

STATISTICAL SECTION

Morgan County, Colorado
Statistical Section
December 31, 2016

This part of Morgan County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

Contents	Pages
Financial Trends These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.	110 - 119
Revenue Capacity These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.	120 - 129
Debt Capacity These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.	130 - 132
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.	133 - 135
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.	136 - 141

Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive annual financial reports for the relevant year. The County implemented GASB 34 in 2003; schedules presenting government-wide information include information beginning in that year.

Morgan County, Colorado
 Net Position by Component
 Last Ten Years
 (accrual basis of accounting)
 (unaudited)

	2017	2016	2015
Governmental activities			
Net investment in capital assets	\$ 124,241,092	\$ 131,089,740	\$ 136,884,869
Restricted	9,040,123	9,647,561	9,911,448
Unrestricted	<u>32,163,842</u>	<u>28,709,841</u>	<u>25,300,016</u>
Total governmental activities net position	<u>\$ 165,445,057</u>	<u>\$ 169,447,142</u>	<u>\$ 172,096,333</u>
Business-type activities			
Net investment in capital assets	\$ 1,782,910	\$ 1,339,384	\$ 1,353,897
Unrestricted	<u>4,890,803</u>	<u>4,620,083</u>	<u>4,168,253</u>
Total business-type activities net position	<u>\$ 6,673,713</u>	<u>\$ 5,959,467</u>	<u>\$ 5,522,150</u>
Primary government			
Net investment in capital assets	\$ 126,024,002	\$ 132,429,124	\$ 138,238,766
Restricted	9,040,123	9,647,561	9,911,448
Unrestricted	<u>37,054,645</u>	<u>33,329,924</u>	<u>29,468,269</u>
Total primary government activities net position	<u>\$ 172,118,770</u>	<u>\$ 175,406,609</u>	<u>\$ 177,618,483</u>

2014	2013	2012	2011	2010	2009	2008
\$ 141,166,518	\$ 147,045,403	\$ 155,638,332	\$ 163,075,950	\$ 171,760,468	\$ 179,576,016	\$ 186,952,569
10,228,223	9,313,903	7,862,243	7,351,100	767,500	788,500	803,405
24,257,515	23,125,677	20,949,060	19,723,021	23,508,232	21,736,971	21,031,468
<u>\$ 175,652,256</u>	<u>\$ 179,484,983</u>	<u>\$ 184,449,635</u>	<u>\$ 190,150,071</u>	<u>\$ 196,036,200</u>	<u>\$ 202,101,487</u>	<u>\$ 208,787,442</u>
\$ 1,411,672	\$ 1,504,703	\$ 1,624,577	\$ 1,685,171	\$ 1,790,241	\$ 1,770,189	\$ 566,059
3,872,134	3,480,904	3,516,382	3,023,063	2,581,709	2,328,865	2,802,231
<u>\$ 5,283,806</u>	<u>\$ 4,985,607</u>	<u>\$ 5,140,959</u>	<u>\$ 4,708,234</u>	<u>\$ 4,371,950</u>	<u>\$ 4,099,054</u>	<u>\$ 3,368,290</u>
\$ 142,578,190	\$ 148,550,106	\$ 157,262,909	\$ 164,761,121	\$ 173,550,709	\$ 181,346,205	\$ 187,518,628
10,228,223	9,313,903	7,862,243	7,351,100	767,500	788,500	803,405
28,129,649	26,606,581	24,465,442	22,746,084	26,089,941	24,065,836	23,833,699
<u>\$ 180,936,062</u>	<u>\$ 184,470,590</u>	<u>\$ 189,590,594</u>	<u>\$ 194,858,305</u>	<u>\$ 200,408,150</u>	<u>\$ 206,200,541</u>	<u>\$ 212,155,732</u>

Morgan County, Colorado
Changes in Net Position
Last Ten Years
(accrual basis of accounting)
(unaudited)

	2017	2016	2015	2014
Expenses				
Governmental activities:				
General government	\$ 6,353,665	\$ 5,520,906	\$ 5,613,406	\$ 6,485,480
Judicial and public safety	5,248,513	5,078,786	5,219,708	4,694,742
Public health	-	-	-	-
Auxiliary services	500,709	440,388	464,619	488,566
Roads and bridges	14,695,292	13,072,223	12,667,839	12,806,499
Public welfare	4,794,943	4,713,540	4,454,833	4,464,512
Interest on long-term debt	-	-	-	-
Total governmental activities expenses	<u>31,593,122</u>	<u>28,825,843</u>	<u>28,420,405</u>	<u>28,939,799</u>
Business-type activities:				
Ambulance services	\$ 1,145,209	\$ 1,070,858	\$ 1,126,716	\$ 1,036,578
Solid waste services	793,476	763,632	707,029	631,224
Total business-type activities expenses	<u>1,938,685</u>	<u>1,834,490</u>	<u>1,833,745</u>	<u>1,667,802</u>
Total primary government expenses	<u>\$ 33,531,807</u>	<u>\$ 30,660,333</u>	<u>\$ 30,254,150</u>	<u>\$ 30,607,601</u>
Program Revenues				
Governmental activities:				
Charges for services:				
General government	\$ 893,981	\$ 594,119	\$ 537,680	\$ 1,221,787
Judicial and public safety	541,926	528,016	503,902	517,131
Road and bridges	18,132	25,361	8,047	88,274
Operating grants and contributions	7,936,012	7,328,010	7,566,786	7,138,055
Capital grants and contributions	51,157	-	44,654	470,189
Total governmental activities program revenues	<u>9,441,208</u>	<u>8,475,506</u>	<u>8,661,069</u>	<u>9,435,436</u>
Business-type activities:				
Charges for services:				
Ambulance services	\$ 1,351,772	\$ 1,205,051	\$ 1,157,045	\$ 1,054,961
Solid waste services	1,062,122	1,030,125	860,302	814,740
Operating grants and contributions	170,419	3,505	24,165	35,141
Capital grants and contributions	27,271	-	6,334	6,108
Total business-type activities program revenues	<u>2,611,584</u>	<u>2,238,681</u>	<u>2,047,846</u>	<u>1,910,950</u>
Total primary government program revenues	<u>\$ 12,052,792</u>	<u>\$ 10,714,187</u>	<u>\$ 10,708,915</u>	<u>\$ 11,346,386</u>
Net (expense)/revenue				
Governmental activities	\$ (22,151,914)	\$ (20,350,337)	\$ (19,759,336)	\$ (19,504,363)
Business-type activities	672,899	404,191	214,101	243,148
Total primary government net expense	<u>\$ (21,479,015)</u>	<u>\$ (19,946,146)</u>	<u>\$ (19,545,235)</u>	<u>\$ (19,261,215)</u>

