment income	1,230	867	512	274	119	283	489	-	203	4,250	-	8,227
Other	5,483	7,131	-	64,243	1,261	-	-	-	7	223,222	790	302,137
<b>Total Revenues</b>	<u>437,047</u>	<u>682,362</u>	<u>5,554</u>	<u>121,583</u>	<u>426,214</u>	<u>40,351</u>	<u>122,488</u>	<u>(3,014)</u>	<u>168,290</u>	<u>231,655</u>	<u>790</u>	<u>2,233,320</u>
<b>Expenditures:</b>												
General government	-	-	422,548	-	-	-	-	-	-	-	-	422,548
Public safety	-	-	-	-	-	-	63,198	-	-	-	-	63,198
Public works	559,197	-	-	-	483,505	-	-	-	-	413,008	18,540	1,474,250
Community development	-	562,379	-	289,881	-	402	-	-	204,123	-	-	1,056,785
<b>Total Expenditures</b>	<u>559,197</u>	<u>562,379</u>	<u>422,548</u>	<u>289,881</u>	<u>483,505</u>	<u>402</u>	<u>63,198</u>	<u>-</u>	<u>204,123</u>	<u>413,008</u>	<u>18,540</u>	<u>3,016,781</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(122,150)</u>	<u>119,983</u>	<u>(416,994)</u>	<u>(168,298)</u>	<u>(57,291)</u>	<u>39,949</u>	<u>59,290</u>	<u>(3,014)</u>	<u>(35,833)</u>	<u>(181,353)</u>	<u>(17,750)</u>	<u>(783,461)</u>
<b>Other Financing Sources (Uses):</b>												
Transfers in	-	-	449,129	168,446	5,861	-	-	-	-	62,430	-	685,866
<b>Net Change in Fund Balances</b>	<u>(122,150)</u>	<u>119,983</u>	<u>32,135</u>	<u>148</u>	<u>(51,430)</u>	<u>39,949</u>	<u>59,290</u>	<u>(3,014)</u>	<u>(35,833)</u>	<u>(118,923)</u>	<u>(17,750)</u>	<u>(97,595)</u>
<b>Fund Balances - January 1</b>	<u>947,364</u>	<u>352,388</u>	<u>108,656</u>	<u>92,959</u>	<u>37,641</u>	<u>147,986</u>	<u>282,022</u>	<u>155,293</u>	<u>153,583</u>	<u>2,476,642</u>	<u>458,765</u>	<u>5,213,299</u>
<b>Fund Balances - December 31</b>	<u>\$ 825,214</u>	<u>\$ 472,371</u>	<u>\$ 140,791</u>	<u>\$ 93,107</u>	<u>\$ (13,789)</u>	<u>\$ 187,935</u>	<u>\$ 341,312</u>	<u>\$ 152,279</u>	<u>\$ 117,750</u>	<u>\$ 2,357,719</u>	<u>\$ 441,015</u>	<u>\$ 5,115,704</u>

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

**Moffat County, Colorado**  
**Special Revenue Funds**  
**Landfill Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual (GAAP Basis)**  
**For the Year Ended December 31, 2012**  
**(With Comparative Actual Amounts For the Year Ended December 31, 2011)**

	<u>2012</u>			<u>Final Budget</u>	<u>2011</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>	<u>Actual</u>
<b>Revenues:</b>					
Charges for services	\$ 456,000	\$ 456,000	\$ 430,334	\$ (25,666)	\$ 479,551
Investment income	3,000	3,000	1,230	(1,770)	1,853
Other revenue	-	-	5,483	5,483	6,065
<b>Total Revenues</b>	<u>459,000</u>	<u>459,000</u>	<u>437,047</u>	<u>(21,953)</u>	<u>487,469</u>
<b>Expenditures:</b>					
<b>Public Works:</b>					
Personnel	312,219	314,219	297,903	16,316	306,432
Operating	325,175	335,175	255,130	80,045	188,341
Capital outlay	66,645	66,645	6,164	60,481	-
<b>Total Expenditures</b>	<u>704,039</u>	<u>716,039</u>	<u>559,197</u>	<u>156,842</u>	<u>494,773</u>
<b>Net Change in Fund Balances</b>	<u>\$ (245,039)</u>	<u>\$ (257,039)</u>	(122,150)	<u>\$ 134,889</u>	(7,304)
<b>Fund Balances - January 1</b>			<u>947,364</u>		<u>954,668</u>
<b>Fund Balances - December 31</b>			<u>\$ 825,214</u>		<u>\$ 947,364</u>

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

**Moffat County, Colorado**  
**Special Revenue Funds**  
**Library Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual (GAAP Basis)**  
**For the Year Ended December 31, 2012**  
**(With Comparative Actual Amounts For the Year Ended December 31, 2011)**

	<u>2012</u>			<b>Final Budget Variance Positive (Negative)</b>	<u>2011</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>		<u>Actual</u>
<b>Revenues:</b>					
Taxes:					
Property taxes	\$ 664,361	\$ 664,361	\$ 661,495	\$ (2,866)	\$ 2
Interest and penalties	-	-	1,005	1,005	-
Charges for services	10,500	10,500	11,864	1,364	13,011
Investment income	-	-	867	867	1,288
Other	2,100	2,100	7,131	5,031	7,641
<b>Total Revenues</b>	<u>676,961</u>	<u>676,961</u>	<u>682,362</u>	<u>5,401</u>	<u>21,942</u>
<b>Expenditures:</b>					
Personnel	406,575	406,575	355,724	50,851	386,925
Operating	254,328	273,828	206,655	67,173	129,535
<b>Total Expenditures</b>	<u>660,903</u>	<u>680,403</u>	<u>562,379</u>	<u>118,024</u>	<u>516,460</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	16,058	(3,442)	119,983	123,425	(494,518)
<b>Other Financing Sources:</b>					
Transfers in	-	-	-	-	423,903
<b>Total Other Financing Sources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>423,903</u>
<b>Net Change in Fund Balances</b>	<u>\$ 16,058</u>	<u>\$ (3,442)</u>	119,983	<u>\$ 123,425</u>	(70,615)
<b>Fund Balances - January 1</b>			<u>352,388</u>		<u>423,003</u>
<b>Fund Balances - December 31</b>			<u>\$ 472,371</u>		<u>\$ 352,388</u>

