

**Moffat County, Colorado  
Craig, Colorado**

**Financial Statements  
December 31, 2013**



**Moffat County, Colorado  
Financial Report  
December 31, 2013**

**Table of Contents**

	<b>Page</b>
INDEPENDENT AUDITOR'S REPORT	A1 - A3
<b>Management's Discussion and Analysis</b>	<b>B1 - B7</b>
<b>Basic Financial Statements:</b>	
Government - wide Financial Statements:	
Statement of Net Position	C1
Statement of Activities	C2
Fund Financial Statements:	
Balance Sheet - Governmental Funds	C3
Reconciliation of Governmental Fund Balances to the Statement of Net Position	C4
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	C5
Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities	C6
Statement of Net Position - Proprietary Funds	C7
Statement of Revenues, Expenses and Changes in Fund Net Position - Proprietary Funds	C8
Statement of Cash Flows - Proprietary Funds	C9
Statement of Fiduciary Net Position - Agency Funds	C10
Notes to the Financial Statements	D1 – D26
<b>Required Supplementary Information:</b>	
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (GAAP Basis) - General Fund	E1 - E2
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (GAAP Basis): Special Revenue Funds:	
Road and Bridge Fund	E3
Human Services Fund	E4
Jail Fund	E5

**Moffat County, Colorado  
Financial Report  
December 31, 2013**

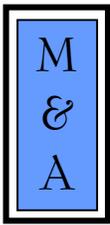
**Table of Contents  
(Continued)**

<b>Required Supplementary Information: (continued)</b>	<b>Page</b>
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (GAAP Basis): Special Revenue Funds (Continued):	
Lease Purchase Fund	E6
<b>Supplementary Information:</b>	
Combining Balance Sheet - Non-major Governmental Funds	F1
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-major Governmental Funds	F2
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (GAAP Basis): Special Revenue Funds:	
Landfill Fund	F3
Library Fund	F4
Retirement Fund	F5
Senior Citizens Fund	F6
Airport Fund	F7
Conservation Trust Fund	F8
E-911 Fund	F9
Oil and Gas Exemption Fund	F10
Tourism Promotion Fund	F11
Capital Projects Funds:	
Capital Projects Fund	F12
Telecommunications Fund	F13

**Moffat County, Colorado  
Financial Report  
December 31, 2013**

**Table of Contents  
(Continued)**

	<b>Page</b>
<b>Supplementary Information (continued):</b>	
Schedule of Revenues, Expenses and Changes in Fund Net Position Budget and Actual - Enterprise Fund - Sewer Fund	F14
Combining Statement of Net Position - Internal Service Funds	F15
Combining Statement of Revenues, Expenditure and Changes in Fund Net Position - Internal Service Funds	F16
Combining Statement of Cash Flows - Internal Service Fund	F17
Schedule of Revenues, Expenses and Changes in Fund Net Position Budget (GAAP Basis) and Actual - Internal Service Funds - Health Insurance Trust Fund	F18
Schedule of Revenues, Expenses and Changes in Fund Net Position Budget (GAAP Basis) and Actual - Internal Service Funds - Central Duplicating/ IT Fund	F19
Combining Statement of Changes in Assets and Liabilities – Agency Funds	F20 – F21
Annual Statement of Receipts and Expenditures for Roads, Bridges and Streets	F22 – F23
<b>Schedules and Single Audit Reports:</b>	
Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed In Accordance with Government Audit Standards	G1 – G2
Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance With OMB Circular A-133	G3 – G4
Schedule of Findings and Questioned Costs	G5
Schedule of Prior Audit Findings and Questioned Costs	G6
Schedule of Expenditures of Federal Awards	G7



# McMAHAN AND ASSOCIATES, L.L.C.

*Certified Public Accountants and Consultants*

CHAPEL SQUARE, BLDG C  
245 CHAPEL PLACE, SUITE 300  
P.O. Box 5850, AVON, CO 81620

WEB SITE: WWW.MCMAHANCPA.COM  
MAIN OFFICE: (970) 845-8800  
FACSIMILE: (970) 845-8108  
E-MAIL: MCMAHAN@MCMAHANCPA.COM

## 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, 2013, 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*

PAUL J. BACKES, CPA, CGMA  
MICHAEL N. JENKINS, CA, CPA, CGMA  
DANIEL R. CUDAHY, CPA, CGMA

AVON: (970) 845-8800  
ASPEN: (970) 544-3996  
FRISCO: (970) 668-3481

### **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, 2013, 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 June 19, 2014, 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.  
June 19, 2014**

**MANAGEMENT DISCUSSION AND ANALYSIS**



# Moffat County, Colorado

## Management's Discussion and Analysis

December 31, 2013

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, 2013.

### Financial Highlights

- The assets of Moffat County exceeded its liabilities at the close of the most recent fiscal year by \$69,265,930 (net position). Of this amount, \$24,190,308 (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 \$2,734,807 mainly due from an increase in assets of \$2,194,216 from 2012.
- As of the close of the current fiscal year, Moffat County governmental funds reported combined ending fund balances of \$26,880,547 a decrease of \$2,173,165. This decrease is mainly caused from an increase in capital outlay expense of \$2,077,124 from 2012. Approximately \$20,007,351 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 \$6,727,363 or 50% 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 2013, the fund balance was \$6,727,363; a decrease of \$2,087,290. The decrease was budgeted for in 2013 to utilize the fund balance towards budgetary needs while maintaining a sufficient cash reserve. 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 \$15,789,009 at the end of 2013 as compared to \$16,514,315 at the end of 2012 an overall decrease of 725,306.