2013	2012	2011	2010	2009	2008
\$ 6,845,246	\$ 6,957,045	\$ 7,127,536	\$ 7,148,909	\$ 6,946,036	\$ 6,957,754
3,981,293	3,902,451	3,883,935	3,703,122	4,017,992	3,719,727
-	-	-	-	8,399	8,296
440,435	425,573	443,138	429,247	463,526	380,771
13,798,554	12,816,909	12,693,242	13,447,387	13,778,533	13,865,403
4,418,503	4,386,731	4,658,233	4,885,491	4,672,693	4,542,657
-	10,416	107,469	119,228	127,002	138,030
<u>29,484,031</u>	<u>28,499,125</u>	<u>28,913,553</u>	<u>29,733,384</u>	<u>30,014,181</u>	<u>29,612,638</u>
\$ 1,089,211	\$ 903,002	\$ 1,069,405	\$ 1,043,694	\$ 1,073,356	\$ 1,089,807
973,948	593,057	560,750	558,765	337,594	462,609
<u>2,063,159</u>	<u>1,496,059</u>	<u>1,630,155</u>	<u>1,602,459</u>	<u>1,410,950</u>	<u>1,552,416</u>
<u>\$ 31,547,190</u>	<u>\$ 29,995,184</u>	<u>\$ 30,543,708</u>	<u>\$ 31,335,843</u>	<u>\$ 31,425,131</u>	<u>\$ 31,165,054</u>
\$ 1,215,473	\$ 1,380,278	\$ 1,603,765	\$ 2,214,834	\$ 1,716,998	\$ 1,602,114
530,147	520,332	493,905	546,171	553,602	559,117
22,021	11,925	14,814	13,627	9,254	17,379
6,987,625	6,750,821	6,859,757	7,151,944	7,814,532	6,278,516
791,252	53,823	87,808	86,502	92,437	99,441
<u>9,546,518</u>	<u>8,717,179</u>	<u>9,060,049</u>	<u>10,013,078</u>	<u>10,186,823</u>	<u>8,556,567</u>
\$ 1,016,461	\$ 1,067,020	\$ 1,230,285	\$ 978,865	\$ 947,231	\$ 913,396
799,465	769,998	702,568	768,521	631,913	595,311
34,487	32,123	16,515	124,972	43,040	5,224
46,901	57,680	11,426	-	500,000	-
<u>1,897,314</u>	<u>1,926,821</u>	<u>1,960,794</u>	<u>1,872,358</u>	<u>2,122,184</u>	<u>1,513,931</u>
<u>\$ 11,443,832</u>	<u>\$ 10,644,000</u>	<u>\$ 11,020,843</u>	<u>\$ 11,885,436</u>	<u>\$ 12,309,007</u>	<u>\$ 10,070,498</u>
\$ (19,937,513)	\$ (19,781,946)	\$ (19,853,504)	\$ (19,720,306)	\$ (19,827,358)	\$ (21,056,071)
(165,845)	430,762	330,639	269,899	711,234	(38,485)
<u>\$ (20,103,358)</u>	<u>\$ (19,351,184)</u>	<u>\$ (19,522,865)</u>	<u>\$ (19,450,407)</u>	<u>\$ (19,116,124)</u>	<u>\$ (21,094,556)</u>

Morgan County, Colorado
Changes in Net Position
Last Ten Years
(accrual basis of accounting)
(unaudited)

	2017	2016	2015	2014
General Revenues and Other Changes in Net Position				
Governmental activities:				
Taxes				
Property	\$ 15,118,777	\$ 15,047,692	\$ 13,579,680	\$ 12,889,251
Specific ownership	1,642,242	1,506,682	1,538,445	1,560,361
Sales	223,174	186,372	221,834	207,040
Other	89,003	80,078	71,241	71,016
Interest earnings	434,313	244,482	190,551	191,692
Miscellaneous	487,320	373,685	360,891	428,055
Gain (loss) on sale of capital assets	155,000	262,155	240,771	352,529
Transfers	-	-	-	(28,308)
Total governmental activities	<u>18,149,829</u>	<u>17,701,146</u>	<u>16,203,413</u>	<u>15,671,636</u>
Business-type activities:				
Interest earnings	37,928	30,169	18,847	13,955
Miscellaneous	3,419	2,984	5,396	12,788
Loss on sale of assets		(27)		-
Transfers	-	-	-	28,308
Total business-type activities	<u>41,347</u>	<u>33,126</u>	<u>24,243</u>	<u>55,051</u>
Total primary government	<u>\$ 18,191,176</u>	<u>\$ 17,734,272</u>	<u>\$ 16,227,656</u>	<u>\$ 15,726,687</u>
Change in Net Position				
Governmental activities	\$ (4,002,085)	\$ (2,649,191)	\$ (3,555,923)	\$ (3,832,727)
Business-type activities	<u>714,246</u>	<u>437,317</u>	<u>238,344</u>	<u>298,199</u>
Total primary government	<u>\$ (3,287,839)</u>	<u>\$ (2,211,874)</u>	<u>\$ (3,317,579)</u>	<u>\$ (3,534,528)</u>

2013	2012	2011	2010	2009	2008
\$ 12,374,675	\$ 11,855,985	\$ 11,982,812	\$ 11,768,430	\$ 11,102,178	\$ 10,947,757
1,456,985	1,273,495	1,178,748	1,058,212	1,045,194	1,151,224
122,188	101,439	81,300	75,972	87,012	82,609
56,119	109,999	43,956	34,021	34,644	54,582
116,984	86,927	47,991	66,940	203,390	735,984
358,223	666,890	563,613	645,187	660,706	494,518
487,687	23,235	68,953	6,258	8,277	18,821
	(36,460)	-	-	-	25,339
<u>14,972,861</u>	<u>14,081,510</u>	<u>13,967,373</u>	<u>13,655,020</u>	<u>13,141,401</u>	<u>13,510,834</u>
5,630	2,729	1,551	2,194	16,718	47,504
4,863	3,347	4,094	803	2,812	2,587
	(4,113)				
-		-	-	-	(25,339)
<u>10,493</u>	<u>1,963</u>	<u>5,645</u>	<u>2,997</u>	<u>19,530</u>	<u>24,752</u>
<u>\$ 14,983,354</u>	<u>\$ 14,083,473</u>	<u>\$ 13,973,018</u>	<u>\$ 13,658,017</u>	<u>\$ 13,160,931</u>	<u>\$ 13,535,586</u>
\$ (4,964,652)	\$ (5,700,436)	\$ (5,886,131)	\$ (6,065,286)	\$ (6,685,957)	\$ (7,545,237)
<u>(155,352)</u>	<u>432,725</u>	<u>336,284</u>	<u>272,896</u>	<u>730,764</u>	<u>(13,733)</u>
<u>\$ (5,120,004)</u>	<u>\$ (5,267,711)</u>	<u>\$ (5,549,847)</u>	<u>\$ (5,792,390)</u>	<u>\$ (5,955,193)</u>	<u>\$ (7,558,970)</u>

Morgan County, Colorado
Fund Balance, Governmental Funds
Last Ten Years
(modified accrual accounting)
(unaudited)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
General fund					
Non Spendable	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	842,327	836,428	830,922	825,066	819,912
Assigned	11,186,134	10,143,470	8,131,456	1,122,589	1,132,514
Committed	473,437	376,393	278,660	184,972	92,126
Unassigned	<u>13,004,169</u>	<u>11,280,916</u>	<u>10,303,949</u>	<u>15,513,001</u>	<u>13,886,509</u>
Total general fund	<u>\$ 25,506,067</u>	<u>\$ 22,637,207</u>	<u>\$ 19,544,987</u>	<u>\$ 17,645,628</u>	<u>\$ 15,931,061</u>
All other governmental funds					
Non Spendable	\$ 102,970	\$ 93,361	\$ 78,817	\$ 91,688	\$ 85,744
Restricted	8,197,796	8,811,133	9,080,526	9,403,157	8,493,991
Committed	4,952,277	4,349,889	3,761,093	4,195,561	3,766,506
Assigned	-	-	-	-	-
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total all other governmental funds	<u>\$ 13,253,043</u>	<u>\$ 13,254,383</u>	<u>\$ 12,920,436</u>	<u>\$ 13,690,406</u>	<u>\$ 12,346,241</u>

Note: For 2011 data GASB54 has been implemented and fund balance has been reclassified. Data for all other years has not been reclassified.