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

**Moffat County, Colorado**  
**Special Revenue Funds**  
**Retirement Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual (GAAP Basis)**  
**For the Year Ended December 31, 2012**  
**(With Comparative Actual Amounts For the Year Ended December 31, 2011)**

	<u>Original and Final Budget</u>	<u>Actual Amounts</u>	<u>Variance Positive (Negative)</u>	<u>2011 Actual</u>
<b>Revenues:</b>				
<b>Taxes:</b>				
Property taxes	\$ -	\$ -	\$ -	\$ 1
<b>Other:</b>				
Charges for services	5,029	5,042	13	8,924
Interest income	500	512	12	554
Other	-	-	-	132
<b>Total Revenues</b>	<u>5,529</u>	<u>5,554</u>	<u>25</u>	<u>9,611</u>
<b>Expenditures:</b>				
Retirement benefits	449,638	421,422	28,216	425,835
Administrative	6,288	1,126	5,162	3,126
<b>Total Expenditures</b>	<u>455,926</u>	<u>422,548</u>	<u>33,378</u>	<u>428,961</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	(450,397)	(416,994)	33,403	(419,350)
<b>Other Financing Sources (Uses):</b>				
Transfers in	449,129	449,129	-	449,129
<b>Total Other Financing Sources</b>	<u>449,129</u>	<u>449,129</u>	<u>-</u>	<u>449,129</u>
<b>Net Change in Fund Balances</b>	<u>\$ (1,268)</u>	32,135	<u>\$ 33,403</u>	29,779
<b>Fund Balances - January 1</b>		<u>108,656</u>		<u>78,877</u>
<b>Fund Balances - December 31</b>		<u>\$ 140,791</u>		<u>\$ 108,656</u>

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

**Moffat County, Colorado**  
**Special Revenue Funds**  
**Senior Citizens Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual (GAAP Basis)**  
**For the Year Ended December 31, 2012**  
**(With Comparative Actual Amounts For the Year Ended December 31, 2011)**

	<u>2012</u>			<b>Final Budget Variance Positive (Negative)</b>	<u>2011</u>
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>		<b>Actual</b>
<b>Revenues:</b>					
<b>Intergovernmental:</b>					
Intergovernmental	19,167	21,633	19,833	(1,800)	18,050
<b>Charges for services:</b>					
Charges for services	36,800	36,800	37,233	433	37,280
<b>Other:</b>					
Interest	300	300	274	(26)	390
Other	475,125	526,901	64,243	(462,658)	393,341
<b>Total Revenues</b>	<u>531,392</u>	<u>585,634</u>	<u>121,583</u>	<u>(464,051)</u>	<u>449,061</u>
<b>Expenditures:</b>					
Administration	20,416	34,316	24,616	9,700	17,115
Transportation	63,840	65,891	61,861	4,030	59,736
Meal program	138,751	145,352	132,763	12,589	136,956
Voucher program	473,525	473,525	11,763	461,762	383,268
Capital outlay	-	64,042	58,878	5,164	-
<b>Total Expenditures</b>	<u>696,532</u>	<u>783,126</u>	<u>289,881</u>	<u>493,245</u>	<u>597,075</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	(165,140)	(197,492)	(168,298)	29,194	(148,014)
<b>Other Financing Sources (Uses):</b>					
Transfers in	168,446	168,446	168,446	-	96,538
<b>Total Other Financing Sources</b>	<u>168,446</u>	<u>168,446</u>	<u>168,446</u>	<u>-</u>	<u>96,538</u>
<b>Net Change in Fund Balances</b>	<u>\$ 3,306</u>	<u>\$ (29,046)</u>	148	<u>\$ 29,194</u>	(51,476)
<b>Fund Balances - January 1</b>			<u>92,959</u>		<u>144,435</u>
<b>Fund Balances - December 31</b>			<u>\$ 93,107</u>		<u>\$ 92,959</u>

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

**Moffat County, Colorado**  
**Special Revenue Funds**  
**Airport Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual (GAAP Basis)**  
**For the Year Ended December 31, 2012**  
**(With Comparative Actual Amounts For the Year Ended December 31, 2011)**

	<u>2012</u>			<b>Final Budget Variance Positive (Negative)</b>	<u>2011</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>		<u>Actual</u>
<b>Revenues:</b>					
<b>Taxes:</b>					
Taxes - Aircraft tax	\$ 5,000	\$ 5,000	\$ 4,009	\$ (991)	\$ 4,780
<b>Charges for services:</b>					
Rents	10,000	10,000	5,857	(4,143)	8,569
<b>Other:</b>					
Investment income	300	300	119	(181)	54
Intergovernmental	32,000	433,712	414,968	(18,744)	25,562
Other	1,000	1,000	1,261	261	599
<b>Total Revenues</b>	<u>48,300</u>	<u>450,012</u>	<u>426,214</u>	<u>(23,798)</u>	<u>39,564</u>
<b>Expenditures:</b>					
Personnel	1,673	1,673	2,538	(865)	2,319
Operations	65,882	77,882	33,029	44,853	33,472
Capital outlay	-	419,573	447,938	(28,365)	-
<b>Total Expenditures</b>	<u>67,555</u>	<u>499,128</u>	<u>483,505</u>	<u>15,623</u>	<u>35,791</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	(19,255)	(49,116)	(57,291)	(8,175)	3,773
<b>Other Financing Sources (Uses):</b>					
Transfers in	32,000	32,000	5,861	(26,139)	12,083
<b>Total Other Financing Sources</b>	<u>32,000</u>	<u>32,000</u>	<u>5,861</u>	<u>(26,139)</u>	<u>12,083</u>
<b>Net Change in Fund Balances</b>	<u>\$ 12,745</u>	<u>\$ (17,116)</u>	(51,430)	<u>\$ (34,314)</u>	15,856
<b>Fund Balances - January 1</b>			<u>37,641</u>		<u>21,785</u>
<b>Fund Balances - December 31</b>			<u>\$ (13,789)</u>		<u>\$ 37,641</u>

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

**Moffat County, Colorado**  
**Special Revenue Funds**  
**Cemetery Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual (GAAP Basis)**  
**For the Year Ended December 31, 2012**  
**(With Comparative Actual Amounts For the Year Ended December 31, 2011)**

	2012		Variance Positive (Negative)	2011
	Original and Final Budget	Actual		Actual
<b>Other Financing Sources (Uses):</b>				
Transfers (out)	(115,354)	-	115,354	(115,354)
<b>Total Other Financing Sources</b>	<b>(115,354)</b>	<b>-</b>	<b>115,354</b>	<b>(115,354)</b>
 <b>Net Change in Fund Balances</b>	<b>\$ (115,354)</b>	<b>-</b>	<b>\$ 115,354</b>	<b>(115,354)</b>
 <b>Fund Balances - January 1</b>		-		115,354
 <b>Fund Balances - December 31</b>		<b>\$ -</b>		<b>\$ -</b>

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

**Moffat County, Colorado**  
**Special Revenue Funds**  
**Conservation Trust Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual (GAAP Basis)**  
**For the Year Ended December 31, 2012**  
**(With Comparative Actual Amounts For the Year Ended December 31, 2011)**

	2012			2011
	Original and Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
<b>Revenues:</b>				
<b>Intergovernmental:</b>				
Lottery proceeds	\$ 40,000	\$ 40,068	\$ 68	\$ 39,171
<b>Other:</b>				
Interest income	400	283	(117)	313
<b>Total Revenues</b>	40,400	40,351	(49)	39,484
<b>Expenditures:</b>				
Recreation	30,000	-	30,000	18,133
Treasurer's fees	400	402	(2)	395
<b>Total Expenditures</b>	30,400	402	29,998	18,528
<b>Net Change in Fund Balances</b>	\$ 10,000	39,949	\$ 29,949	20,956
<b>Fund Balances - January 1</b>		147,986		127,030
<b>Fund Balances - December 31</b>		\$ 187,935		\$ 147,986

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

**Moffat County, Colorado**  
**Special Revenue Funds**  
**E-911 Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual (GAAP Basis)**  
**For the Year Ended December 31, 2012**  
**(With Comparative Actual Amounts For the Year Ended December 31, 2011)**

	<u>2012</u>			<u>2011</u>
	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Budget Variance Positive (Negative)</u>	<u>Actual</u>
<b>Revenues:</b>				
<b>Taxes:</b>				
Phone tax	\$ 124,000	\$ 121,659	\$ (2,341)	\$ 122,775
<b>Other:</b>				
Interest income	85	489	404	499
Other	-	340	340	82
<b>Total Revenues</b>	<u>124,085</u>	<u>122,488</u>	<u>(1,597)</u>	<u>123,356</u>
<b>Expenditures:</b>				
Operations	42,000	27,255	14,745	21,666
Special projects	50,000	35,943	14,057	29,574
<b>Total Expenditures</b>	<u>92,000</u>	<u>63,198</u>	<u>28,802</u>	<u>51,240</u>
<b>Net Change in Fund Balances</b>	<u>\$ 32,085</u>	59,290	<u>\$ 27,205</u>	72,116
<b>Fund Balances - January 1</b>		<u>282,022</u>		<u>209,906</u>
<b>Fund Balances - December 31</b>		<u>\$ 341,312</u>		<u>\$ 282,022</u>

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

**Moffat County, Colorado**  
**Special Revenue Funds**  
**Oil and Gas Exemption Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual (GAAP Basis)**  
**For the Year Ended December 31, 2012**  
**(With Comparative Actual Amounts For the Year Ended December 31, 2011)**

	<u>2012</u>			<u>2011</u>
	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>	<u>Actual</u>
<b>Revenues:</b>				
<b>Taxes:</b>				
Property tax	\$ -	\$ (3,014)	\$ (3,014)	\$ 668
<b>Total Revenues</b>	<u>-</u>	<u>(3,014)</u>	<u>(3,014)</u>	<u>668</u>
<b>Expenditures:</b>				
Public works	-	-	-	361,764
<b>Total Expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>361,764</u>
<b>Net Change in Fund Balances</b>	<u>\$ -</u>	<u>(3,014)</u>	<u>\$ (3,014)</u>	<u>(361,096)</u>
<b>Fund Balances - January 1</b>		<u>155,293</u>		<u>516,389</u>
<b>Fund Balances - December 31</b>		<u>\$ 152,279</u>		<u>\$ 155,293</u>

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

**Moffat County, Colorado**  
**Special Revenue Funds**  
**Tourism Promotion Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual (GAAP Basis)**  
**For the Year Ended December 31, 2012**  
**(With Comparative Actual Amounts For the Year Ended December 31, 2011)**

	<u>2012</u>			<b>Final Budget Variance Positive (Negative)</b>	<u>2011</u>
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>		<b>Actual</b>
<b>Revenues:</b>					
<b>Taxes:</b>					
Lodging tax	\$ 104,000	\$ 104,000	\$ 168,080	\$ 64,080	\$ 129,066
<b>Other:</b>					
Other revenue	-	-	7	7	2,361
Investment income	400	400	203	(197)	412
<b>Total Revenues</b>	<u>104,400</u>	<u>104,400</u>	<u>168,290</u>	<u>63,890</u>	<u>131,839</u>
<b>Expenditures:</b>					
Personnel	30,976	2,498	2,405	93	2,245
Advertising	11,700	40,123	37,435	2,688	64,137
Operations	113,400	184,297	163,833	20,464	137,977
Capital outlay	800	800	450	350	-
<b>Total Expenditures</b>	<u>156,876</u>	<u>227,718</u>	<u>204,123</u>	<u>23,595</u>	<u>204,359</u>
<b>Net Change in Fund Balances</b>	<u>\$ (52,476)</u>	<u>\$ (123,318)</u>	(35,833)	<u>\$ 87,485</u>	(72,520)
<b>Fund Balances - January 1</b>			<u>153,583</u>		<u>226,103</u>
<b>Fund Balances - December 31</b>			<u>\$ 117,750</u>		<u>\$ 153,583</u>