2012	2011	2010	2009	2008
\$ 704	\$ 858	\$ -	\$ -	\$ -
664,076	657,762	584,000	567,273	558,250
1,127,830	3,111,494	-	-	-
-	-	-	-	-
<u>11,832,605</u>	<u>8,897,900</u>	<u>9,996,046</u>	<u>9,460,663</u>	<u>10,049,949</u>
<u>\$ 13,625,215</u>	<u>\$ 12,668,014</u>	<u>\$ 10,580,046</u>	<u>\$ 10,027,936</u>	<u>\$ 10,608,199</u>
\$ 98,318	\$ 113,694	\$ -	\$ -	\$ -
7,198,167	6,693,338	3,356,561	3,769,000	3,169,596
3,336,227	2,912,385	-	-	-
-	-	-	-	-
<u>(23,006)</u>	<u>-</u>	<u>5,926,330</u>	<u>5,245,045</u>	<u>5,209,292</u>
<u>\$ 10,609,706</u>	<u>\$ 9,719,417</u>	<u>\$ 9,282,891</u>	<u>\$ 9,014,045</u>	<u>\$ 8,378,888</u>

Morgan County, Colorado
Changes in Fund Balance of Governmental Funds
Last Ten Years
(modified accrual accounting)
(unaudited)

	2017	2016	2015	2014	2013
Revenues					
Taxes	\$ 17,073,196	\$ 16,820,824	\$ 15,411,200	\$ 14,727,668	\$ 14,009,967
Intergovernmental	7,936,012	7,328,010	7,566,786	7,548,824	7,521,826
Licenses and permits	88,659	96,926	84,958	78,523	61,868
Fines and forfeiture	3,892	4,091	4,641	13,930	20,654
Fee accounts	1,410,411	1,388,951	1,293,167	1,307,332	1,296,819
Charges for material/service	290,535	311,443	326,123	394,221	267,804
Interest	434,313	244,482	190,551	191,692	116,984
Miscellaneous	486,916	357,539	360,283	392,434	353,929
Total revenues	<u>27,723,934</u>	<u>26,552,266</u>	<u>25,237,709</u>	<u>24,654,624</u>	<u>23,649,851</u>
Expenditures					
Current:					
General government	5,011,770	4,459,590	4,261,742	4,268,427	4,698,979
Judicial and public safety	5,157,630	5,022,918	5,103,613	4,606,906	3,903,282
Public health	-	-	465,300	-	-
Auxiliary services	501,347	441,072	3,944,569	489,239	440,435
Road and bridge	5,563,489	4,166,484	4,462,082	5,262,251	4,981,971
Public welfare	4,797,258	4,710,757	1,120,295	4,455,679	4,406,656
Intergovernmental cooperation outlay	1,120,429	1,119,295	4,750,739	1,109,401	1,098,383
Capital outlay	2,704,491	3,220,323	-	1,375,681	77,784
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Other charges	-	-	-	-	-
Total expenditures	<u>24,856,414</u>	<u>23,140,439</u>	<u>24,108,340</u>	<u>21,567,584</u>	<u>19,607,490</u>
Excess of revenues over (under) expenditures	2,867,520	3,411,827	1,129,369	3,087,040	4,042,361
Other financing sources (uses)					
Transfers in	120,000	120,000	120,000	310,000	200,000
Transfers out	(120,000)	(120,000)	(120,000)	(338,308)	(200,000)
Proceeds of participation certificates	-	-	-	-	20
Proceeds from sale of capital assets	-	14,340	20	-	20
Certificate issuance costs	-	-	-	-	-
Original discount fee	-	-	-	-	-
Benefit payments refunded	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>14,340</u>	<u>20</u>	<u>(28,308)</u>	<u>40</u>
Net change in fund balances	<u>\$ 2,867,520</u>	<u>\$ 3,426,167</u>	<u>\$ 1,129,389</u>	<u>\$ 3,058,732</u>	<u>\$ 4,042,401</u>
Debt service as a percentage of noncapital expenditures	0.00%	0.00%	0.00%	0.00%	0.00%

2012	2011	2010	2009	2008
\$ 13,340,918	\$ 13,286,816	\$ 12,936,635	\$ 12,269,028	\$ 12,236,172
6,750,821	6,947,565	7,238,446	7,906,969	6,377,957
59,632	52,120	73,838	56,753	62,973
22,702	26,595	39,544	39,691	43,009
1,321,583	1,288,057	1,278,889	1,200,098	1,179,240
248,638	249,260	247,659	245,395	248,625
86,927	47,991	66,135	203,390	735,984
612,748	609,628	647,428	657,040	493,790
<u>22,443,969</u>	<u>22,508,032</u>	<u>22,528,574</u>	<u>22,578,364</u>	<u>21,377,750</u>
4,637,684	4,860,363	5,008,267	5,525,901	5,054,300
3,822,837	3,797,740	3,624,146	3,930,044	3,625,786
-	-	-	8,399	8,296
425,573	443,138	429,247	463,526	380,771
4,359,311	4,857,738	5,298,525	6,468,551	5,662,513
3,953,014	4,646,370	4,868,800	4,651,189	4,526,028
1,060,089	1,035,273	1,043,133	939,712	870,092
472,555	19,481	1,113,158	1,885,621	1,097,034
1,855,000	220,000	210,000	200,000	190,000
9,733	102,435	112,095	121,095	129,930
683	-	1,247	771	2,951
<u>20,596,479</u>	<u>19,982,538</u>	<u>21,708,618</u>	<u>24,194,809</u>	<u>21,547,701</u>
1,847,490	2,525,494	819,956	(1,616,445)	(169,951)
1,514,690	-	177,402	191,070	654,017
(1,514,690)	-	(177,402)	(191,070)	(628,678)
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	25,339
<u>\$ 1,847,490</u>	<u>\$ 2,525,494</u>	<u>\$ 819,956</u>	<u>\$ (1,616,445)</u>	<u>\$ (144,612)</u>
9.27%	1.70%	1.64%	1.56%	1.60%

Morgan County, Colorado
 Program Revenues by Function/Program
 Last Ten Years
 (accrual basis of accounting)
 (unaudited)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Function/Program				
General government	\$ 1,650,225	\$ 973,245	\$ 989,455	\$ 1,859,970
Judicial and public safety	637,763	647,872	595,599	1,059,218
Roads and bridges	3,370,854	3,187,142	3,529,603	3,153,758
Public welfare	<u>3,782,366</u>	<u>3,667,247</u>	<u>3,487,582</u>	<u>3,362,490</u>
Total governmental activities	<u>9,441,208</u>	<u>8,475,506</u>	<u>8,602,239</u>	<u>9,435,436</u>
Business-type activities				
Ambulance services	1,549,462	1,205,051	1,187,544	1,096,210
Solid waste services	<u>1,062,122</u>	<u>1,030,125</u>	<u>860,302</u>	<u>814,740</u>
Total business-type activities net position	<u>2,611,584</u>	<u>2,235,176</u>	<u>2,047,846</u>	<u>1,910,950</u>
Total primary government	<u>\$ 12,052,792</u>	<u>\$ 10,710,682</u>	<u>\$ 10,650,085</u>	<u>\$ 11,346,386</u>