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

**Moffat County, Colorado**  
**Capital Projects Funds**  
**Capital Project Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual (GAAP Basis)**  
**For the Year Ended December 31, 2012**  
**(With Comparative Actual Amounts For the Year Ended December 31, 2011)**

	2012		Final Budget Variance Positive (Negative)	2011
	Original and Final Budget	Actual		Actual
<b>Revenues:</b>				
<b>Other:</b>				
Interest	\$ 5,000	\$ 4,250	\$ (750)	\$ 5,194
Other	50,000	227,405	177,405	777,272
<b>Total Revenues</b>	55,000	231,655	176,655	782,466
<b>Expenditures:</b>				
Other capital projects	895,000	413,008	481,992	574,552
<b>Total Expenditures</b>	895,000	413,008	481,992	574,552
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	(840,000)	(181,353)	658,647	207,914
<b>Other Financing Sources:</b>				
Transfers in	-	62,430	62,430	-
<b>Total Other Financing Sources</b>	-	62,430	62,430	-
<b>Net Change in Fund Balances</b>	\$ (840,000)	(118,923)	\$ 721,077	207,914
<b>Fund Balances - January 1</b>		2,476,642		2,268,728
<b>Fund Balances - December 31</b>		\$ 2,357,719		\$ 2,476,642

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

**Moffat County, Colorado**  
**Capital Projects Funds**  
**Public Safety Center**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual (GAAP Basis)**  
**For the Year Ended December 31, 2012**  
**(With Comparative Actual Amounts For the Year Ended December 31, 2011)**

	2012		Final Budget Variance Positive (Negative)	2011
	Original and Final Budget	Actual		Actual
<b>Revenues:</b>				
Other income	-	790	790	1,108
<b>Total Revenues</b>	<u>-</u>	<u>790</u>	<u>790</u>	<u>1,108</u>
<b>Expenditures:</b>				
Capital outlay	30,000	18,540	11,460	23,274
<b>Total Expenditures</b>	<u>30,000</u>	<u>18,540</u>	<u>11,460</u>	<u>23,274</u>
<b>Net Change in Fund Balances</b>	<u>\$ (30,000)</u>	<u>(17,750)</u>	<u>\$ 12,250</u>	<u>(22,166)</u>
<b>Fund Balances - January 1</b>		<u>458,765</u>		<u>480,931</u>
<b>Fund Balances - December 31</b>		<u>\$ 441,015</u>		<u>\$ 458,765</u>

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

**Moffat County, Colorado**  
**Enterprise Fund**  
**Sewer Fund**  
**Schedule of Revenues, Expenses and Changes in Fund Net Position**  
**Budget (Non-GAAP Basis) and Actual with Reconciliation to GAAP Basis**  
**For the Year Ended December 31, 2012**  
**(With Comparative Actual Amounts For the Year Ended December 31, 2011)**

	2012			Variance Positive (Negative)	2011
	Original Budget	Final Budget	Actual		Actual
<b>Operating Revenues:</b>					
Charges for services	\$ 15,460	\$ 15,460	\$ 15,061	\$ (399)	\$ 14,346
Intergovernmental revenue	-	10,000	9,809	(191)	-
<b>Total Operating Revenues</b>	<u>15,460</u>	<u>25,460</u>	<u>24,870</u>	<u>(590)</u>	<u>14,708</u>
<b>Operating Expenses:</b>					
Operations and maintenance	26,478	26,478	20,746	5,732	9,936
<b>Total Operating Expenses</b>	<u>26,478</u>	<u>26,478</u>	<u>20,746</u>	<u>5,732</u>	<u>9,936</u>
<b>Operating Income (Loss)</b>	(11,018)	(1,018)	4,124	5,142	4,772
<b>Non-Operating Revenues:</b>					
Investment income	20	20	31	11	25
<b>Change in Net Position - Budget Basis:</b>	<u>\$ (10,998)</u>	<u>\$ (998)</u>	4,155	<u>\$ 5,153</u>	4,797
<b>Reconciliation to GAAP Basis:</b>					
<b>Adjustments:</b>					
Depreciation			(11,337)		(11,337)
<b>Change in Net Position - GAAP Basis</b>			(7,182)		(6,540)
<b>Net Position - January 1</b>			<u>171,419</u>		<u>177,959</u>
<b>Net Position - December 31</b>			<u>\$ 164,237</u>		<u>\$ 171,419</u>

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

**Moffat County, Colorado**  
**Internal Service Funds**  
**Combining Statement of Net Position**  
**December 31, 2012**

	<u>Health Insurance Trust Fund</u>	<u>Central Duplicating/ IT Fund</u>	<u>Total Internal Service Funds</u>
<b>Assets:</b>			
<b>Current Assets:</b>			
Cash and cash equivalents	\$ 2,648,908	\$ 200,051	\$ 2,848,959
Accounts receivable	5,306	318	5,624
Internal balances	-	4,080	4,080
Due (to) from component unit	-	47	47
<b>Total Current Assets</b>	<u>2,654,214</u>	<u>204,496</u>	<u>2,858,710</u>
<b>Non-current Assets:</b>			
Property, plant and equipment, net of accumulated depreciation	-	84,075	84,075
<b>Total Assets</b>	<u>2,654,214</u>	<u>288,571</u>	<u>2,942,785</u>
<b>Liabilities:</b>			
Accounts payable and accrued liabilities	347,003	49,986	396,989
Accrued salaries and benefits	-	11,746	11,746
<b>Total Liabilities</b>	<u>347,003</u>	<u>61,732</u>	<u>408,735</u>
<b>Deferred Inflow of Resources:</b>			
Unearned revenue - other	-	516	516
Total deferred inflow of resources	-	516	516
<b>Net Position:</b>			
Unrestricted	2,307,211	226,323	2,533,534
<b>Total Net Position</b>	<u>\$ 2,307,211</u>	<u>\$ 226,323</u>	<u>\$ 2,533,534</u>