2013	2012	2011	2010	2009	2008
\$ 1,797,172	\$ 1,830,401	\$ 2,034,116	\$ 2,567,299	\$ 2,400,821	\$ 1,981,271
759,544	697,234	794,707	720,076	986,993	790,864
3,722,515	2,924,551	2,900,596	3,189,584	3,241,251	2,440,875
<u>3,267,287</u>	<u>3,264,993</u>	<u>3,330,630</u>	<u>3,536,119</u>	<u>3,557,758</u>	<u>3,343,557</u>
<u>9,546,518</u>	<u>8,717,179</u>	<u>9,060,049</u>	<u>10,013,078</u>	<u>10,186,823</u>	<u>8,556,567</u>
1,097,849	1,156,823	1,258,226	1,103,837	990,271	918,620
<u>799,465</u>	<u>769,998</u>	<u>702,568</u>	<u>768,521</u>	<u>1,131,913</u>	<u>595,311</u>
<u>1,897,314</u>	<u>1,926,821</u>	<u>1,960,794</u>	<u>1,872,358</u>	<u>2,122,184</u>	<u>1,513,931</u>
<u>\$ 11,443,832</u>	<u>\$ 10,644,000</u>	<u>\$ 11,020,843</u>	<u>\$ 11,885,436</u>	<u>\$ 12,309,007</u>	<u>\$ 10,070,498</u>

Morgan County, Colorado
Tax Revenues by Source, Governmental Funds
Last Ten Years
(modified accrual accounting)
(unaudited)

Year	Property Taxes	SO Taxes	Cigarette Taxes	Sales Tax and Other	Total
2017	15,119,847	1,641,603	6,866	223,174	16,991,490
2016	15,047,692	1,506,682	9,077	257,373	16,820,824
2015	13,579,680	1,538,445	9,235	283,840	15,411,200
2014	12,984,216	1,560,360	6,404	269,168	14,820,148
2013	12,409,909	1,456,984	7,320	170,987	14,045,200
2012	11,887,184	1,273,495	7,910	203,527	13,372,116
2011	11,982,812	1,178,748	6,718	118,539	13,286,817
2010	11,768,430	1,058,212	7,467	102,526	12,936,635
2009	11,102,178	1,045,194	7,733	113,924	12,269,029
2008	10,947,757	1,151,225	7,086	130,105	12,236,173
Change					
2008-2017	0.48%	8.22%	-32.20%	-15.32%	1.00%



Morgan County, Colorado
Assessed Value and Estimated Value of Taxable Property
Last Ten Years
(unaudited)

Year Ended December 31,	Residential Property	Commercial Property	Industrial Property	Agricultural Property	Vacant Land	Natural Resources & Utilities
2017	99,827,560	53,836,470	19,108,820	50,090,040	5,078,680	3,498,090
2016	98,757,180	52,012,320	18,886,900	48,894,750	5,203,140	9,827,170
2015	89,526,130	48,428,340	17,466,450	41,139,250	4,800,170	10,886,750
2014	89,526,130	48,428,340	61,529,073	41,139,250	4,800,170	10,886,750
2013	88,806,920	46,514,960	16,403,930	40,438,820	5,020,550	11,295,580
2012	87,502,260	48,001,890	14,677,380	37,213,540	4,918,310	32,083,560
2011	86,908,580	48,371,180	14,635,240	36,738,150	4,959,260	26,856,640
2010	94,447,660	50,736,520	16,428,250	35,286,290	5,884,600	23,348,420
2009	93,684,180	49,793,860	16,056,980	35,088,230	6,096,990	27,095,460
2008	90,344,440	48,085,900	15,403,710	31,421,050	5,569,410	23,010,950

From 2008 to 2015 commercial real property, undeveloped land, personal property and utilities were assessed at 29% of replacement cost calculated on the base year's appraised value.

Residential real property was assessed as follows:

Year	Assessment Percentage	Base Year
2017	7.96%	2016 appraised value
2016	7.96%	2014 appraised value
2015	7.96%	2014 appraised value
2014	7.96%	2012 appraised value
2013	7.96%	2012 appraised value
2012	7.96%	2010 appraised value
2011	7.96%	2010 appraised value
2010	7.96%	2008 appraised value
2009	7.96%	2008 appraised value
2008	7.96%	2006 appraised value

Source: Morgan County Assessor's office

Note: All residential and commercial real properties are reappraised every two years in the odd year cycle bringing properties to the current market level of valuation. The residential rate is set by the Legislature and coincides with changes in the level of value. This is constitutionally required and designed to stabilize the tax burden on residential property.

Personal Property	Total Taxable Assesed Value	Tax Exempt Property	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
265,521,470	521,172,180	236,862,350	28.970	3,013,820,350	17.29%
278,353,330	511,934,790	191,181,280	28.128	2,697,685,720	18.98%
289,591,670	470,619,610	176,332,860	28.948	2,728,398,820	17.25%
233,591,670	470,916,610	157,851,940	28.948	2,414,135,330	19.51%
212,940,880	445,723,250	154,546,270	28.948	2,320,211,520	19.21%
203,020,040	427,416,980	152,947,180	28.948	2,252,146,830	18.98%
191,854,300	410,323,350	145,278,970	28.948	2,193,670,110	18.70%
187,134,450	413,266,190	144,363,230	28.948	2,187,979,320	18.89%
178,612,460	406,428,160	146,762,780	28.948	2,236,375,060	18.17%
169,012,640	382,848,100	139,132,010	28.948	2,129,198,720	17.98%

Morgan County, Colorado
 Direct and Overlapping Property Tax Rates
 Last Ten Years
 (Rate per \$1,000 of assessed value)
 (unaudited)

	2017	2016	2015	2014	2013
County direct rates					
General Fund	19.470	19.628	19.448	19.448	19.448
Road and Bridge	7.500	6.500	6.500	6.500	6.500
Human Services	2.000	2.000	3.000	3.000	3.000
Total Direct Rate	28.970	28.128	28.948	28.948	28.948
City and town rates					
Brush	15.752	15.660	15.660	15.660	15.660
Fort Morgan	13.254	13.254	13.254	13.254	13.254
Hillrose	17.890	17.773	17.890	17.890	17.718
Log Lane	34.267	34.267	34.267	34.267	34.267
Wiggins	32.212	32.212	32.212	32.212	32.212
Fire districts	2.588 - 7.719	2.588 - 7.719	2.991-7.719	2.588 - 7.719	2.588 - 7.719
School districts	19.500 - 45.285	17.105 - 42.449	17.128-43.801	17.128 - 43.801	17.815 - 41.252
Other special districts	.026 - 10.958	.027 - 10.947	.027-11.902	.027 - 11.902	.027 - 11.902

Source: Abstract of Assessments and Levies, prepared by Morgan County Assessor's office

2012	2011	2010	2009	2008
21.048	21.048	21.048	21.048	18.348
5.400	5.400	5.400	6.000	8.500
2.500	2.500	2.500	1.900	2.100
<u>28.948</u>	<u>28.948</u>	<u>28.948</u>	<u>28.948</u>	<u>28.948</u>
15.660	15.660	15.660	15.660	15.660
13.254	13.254	13.254	13.254	13.254
17.890	17.890	15.627	15.573	15.993
34.267	34.267	34.267	34.267	34.267
32.212	32.212	32.212	32.212	32.212
2.588 - 7.719	2.588 - 7.719	2.588 - 7.719	2.588 - 6.719	2.588 - 6.921
22.305 - 39.174	21.418 - 40.218	31.592 - 39.440	29.454 - 39.449	30.207 - 40.091
.30 - 10.720	.30 - 10.364	.030 - 10.345	.030 - 10.217	.028 - 9.000

Morgan County, Colorado
Principal Property Tax Payers
Current Year and Ten Years Ago
(unaudited)

Taxpayer	Type of Business	2017			2008		
		Taxable Assessed Value	Rank	Percentage of Total Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Assessed Value
Public Service Co. of Colorado	Utility	\$ 148,935,600	1	28.58%	65,613,520	1	17.14%
Leprino Foods Company	Cheese Processing	22,012,910	2	4.22%	10,704,990	5	2.80%
Colorado Interstate Gas Co.	Utility	14,029,000	3	2.69%	11,348,700	4	2.96%
BNSF Railway Company	Transportation	13,751,400	4	2.64%	6,006,500	8	1.57%
Manchief Power Company LLC	Utility	13,507,800	5	2.59%	18,590,300	3	4.86%
Cargill Meat Solutions Corporation	Meat Processing	12,028,560	6	2.31%	22,731,760	2	5.94%
Brush Power LLC	Utility	8,207,000	7	1.57%	8,822,900	6	2.30%
Western Sugar Cooperative	Sugar Processing	7,536,920	8	1.45%	5,003,080	10	1.31%
Tri-State Generation & Transmission Assoc.	Utility	5,645,100	9	1.08%	-		0.00%
Cargill Meat Solutions Corp (Lagoon)	Utility	5,531,320	10	1.06%	21,831,520	2	
Wildcat Dairy LLC	Dairy	5,520,870	11	1.06%	-		
Morgan County REA Association	Utility	5,338,100	12	1.02%	-		
Cheyenne Plains Gas Pipeline Co	Utility	4,863,000	13	0.93%	8,353,300	7	
Young Gas Storage Company Ltd	Utility	4,028,680	14	0.77%	4,039,240	12	1.06%
Qwest Corporation	Utility	3,186,500	15	0.61%	-		
Total		<u>\$ 274,122,760</u>		<u>52.60%</u>	<u>\$ 183,045,810</u>		<u>39.93%</u>
Total assessed valuation		<u>\$ 521,172,180</u>			<u>\$ 382,848,100</u>		

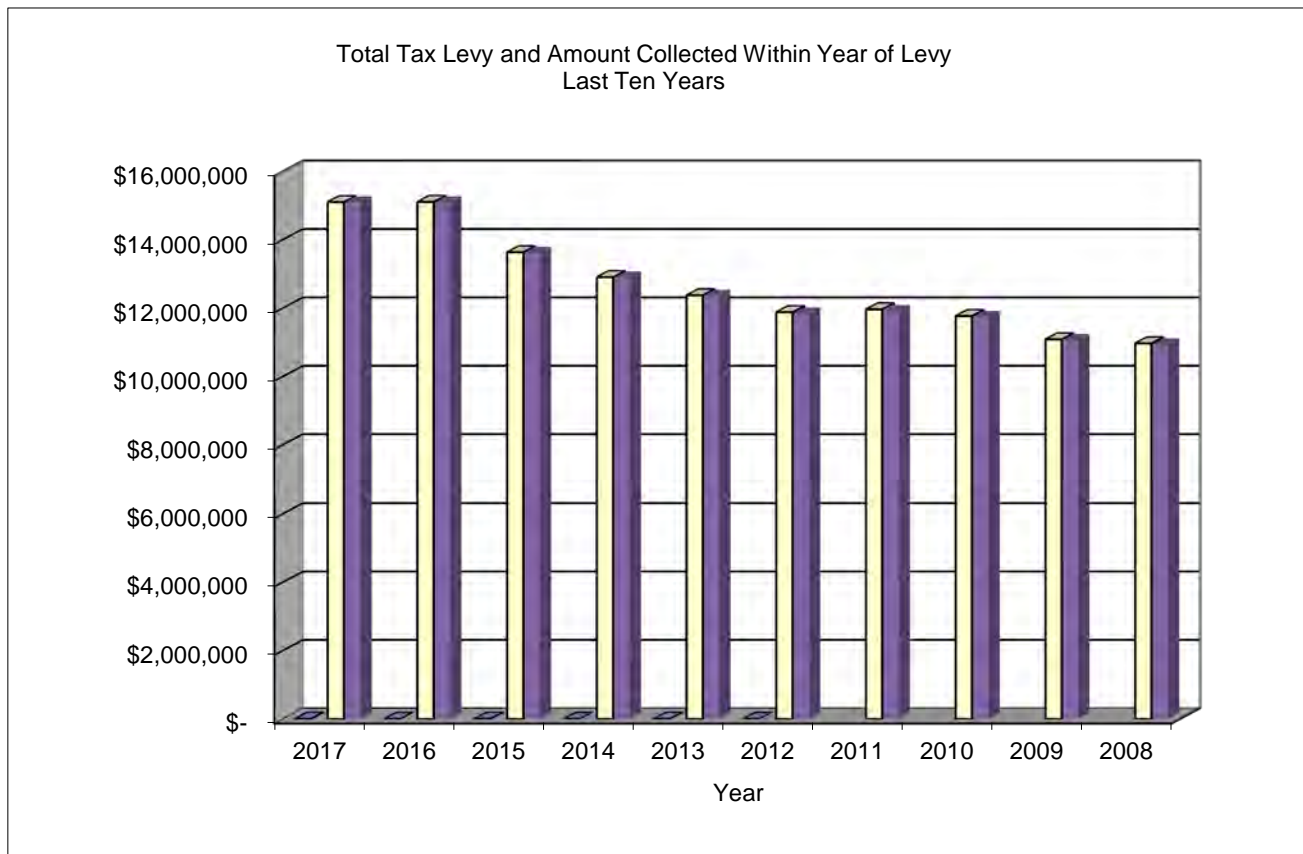
Source: Morgan County Assessor's office

Morgan County, Colorado
 Property Tax Levies and Collections
 Last Ten Years
 (unaudited)

Year Ended December 31,	Taxes Levied for the Year (1)	Collected Within the Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2017	15,098,358	15,084,332	99.91%	0	15,084,332	99.91%
2016	15,104,969	15,087,467	99.88%	0	15,087,467	99.88%
2015	13,632,094	13,613,041	99.86%	0	13,613,041	99.86%
2014	12,902,797	12,890,946	99.91%	0	12,890,946	99.91%
2013	12,372,867	12,361,451	99.91%	0	12,361,451	99.91%
2012	11,878,040	11,839,593	99.68%	0	11,839,593	99.68%
2011	11,963,229	11,906,323	99.52%	3,356	11,909,679	99.55%
2010	11,765,282	11,736,642	99.76%	4,563	11,741,205	99.80%
2009	11,082,687	11,061,385	99.81%	745	11,062,130	99.81%
2008	10,965,583	10,935,344	99.72%	9,077	10,944,421	99.81%

Notes:

(1) This column does not include abatements and reappraisals during the year.