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

**Moffat County, Colorado**  
**Internal Service Funds**  
**Combining Statement of Revenues, Expenditures**  
**and Changes in Fund Net Position**  
**For the Year Ended December 31, 2012**

	<b>Health Insurance Trust Fund</b>	<b>Central Duplicating/ IT Fund</b>	<b>Total Internal Service Funds</b>
<b>Revenues:</b>			
Charges for services	\$ -	\$ 207,427	\$ 207,427
Contributions	2,871,310	-	2,871,310
Reimbursements	-	1,188,486	1,188,486
Other	415,298	100,239	515,537
<b>Total Revenues</b>	<u>3,286,608</u>	<u>1,496,152</u>	<u>4,782,760</u>
<b>Expenditures:</b>			
Operations and maintenance	532,884	1,432,013	1,964,897
Claims and related insurance expenses	2,633,463	-	2,633,463
Capital outlay	-	34,730	34,730
Depreciation	-	17,388	17,388
<b>Total Expenditures</b>	<u>3,166,347</u>	<u>1,484,131</u>	<u>4,650,478</u>
<b>Operating Income (Loss)</b>	<u>120,261</u>	<u>12,021</u>	<u>132,282</u>
<b>Non-operating Revenues:</b>			
Interest	4,040	-	4,040
<b>Change in Net Position</b>	124,301	12,021	136,322
<b>Net Position - January 1</b>	<u>2,182,910</u>	<u>214,302</u>	<u>2,397,212</u>
<b>Net Position - December 31</b>	<u>\$ 2,307,211</u>	<u>\$ 226,323</u>	<u>\$ 2,533,534</u>

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

**Moffat County, Colorado**  
**Internal Service Funds**  
**Combining Statement of Cash Flows**  
**For the Year Ended December 31, 2012**

	<b>Health Insurance Trust Fund</b>	<b>Central Duplicating/ IT Fund</b>	<b>Total</b>
<b>Cash Flows From Operating Activities:</b>			
Cash received from customers	\$ 2,866,004	\$ 1,569,734	\$ 4,435,738
Other cash receipts	415,298	-	415,298
Cash paid for goods and services	(2,984,261)	(1,488,703)	(4,472,964)
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>297,041</u>	<u>81,031</u>	<u>378,072</u>
<b>Cash Flows From Non-Capital Financing Activities:</b>			
Transfer (to) from other fund	-	44,435	44,435
<b>Net Cash Provided (Used) by Non-Capital Financing Activities</b>	<u>-</u>	<u>44,435</u>	<u>44,435</u>
<b>Cash Flows From Investing Activities:</b>			
Interest received	4,040	-	4,040
<b>Net Cash Provided by Investing Activities</b>	<u>4,040</u>	<u>-</u>	<u>4,040</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	301,081	125,466	426,547
<b>Cash and Cash Equivalents - January 1</b>	<u>2,347,827</u>	<u>74,585</u>	<u>2,422,412</u>
<b>Cash and Cash Equivalents - December 31</b>	<u><u>2,648,908</u></u>	<u><u>200,051</u></u>	<u><u>2,848,959</u></u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>			
Operating income (loss)	120,261	12,021	132,282
<b>Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:</b>			
(Increase) decrease in accounts receivable	(5,306)	73,979	68,673
(Increase) decrease in prepaid expenses	33,750	-	33,750
Increase (decrease) in accounts payable and accrued liabilities	148,336	(7,923)	140,413
Increase (decrease) in accrued salaries and benefits	-	(14,037)	(14,037)
Increase (decrease) in deferred revenues	-	(397)	(397)
Depreciation	-	17,388	17,388
<b>Total Adjustments</b>	<u>176,780</u>	<u>69,010</u>	<u>245,790</u>
<b>Net Cash Provided (Used) by Operating Activities</b>	<u><u>\$ 297,041</u></u>	<u><u>\$ 81,031</u></u>	<u><u>\$ 378,072</u></u>

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

**Moffat County, Colorado**  
**Internal Service Funds**  
**Health Insurance Trust Fund**  
**Schedule of Revenues, Expenses and Changes in Fund Net Position**  
**Budget and Actual (GAAP Basis)**  
**For the Year Ended December 31, 2012**  
**(With Comparative Actual Amounts For the Year Ended December 31, 2011)**

	2012			2011
	Original and Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
<b>Operating Revenues:</b>				
Contributions	\$ 3,320,545	\$ 2,871,310	\$ (449,235)	\$ 3,231,902
Other	-	415,301	415,301	-
<b>Total Operating Revenues</b>	<b>3,320,545</b>	<b>3,286,611</b>	<b>(33,934)</b>	<b>3,231,902</b>
<b>Operating Expenses:</b>				
Claims and related insurance expenses	3,226,673	2,633,463	593,210	2,368,268
Operations	420,212	532,885	(112,673)	657,909
<b>Total Operating Expenses</b>	<b>3,646,885</b>	<b>3,166,348</b>	<b>480,537</b>	<b>3,026,177</b>
<b>Operating Income (Loss)</b>	<b>(326,340)</b>	<b>120,263</b>	<b>446,603</b>	<b>205,725</b>
<b>Non-operating Revenues:</b>				
Interest	6,600	4,040	(2,560)	5,378
<b>Change in Net Position - GAAP Basis</b>	<b>\$ (319,740)</b>	<b>124,303</b>	<b>\$ 444,043</b>	<b>211,103</b>
<b>Net Position - January 1</b>		<b>2,182,908</b>		<b>1,971,805</b>
<b>Net Position - December 31</b>		<b>\$ 2,307,211</b>		<b>\$ 2,182,908</b>