Source: Morgan County Treasurer

Morgan County, Colorado
Ratios of Outstanding Debt by Type
Last Ten Years
(unaudited)

Year	Governmental Activities		Percentage of Personal Income (1)	Per Capita (1)
	Certificates of Participation	Total Primary Government		
2017	-	-	0.000%	-
2016	-	-	0.000%	-
2015	-	-	0.000%	-
2014	-	-	0.000%	-
2013	-	-	0.000%	-
(2) 2012	-	-	0.000%	-
2011	1,855,000	1,855,000	0.220%	66
2010	2,075,000	2,075,000	0.246%	74
2009	2,285,000	2,285,000	0.270%	82
2008	2,485,000	2,485,000	0.336%	89

(1) See Schedule 14 for personal income and population data.

(2) In January 2012, the Morgan County Building Authority early paid off the Certificates of Participation.

Morgan County, Colorado
 Direct and Overlapping Governmental Activities Debt
 As of December 31, 2017
 (unaudited)

Taxing Jurisdiction	General Obligation Long-Term Debt Outstanding	Estimated Percentage Applicable (1)	Overlapping Debt
School Districts			
Brush RE-2(J) School District	\$ 41,484,245	99.25%	\$ 41,173,113
Fort Morgan RE-3 School District	\$ 22,470,000	100.00%	\$ 22,470,000
Wiggins RE-50(J) School District	\$ 30,720,000	27.00%	\$ 8,294,400
Briggsdale RE-10 School District	\$ 3,615,000	99.00%	\$ 3,578,850
Weldon Valley School District RE-20(J)	\$ 465,000	97.00%	\$ 451,050
Other			
Well Augmentation Subdistrict	\$ 15,192,163	14.00%	\$ 2,126,903
Groundwater Management Subdistrict	\$ 13,498,925	14.00%	\$ 1,889,850
Central Colorado Water Conservancy District	\$ 26,040,000	14.00%	\$ 3,645,600
Total Overlapping Debt			<u><u>\$ 83,629,765</u></u>

Sources: Debt amounts and percentages are provided by each governmental unit.

(1) Portion of debt applicable to Morgan County is determined by the ratio of the assessed value of the portion of the applicable district located within Morgan County to the total assessed value of the applicable taxing district.

Morgan County, Colorado
 Legal Debt Margin Information
 Last Ten Years
 (unaudited)

Assessed Valuation:

Assessed value	\$ 521,172,180
Add back: exempt real property	<u>-</u>
Total assessed value	<u>\$ 521,172,180</u>

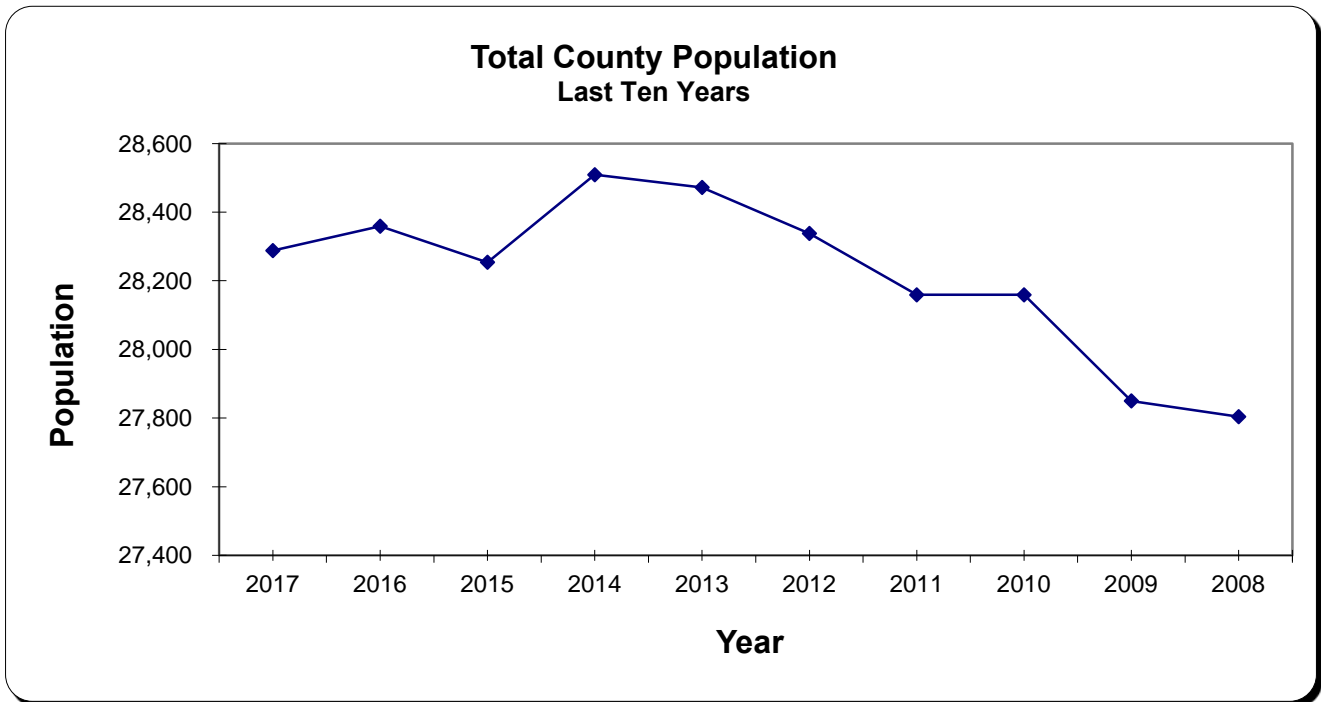
Legal debt margin:

Debt limitation - 3% of assessed value	\$ 15,635,165
No debt applicable to limitation	

Year	Debt limit	Total net debt applicable to limit	Legal debt margin	Total net debt applicable to the limit as a percentage of debt limit
2017	15,635,165	-0-	15,635,165	0.00%
2016	16,110,248	-0-	16,110,248	0.00%
2015	14,127,498	-0-	14,127,498	0.00%
2014	13,371,698	-0-	13,371,698	0.00%
2013	12,890,759	-0-	12,890,759	0.00%
2012	13,619,326	-0-	13,619,326	0.00%
2011	12,397,986	-0-	12,397,986	0.00%
2010	12,192,845	-0-	12,192,845	0.00%
2009	11,485,443	-0-	11,485,443	0.00%
2008	11,364,084	-0-	11,364,084	0.00%

Morgan County, Colorado
 Demographic and Economic Statistics
 Last Ten Years
 (unaudited)

Year	Population	Personal Income ¹	Per Capita Income	Median Age	School Enrollment	Unemployment Rate
2017	28,288	1,400,114,560	49,495	36.6	5,559	2.90%
2016	28,359	1,209,227,760	42,640	36.4	6,551	2.70%
2015	28,254	1,153,889,324	39,956	36.5	5,431	3.60%
2014	28,509	1,120,745,808	39,312	36.4	5,714	3.20%
2013	28,472	989,458,944	34,752	36.4	5,553	5.20%
2012	28,338	949,011,282	33,489	34.5	5,460	6.10%
2011	28,159	879,996,909	31,251	35.5	5,444	6.20%
2010	28,159	843,587,322	29,958	35.5	5,483	7.20%
2009	27,850	845,080,400	30,344	34.5	5,495	6.30%
2008	27,804	738,641,064	26,566	34.5	5,537	5.90%



¹ Computation of per capita personal income multiplied by population.

Source:

- www.bea.gov/region/regionals/reis
- www.cde.state.co.us
- www.factfinder.census.gov
- www.colmigateway.com



Morgan County, Colorado
Principal Private Employers
Current Year and Ten Years Ago
(unaudited)

Taxpayer	Type of Business	2017			2008		
		Number of Employees	Rank	Percentage of Total County Employment	Number of Employees	Rank	Percentage of Total County Employment
Cargill Meat Solutions Corporation	Beef Processing	2,100	1	13.86%	1,860	1	12.49%
Leprino Foods Company	Cheese Processing	350	2	2.31%	272	3	1.83%
Colorado Plains Medical Center	Hospital	262	3	1.73%	227	5	1.52%
Eben Ezer Lutheran Care Center	Nursing Home	235	4	1.55%	220	6	1.48%
Western Sugar (Includes Seasonal)	Sugar Processing	225	5	1.48%			-
East Morgan County Hospital	Hospital	215	6	1.42%	118	9	0.79%
Viaero Wireless	Cellular Provider	155	7	1.02%	250	4	1.68%
Valley View Villa	Nursing Home	131	8	0.86%	135	8	0.91%
Wal-Mart Super Center	Retail/Grocery	111	9	0.73%	325	2	2.18%
Xcel Energy	Utility	107	10	0.71%			-
Basic Energy Services - Pumping Div	Oil/Gas Services	105	11	0.69%			-
Total		<u>3,996</u>		<u>26.37%</u>	<u>3,407</u>		<u>22.88%</u>
Total Morgan County Labor Force		<u>15,154</u>			<u>14,891</u>		

Source: Morgan County Economic Development

Morgan County, Colorado
Full-Time Equivalent County Government Employees by Function/Program
Last Ten Years
(unaudited)

<u>Function/Program</u>	2017	2016	2015	2014	2013
General Government					
Assessor	9	9	9	9	9
Board of County Commissioners	3	3	3	3	3
Building Maintenance	8	7	7	8	8
Clerk and Recorder	12	11	11	11	12
Courier	1	1	1	1	1
Finance	5	5	5	5	5
Fleet	7	7	6	7	7
Human Resources	1	1	1	1	1
Information Management Services	4	4	4	4	4
Planning and Building	4	3	4	3	3
Purchasing and Support Staff for BCC	1	1	2	1	1
Treasurer	3	3	2	2	2
Judicial and Public Safety					
Communications Center	14	11	14	14	13
Coroner	3	3	3	3	3
Corrections (Jail)	26	32	28	32	31
County Attorney	1	1	1	1	1
Emergency Management	1	1	1	1	1
Sheriff	30	24	27	23	23
Streets and Highways					
Road and Bridge	39	36	36	36	36
Auxiliary Services					
Extension	3	2	3	3	3
Fairgrounds	1	0	0	1	1
Veterans Officer	1	1	1	1	1
Health and Human Services					
Human Services	67	63	63	62	60
Business-type Services					
Ambulance Service	23	19	23	21	22
Solid Waste Management	7	7	7	6	6
Total	274	255	262	259	257

Source: Morgan County Payroll Department

Note: The numbers presented above are the number of FTE's (full-time equivalents) rounded to the nearest whole number. These numbers are from the final payroll of each respective year at December 31. The numbers do not take into account the fluctuations in staffing throughout the year, nor do they include vacancies at year end.

2012	2011	2010	2009	2008
10	10	10	11	11
3	3	3	3	3
8	9	8	8	9
12	12	12	11	12
1	1	1	1	1
5	5	7	7	7
7	7	6	7	7
1	1	1	1	1
4	4	4	4	3
3	3	3	3	11
1	1	1	2	1
2	2	2	3	3
11	11	12	12	12
4	3	3	4	4
30	28	30	33	29
1	1	2	3	3
1	1	1	1	1
22	22	22	21	20
37	36	39	38	41
3	3	3	3	3
1	1	1	1	1
1	1	1	1	1
64	65	64	65	65
21	21	17	19	15
6	7	6	6	7
259	258	259	268	271

Morgan County, Colorado
 Operating Indicators by Function/Program
 Last Ten Years
 (unaudited)

Function/Program	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
General Government				
Assessor				
Property transfers	2,050	839	1,755	1,549
Public Trustee				
Number of foreclosures	48	70	60	53
Clerk				
Motor Vehicle transactions	86,014	71,389	68,755	58,312
Registered Voters	15,941	16,194	14,477	15,067
Planning and Building				
Number of building permits issued	301	355	103	81
Number of parcels created	15	22	25	38
Judicial and Public Safety				
Communications Center				
Non-emergency calls	64,349	77,123	68,807	66,672
9-1-1 calls	9,806	10,746	10,514	9,910
District Attorney				
Number of felony cases	460	344	279	280
Number of juvenile cases	40	30	59	35
Sheriff				
Detention Center average daily population	90	85	77	61
Incidents handled by patrol and investigations	20,146	17,515	15,404	15,808
Streets and Highways				
Road and Bridge				
Bridges	173	173	173	173
County maintained roads (miles)	1,034	1,036	1,036	1,056
County roads maintained by others (miles)	61	61	61	54
County roads not maintained (miles)	143	143	143	128
Health and Human Services				
Human Services				
Families receiving food assistance	13,698	33,812	33,824	32,962
Seniors receiving assistance	2,725	2,700	2,617	1,800
Children receiving subsidized day care	936	810	666	763
Child Abuse or neglect cases reported	629	708	610	571
Auxiliary Services				
Extension				
4-H youth development program participants	368	378	397	397
Fairgrounds				
County fair attendance	4,200	4,300	4,100	4,000
Total Complex attendance	31,730	32,060	30,950	30,570
Business-type Services				
Ambulance Service				
Number of calls	2,726	2,526	2,444	2,355
Solid Waste Management				
Recycled tons processed	566	318	349	417

*** Department of Human services records not available for 2008-2012

Source: Information provided by individual Morgan County departments

2013	2012	2011	2010	2009	2008
1,804	683	595	516	532	684
74	123	115	202	230	138
63,473	63,682	59,932	58,686	38,071	58,795
15,378	15,400	14,500	14,366	10,880	14,034
100	79	64	95	133	106
19	17	28	13	31	41
74,884	97,501	61,796	87,346	110,418	108,402
8,344	10,674	9,776	9,589	9,332	9,131
261	304	308	295	394	378
38	68	63	65	78	81
95	90	91	93	94	108
18,244	15,880	14,961	16,405	16,231	15,915
173	173	173	173	173	173
1,056	1,057	1,057	1,057	1,063	1,072
54	54	54	55	55	54
128	128	132	133	163	209
36,197	35,825	34,925	32,818	27,027	20,758
2,186	2,154	2,091	2,540	2,555	2,372
654	654	***	1,334	1,857	1,678
547	***	***	***	***	***
401	374	369	451	447	398
4,000	4,000	4,000	4,000	4,000	4,000
30,570	37,750	37,620	37,420	39,125	33,331
2,181	2,125	2,452	2,075	1,995	2,069
356	300	324	122	122	209