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

**Moffat County, Colorado**  
**Internal Service Funds**  
**Central Duplicating/IT Fund**  
**Schedule of Revenues, Expenses and Changes in Fund Net Position**  
**Budget and Actual (GAAP Basis)**  
**For the Year Ended December 31, 2012**  
**(With Comparative Actual Amounts For the Year Ended December 31, 2011)**

	2012			2011	
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
<b>Revenues:</b>					
Charges for services	\$ 265,937	\$ 265,937	\$ 207,427	\$ (58,510)	\$ 78,601
Other revenues	33,583	33,583	100,239	66,656	101,869
Reimbursements	(1,383,710)	1,383,710	1,188,486	(195,224)	283,606
<b>Total Revenues</b>	<u>(1,084,190)</u>	<u>1,683,230</u>	<u>1,496,152</u>	<u>(187,078)</u>	<u>464,076</u>
<b>Expenses:</b>					
Operations and maintenance	1,280,815	1,280,815	1,114,739	166,076	389,426
Personnel	277,292	318,692	317,275	1,417	175,070
Capital outlay	43,500	43,500	34,730	8,770	29,123
<b>Total Expenses</b>	<u>1,601,607</u>	<u>1,643,007</u>	<u>1,466,744</u>	<u>176,263</u>	<u>593,619</u>
<b>Operating Income (Loss)</b>	(2,685,797)	40,223	29,408	(10,815)	(129,543)
<b>Transfers in</b>	-	-	-	-	179,148
<b>Change in Net Position - Budget Basis</b>	<u>\$ (2,685,797)</u>	<u>\$ 40,223</u>	29,408	<u>\$ (10,815)</u>	49,605
<b>Reconciliation to GAAP Basis:</b>					
<b>Adjustments:</b>					
Depreciation			(17,388)		(17,388)
			<u>(17,388)</u>		<u>(17,388)</u>
<b>Change in Net Position - GAAP Basis</b>			12,020		32,217
<b>Net Position - January 1</b>			<u>214,303</u>		<u>182,086</u>
<b>Net Position - December 31</b>			<u>\$ 226,323</u>		<u>\$ 214,303</u>

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

**Moffat County, Colorado**  
**Agency Funds**  
**Combining Statement of Changes in Assets and Liabilities**  
**For the Year Ended December 31, 2012**

<b>County Treasurer</b>	<b>Balance January 1, 2012</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance December 31, 2012</b>
<b>Assets:</b>				
Cash	\$ 31,996,263	\$ 99,095,267	\$ (100,145,950)	\$ 30,945,580
Less: cash held for County funds	(29,841,225)			(29,937,264)
<b>Total Assets</b>	<b>\$ 2,155,038</b>	<b>\$ 99,095,267</b>	<b>\$ (100,145,950)</b>	<b>\$ 1,008,316</b>
<b>Liabilities:</b>				
Held by Trustee	\$ 2,155,038	\$ 99,095,267	\$ (100,145,950)	\$ 1,008,316
<b>Total Liabilities</b>	<b>\$ 2,155,038</b>	<b>\$ 99,095,267</b>	<b>\$ (100,145,950)</b>	<b>\$ 1,008,316</b>
<b>Public Trustee</b>				
	<b>Balance January 1, 2012</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance December 31, 2012</b>
<b>Assets:</b>				
Cash	\$ 38,171	\$ 1,877,049	\$ (1,878,679)	\$ 36,541
<b>Total Assets</b>	<b>\$ 38,171</b>	<b>\$ 1,877,049</b>	<b>\$ (1,878,679)</b>	<b>\$ 36,541</b>
<b>Liabilities:</b>				
Held by Trustee	\$ 38,171	\$ 1,877,049	\$ (1,878,679)	\$ 36,541
<b>Total Liabilities</b>	<b>\$ 38,171</b>	<b>\$ 1,877,049</b>	<b>\$ (1,878,679)</b>	<b>\$ 36,541</b>
<b>Inmate Commissary</b>				
	<b>Balance January 1, 2012</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance December 31, 2012</b>
<b>Assets:</b>				
Cash	\$ 12,104	\$ 76,987	\$ (78,172)	\$ 10,919
<b>Total Assets</b>	<b>\$ 12,104</b>	<b>\$ 76,987</b>	<b>\$ (78,172)</b>	<b>\$ 10,919</b>
<b>Liabilities:</b>				
Held by Trustee	\$ 12,104	\$ 76,987	\$ (78,172)	\$ 10,919
<b>Total Liabilities</b>	<b>\$ 12,104</b>	<b>\$ 76,987</b>	<b>\$ (78,172)</b>	<b>\$ 10,919</b>
<b>Inmate Welfare</b>				
	<b>Balance January 1, 2012</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance December 31, 2012</b>
<b>Assets:</b>				
Cash	\$ 49,878	28,560	(33,178)	45,260
<b>Total Assets</b>	<b>\$ 49,878</b>	<b>28,560</b>	<b>(33,178)</b>	<b>45,260</b>
<b>Liabilities:</b>				
Held by Trustee	\$ 49,878	28,560	(33,178)	45,260
<b>Total Liabilities</b>	<b>\$ 49,878</b>	<b>28,560</b>	<b>(33,178)</b>	<b>45,260</b>

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

**Moffat County, Colorado**  
**Agency Funds**  
**Combining Statement of Changes in Assets and Liabilities**  
**For the Year Ended December 31, 2012**