Morgan County, Colorado
Capital Asset Statistics by Function/Program
Last Ten Years
(unaudited)

Function/Program	2017	2016	2015	2014	2013
Judicial and Public Safety					
Communications Center console positions	4	4	4	4	4
Communications Center vehicles	1	1	1	1	1
911 Emergency Telephone towers	3	3	3	3	3
Emergency Management vehicles	1	1	1	1	4
Courtrooms - district and county	3	3	3	3	3
Jail	1	1	1	1	1
Jail vehicles	3	3	3	3	3
Patrol vehicles	14	14	14	14	13
Sheriff Investigation & Administrative vehicles	13	13	13	13	13
Streets and Highways					
Graders	15	15	15	15	15
Grader sheds	6	6	6	6	6
Trucks	24	24	24	24	24
Heavy equipment	10	10	10	10	10
Other equipment	55	48	44	39	37
Vehicles	20	20	22	19	6
Health and Human Services					
Building	1	1	1	1	1
Vehicles	9	9	9	9	9
Auxiliary Services					
Extension Office	1	1	1	1	1
Event Center	1	1	1	1	1
Fairgrounds	1	1	1	1	1
Fairground heavy equipment	3	3	3	3	3
Fairground vehicles	1	1	1	1	1
Ambulance Service					
Buildings	3	2	2	2	3
Ambulance vehicles	7	8	7	8	8
Administrative vehicles	1	1	1	1	1
Solid Waste Management					
Landfill site	1	1	1	1	1
Transfer sites	0	0	0	0	6
Equipment	5	5	5	5	4
Vehicles	3	3	3	3	3

Note: No capital asset indicators are available for the general government.

Source: Information provided by individual Morgan County departments

2012	2011	2010	2009	2008
4	4	4	4	4
2	2	2	2	2
3	3	3	3	3
4	4	4	4	4
3	3	3	3	3
1	1	1	1	1
3	3	3	3	3
12	11	11	12	12
12	12	11	9	9
15	15	15	15	15
6	6	6	6	6
24	23	23	23	23
10	10	10	10	10
36	36	36	36	36
20	19	19	20	15
1	1	1	1	1
9	9	9	9	9
1	1	1	1	1
1	1	1	1	1
1	1	1	1	1
3	3	4	3	3
1	1	1	1	1
2	2	3	3	3
8	8	8	8	9
1	1	1	1	2
1	1	1	1	1
0	0	0	0	0
4	4	4	4	3
3	3	3	3	3



SINGLE AUDIT SECTION



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

INDEPENDENT AUDITOR'S REPORT

Board of County Commissioners
Morgan County
Fort Morgan, 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, each major fund, and the aggregate remaining fund information of Morgan County (County) as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated June 27, 2018.

Internal Control over Financial Reporting

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

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

Our consideration of internal control over financial reporting 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 financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

Purpose of this Report

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

Watson Coon Ryan, LLC

GREENWOOD VILLAGE, COLORADO
JUNE 27, 2018



9250 EAST COSTILLA AVENUE, SUITE 450
GREENWOOD VILLAGE, COLORADO 80112
303-792-3020 (O) | 303-792-5153 (F)
WWW.WCRCPA.COM

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND
REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE
WITH THE UNIFORM GUIDANCE**

Board of County Commissioners
Morgan County

Report on Compliance for Each Major Federal Program

We have audited Morgan County's compliance with the types of compliance requirements described in the U.S. *Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of Morgan County's major federal programs for the year ended December 31, 2017. Morgan 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 Morgan County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Morgan County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, Morgan 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, 2017.

Report on Internal Control over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. 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.

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

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

Watson Coon Ryan, LLC

WATSON COON RYAN, LLC

June 27, 2018

MORGAN COUNTY, COLORADO

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For The Year Ended December 31, 2017

Program	Federal CFDA Number	Federal Expenditures
U.S. Department of Agriculture		
Passed through Colorado Department of Human Services		
Food Assistance Administration	10.561	207,060
Total Department of Agriculture		<u>207,060</u>
U.S. Department of Health and Human Services		
Passed through Colorado Department of Human Services		
Promoting Safe and Stable Families	93.556	101,081
TANF	93.558	884,712
Title IV-D	93.563	334,335
Title IV-B	93.645	26,251
Title IV-E	93.658	599,635
Adoption	93.659	188,485
Tile XX Block Grant	93.667	210,293
Low Income Home Energy Assistance Block Grant	93.568	224,732
Guardianship Assistance - ARRA	93.090	2,210
Child Care Cluster		
Child Care and Development Block Grant	93.575	124,425
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	38,158
Total Child Care Cluster		<u>162,583</u>
Title XIX Medicaid Assistance Program	93.778	317,402
Total Department of Health and Human Services		<u>3,051,719</u>
U.S. Department of Justice		
Passed through State of Colorado		
Victims Assistance Program	16.575	26,999
Bullet Proof Vest Partnership Program	16.607	3,348
Total Department of Justice		<u>30,347</u>
U.S. Department of Housing and Urban Development		
Passed through State of Colorado		
Continuum of Care	14.269	174,986
Total Department of Housing and Urban Development		<u>174,986</u>
U.S. Department of Homeland Security		
Passed through State of Colorado		
Emergency Management Performance Grant	97.042	41,000
Public Assistance Grant	97.036	135,041
Total Department of Homeland Security		<u>176,041</u>
Total Expenditures of Federal Awards		<u>\$ 3,640,153</u>

See the accompanying notes to schedule of expenditures of federal awards.



MORGAN COUNTY
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2017

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of Morgan County under programs of the federal government for the year ended December 31, 2017. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Morgan County, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Morgan County

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represents adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available.

3. SUBRECIPIENTS

No federal awards were passed through to subrecipients for the year-ended December 31, 2017.

4. NONCASH PROGRAM ACTIVITY

The County determines eligibility for various benefits funded by Federal and State programs. The funds are distributed via electronic benefit transfer to the beneficiaries by the State. Noncash assistance of \$207,060 is included in the Schedule of Federal Expenditures and represents food commodities.

5. INDIRECT COST RATE

Morgan County has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

MORGAN COUNTY
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FOR THE YEAR ENDED DECEMBER 31, 2017

SUMMARY OF AUDITORS RESULTS

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weaknesses identified?	___ Yes	___x___ No
Significant deficiencies identified?	___ Yes	___x___ No
Noncompliance material to financial statements noted?	___ Yes	___x___ No

Federal Awards

Internal control over major federal programs:

Material weaknesses identified?	___ Yes	___x___ No
Significant deficiencies identified?	___ Yes	___x___ None reported
Type of auditor's report issued on compliance for major federal programs:	Unqualified	
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	___ Yes	___x___ No
Identification of major federal programs:	93.563 Title IV-D	
	93.658 Title IV-E	
Dollar threshold used to distinguish between type A and type B programs:	\$ <u>750,000</u>	
Auditee qualified as a low-risk auditee?	___x___ Yes	___ No

MORGAN COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Section II: Financial Statement Findings

There were no findings.

Section III: Federal Awards Findings

There were no findings.

Section IV: Status of Prior Year Findings

There were no findings for the year ended December 31, 2016.