<u>Sheriff Scholarship</u>	Balance January 1, 2012	Additions	Deductions	Balance December 31, 2012
<b>Assets:</b>				
Cash	\$ 5,852	\$ 925	\$ (2,144)	\$ 4,633
<b>Total Assets</b>	<u>\$ 5,852</u>	<u>\$ 925</u>	<u>\$ (2,144)</u>	<u>\$ 4,633</u>
<b>Liabilities:</b>				
Held by Trustee	\$ 5,852	\$ 925	\$ (2,144)	\$ 4,633
<b>Total Liabilities</b>	<u>\$ 5,852</u>	<u>\$ 925</u>	<u>\$ (2,144)</u>	<u>\$ 4,633</u>
<u>Extension</u>	Balance January 1, 2012	Additions	Deductions	Balance December 31, 2012
<b>Assets:</b>				
Cash	\$ 53,331	\$ 18,684	\$ (16,175)	\$ 55,840
<b>Total Assets</b>	<u>\$ 53,331</u>	<u>\$ 18,684</u>	<u>\$ (16,175)</u>	<u>\$ 55,840</u>
<b>Liabilities:</b>				
Held by Trustee	\$ 53,331	\$ 18,684	\$ (16,175)	\$ 55,840
<b>Total Liabilities</b>	<u>\$ 53,331</u>	<u>\$ 18,684</u>	<u>\$ (16,175)</u>	<u>\$ 55,840</u>
<u>Search and Rescue</u>	Balance January 1, 2012	Additions	Deductions	Balance December 31, 2012
<b>Assets:</b>				
Cash	\$ 6,070	\$ 4,487	\$ (5,518)	\$ 5,039
<b>Total Assets</b>	<u>\$ 6,070</u>	<u>\$ 4,487</u>	<u>\$ (5,518)</u>	<u>\$ 5,039</u>
<b>Liabilities:</b>				
Held by Trustee	\$ 6,070	\$ 4,487	\$ (5,518)	\$ 5,039
<b>Total Liabilities</b>	<u>\$ 6,070</u>	<u>\$ 4,487</u>	<u>\$ (5,518)</u>	<u>\$ 5,039</u>

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

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

<b>LOCAL HIGHWAY FINANCE REPORT</b>	City or County: <b>Moffat</b>
	YEAR ENDING : December 2012
This Information From The Records Of (example - City of _ or County of _)	Prepared By: Mindy Curtis Phone: 9708249140

**I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE**

ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway-User Taxes	D. Receipts from Federal Highway Administration
1. Total receipts available				
2. Minus amount used for collection expenses				
3. Minus amount used for nonhighway purposes				
4. Minus amount used for mass transit				
5. Remainder used for highway purposes				

**II. RECEIPTS FOR ROAD AND STREET PURPOSES**

**III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES**

ITEM	AMOUNT	ITEM	AMOUNT
<b>A. Receipts from local sources:</b>		<b>A. Local highway disbursements:</b>	
1. Local highway-user taxes		1. Capital outlay (from page 2)	3,161,267
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	5,125,605
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	14,959
2. General fund appropriations	38,767	b. Snow and ice removal	162,642
3. Other local imposts (from page 2)	7,611,641	c. Other	352,212
4. Miscellaneous local receipts (from page 2)	408,031	d. Total (a. through c.)	529,813
5. Transfers from toll facilities		4. General administration & miscellaneous	787,367
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	263,431
a. Bonds - Original Issues		6. Total (1 through 5)	9,867,483
b. Bonds - Refunding Issues		<b>B. Debt service on local obligations:</b>	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	0
7. Total (1 through 6)	8,058,439	b. Redemption	0
<b>B. Private Contributions</b>		c. Total (a. + b.)	0
<b>C. Receipts from State government (from page 2)</b>	4,050,395	2. Notes:	
<b>D. Receipts from Federal Government (from page 2)</b>	2,799,763	a. Interest	0
<b>E. Total receipts (A.7 + B + C + D)</b>	14,908,597	b. Redemption	0
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	0
		<b>C. Payments to State for highways</b>	0
		<b>D. Payments to toll facilities</b>	0
		<b>E. Total disbursements (A.6 + B.3 + C + D)</b>	9,867,483

**IV. LOCAL HIGHWAY DEBT STATUS**

(Show all entries at par)

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

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

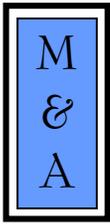
	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	6,382,699	14,908,597	9,867,483	11,423,813	0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT		STATE: Colorado <span style="float: right;">Moffat</span>	
		YEAR ENDING (mm/yy): December 2012	
<b>II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL</b>			
ITEM	AMOUNT	ITEM	AMOUNT
<b>A.3. Other local imposts:</b>		<b>A.4. Miscellaneous local receipts:</b>	
a. Property Taxes and Assessments	5,484,197	a. Interest on investments	18,650
b. Other local imposts:		b. Traffic Fines & Penalties	0
1. Sales Taxes	1,380,877	c. Parking Garage Fees	0
2. Infrastructure & Impact Fees		d. Parking Meter Fees	0
3. Liens		e. Sale of Surplus Property	0
4. Licenses		f. Charges for Services	130,414
5. Specific Ownership &/or Other	746,567	g. Other Misc. Receipts	258,967
6. Total (1. through 5.)	2,127,444	h. Other	
c. Total (a. + b.)	7,611,641	i. Total (a. through h.)	408,031
	(Carry forward to page 1)		(Carry forward to page 1)
ITEM	AMOUNT	ITEM	AMOUNT
<b>C. Receipts from State Government</b>		<b>D. Receipts from Federal Government</b>	
1. Highway-user taxes	3,993,186	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	8,811
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	33,385	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant	8,611	e. U.S. Corps of Engineers	
e. Other (Maint. Cont)	15,213	f. Other Federal	2,790,952
f. Total (a. through e.)	57,209	g. Total (a. through f.)	2,799,763
4. Total (1. + 2. + 3.f)	4,050,395	3. Total (1. + 2.g)	
			(Carry forward to page 1)
<b>III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL</b>			
	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
<b>A.1. Capital outlay:</b>			
a. Right-Of-Way Costs			0
b. Engineering Costs			0
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements			0
(3). System Preservation		3,161,267	3,161,267
(4). System Enhancement & Operation			0
(5). Total Construction (1) + (2) + (3) + (4)	0	3,161,267	3,161,267
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	3,161,267	3,161,267
			(Carry forward to page 1)
<b>Notes and Comments:</b>			

**REPORTS AND SCHEDULES FOR REPORTING REQUIREMENTS  
OF OMB CIRCULAR A-133**





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## **REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENTAL AUDITING STANDARDS**

### **Independent Auditor's Report**

**To the Board of County Commissioners  
Moffat County, Colorado  
Craig, Colorado**

We have audited, 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, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Moffat County, Colorado (the "County") as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated July 01, 2013.

#### ***Internal Control Over Financial Reporting***

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

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

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

*Member: American Institute of Certified Public Accountants*

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**To the Board of County Commissioners  
Moffat County, Colorado**

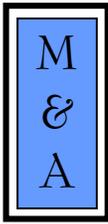
***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

***Purpose of this Report***

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

**McMahan and Associates, L.L.C.  
July 1, 2013**



# MCMAHAN AND ASSOCIATES, L.L.C.

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## REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

### Independent Auditor's Report

To the Board of County Commissioners  
Moffat County, Colorado  
Craig, Colorado

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

We have audited the Moffat County, Colorado's (the "County") compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2012. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

#### **Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination on the County's compliance with those requirements.

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

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2012.

*Member: American Institute of Certified Public Accountants*

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***Report on Internal Control Over Compliance***

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit, we considered the County's internal control over compliance with types of requirements that could have a direct and material effect on each major federal program to determine our auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

**McMahan and Associates, L.L.C.**  
**July 1, 2013**

**Moffat County, Colorado, Colorado**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended December 31, 2012**

**Part I: Summary of Auditor's Results**

*Financial Statements*

Type of auditor's report issued	Unqualified
Internal control over financial reporting:	
Material weakness identified	None noted
Significant deficiency identified	None reported
Noncompliance material to financial statements noted	None noted

*Federal Awards*

Internal control over major programs:	
Material weakness identified	None noted
Significant deficiency identified	None reported
Type of auditor's report issued on compliance for major programs	Unqualified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133	None noted
Major program – Capitalization Grants for Temporary Assistance for Needy Families	CFDA #93.558
Temporary Assistance for Needy Families - ARRA	CFDA #93.714
Airport Improvement Program	CFDA #20.106
Section 221 Insured Loan Program	CFDA #14.135
Dollar threshold used to identify Type A from Type B programs	\$300,000
Identified as low-risk auditee	Yes

**Part II: Findings Related to Financial Statements**

Findings related to financial statements as required by Government Auditing Standards	None noted
Auditor-assigned reference number	Not applicable

**Part III: Findings Related to Federal Awards**

Internal control findings	None noted
Compliance findings	None noted
Questioned costs	None noted
Auditor-assigned reference number	Not applicable

**Moffat County, Colorado**  
**SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended December 31, 2012**  
**(Continued)**

**Note:** There were no findings for the fiscal year ended December 31, 2011.

**Moffat County, Colorado**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended December 31, 2012**

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Major Program</u>	<u>Expenditures</u>
<b>Department of Agriculture:</b>			
<b>Passed through Colorado Department of Human Services:</b>			
State Administrative Matching Grants for Supplemental Nutrition Assistance Program	10.561	No	129,941
Emergency Food Assistance Program (Food Commodities)	10.569	No	17,044
<b>Total Department of Agriculture</b>			<u>146,985</u>
<b>Department of Human Services:</b>			
<b>Passed through Colorado Department of Human Services:</b>			
Temporary Assistance for Needy Families	93.558	Yes	321,441
Temporary Assistance for Needy Families - ARRA	93.714	Yes	2,460
Child Support Enforcement	93.563	No	169,904
Low-income Energy Assistance	93.568	No	143,121
Child Care and Development Block Grant	93.575	No	32,177
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	No	74,931
Stephanie tubbs Jones Child Welfare Services Program	93.645	No	12,566
Foster Care Title IV-E	93.658	No	164,404
Adoption Assistance	93.659	No	30,573
Social Services Block Grant	93.667	No	115,231
Medical Assistance Program	93.778	No	101,776
Transitional Living for Homeless Youth	93.550	No	13,834
Adjustment to federal assistance	93	No	(331)
<b>Total Department of Human Services</b>			<u>1,182,087</u>
<b>Department of Transportation:</b>			
Airport Improvement Program	20.106	Yes	375,016
<b>Total Department of Transportation</b>			<u>375,016</u>
<b>Department of Homeland Security:</b>			
Emergency Management Program Grant	97.042	No	17,359
<b>Total Department of Homeland Security:</b>			<u>17,359</u>
<b>Department of Justice:</b>			
State Criminal Alien Assistance	16.606	No	4,059
<b>Total Department of Justice:</b>			<u>4,059</u>
<b>Department of Housing and Urban Development:</b>			
<b>Passed through Colorado Housing and Finance Authority:</b>			
Section 221 Insured Loan Program	14.135	Yes	1,366,538
Section 8 Rental Voucher Program	14.856	No	252,016
<b>Total Department of Housing and Urban Development</b>			<u>1,618,554</u>
<b>Total Expenditures</b>			<u>\$ 3,344,060</u>

**Notes to the Schedule of Expenditures of Federal Awards For the Year Ended December 31, 2012**

**Note 1. Basis of Presentation:**

The Schedule of Expenditures of Federal Awards includes the federal grant activity of Moffat County and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule or used in this schedule may differ from amounts presented in or used in the preparation of the general purpose financial statements.

**Note 2. Determining the Value of Non-cash Awards Expended:**

Food assistance: Fair market value of food assistance at the time of receipt, or the assessed value provided by the federal agency.  
Commodities: Fair market value of commodities at the time of receipt, or the assessed value provided by the federal agency.

**Note 3. Sub-recipients:**

The County had no sub recipients as of December 31, 2012

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