## 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 \$2,798,734 at the beginning of 2013 and ended the year with a fund balance of \$3,438,505, an increase of \$639,771.

**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 \$926,010 at the beginning of 2013 and ended the year with a fund balance of \$925,670, a decrease of \$340.

### 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 \$852,632. 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	
	2013	Restated 2012	2013	2012	2013	Restated 2012
<b>Assets:</b>						
Current and other assets	42,026,896	43,819,026	\$ 18,357	\$ 18,343	\$ 42,045,253	\$ 43,837,369
Capital assets	47,667,565	43,820,513	285,643	146,363	47,953,208	43,966,876
<b>Total Assets</b>	<b>89,694,461</b>	<b>87,639,539</b>	<b>304,000</b>	<b>164,706</b>	<b>89,998,461</b>	<b>87,804,245</b>
<b>Deferred Outflow of Resources:</b>						
Deferred charge on refunding	(74,481)	(87,312)	-	-	(74,481)	(87,312)
<b>Total deferred outflow of resources</b>	<b>(74,481)</b>	<b>(87,312)</b>	<b>-</b>	<b>-</b>	<b>(74,481)</b>	<b>(87,312)</b>
<b>Liabilities:</b>						
Other liabilities	1,327,713	1,342,504	757	470	1,328,470	1,342,974
Long-term liabilities	9,136,715	9,520,978	-	-	9,136,715	9,520,978
<b>Total Liabilities</b>	<b>10,464,428</b>	<b>10,863,482</b>	<b>757</b>	<b>470</b>	<b>10,465,185</b>	<b>10,863,952</b>
<b>Deferred Inflow of Resources:</b>						
Unavailable property tax revenue	10,158,814	10,252,655	-	-	10,158,814	10,252,655
Unavailable revenue - Other	34,051	69,204	-	-	34,051	69,204
<b>Total deferred inflow of resources</b>	<b>10,192,865</b>	<b>10,321,859</b>	<b>-</b>	<b>-</b>	<b>10,192,865</b>	<b>10,321,859</b>
<b>Net Position:</b>						
Net investment in capital assets	41,104,168	36,160,512	285,643	146,363	41,389,811	36,306,875
Restricted	3,685,811	3,756,110	-	-	3,685,811	3,756,110
Unrestricted	24,172,708	26,450,264	17,600	17,873	24,190,308	26,468,137
<b>Total Net Position</b>	<b>\$ 68,962,687</b>	<b>\$ 66,366,886</b>	<b>\$ 303,243</b>	<b>\$ 164,236</b>	<b>\$ 69,265,930</b>	<b>\$ 66,531,122</b>

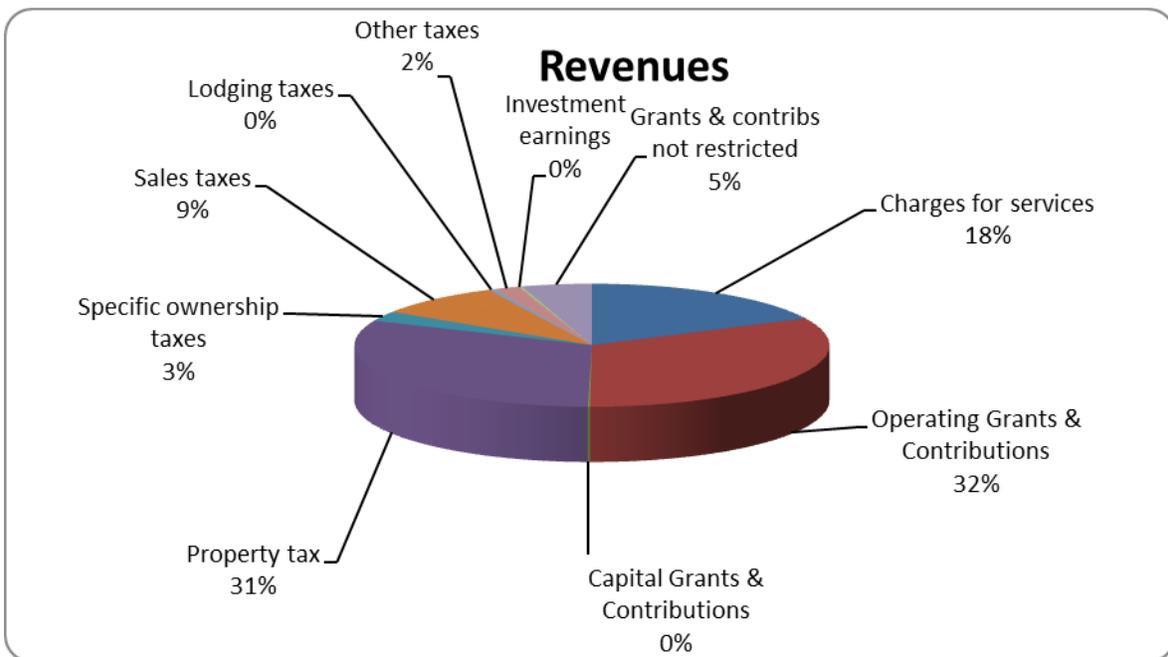
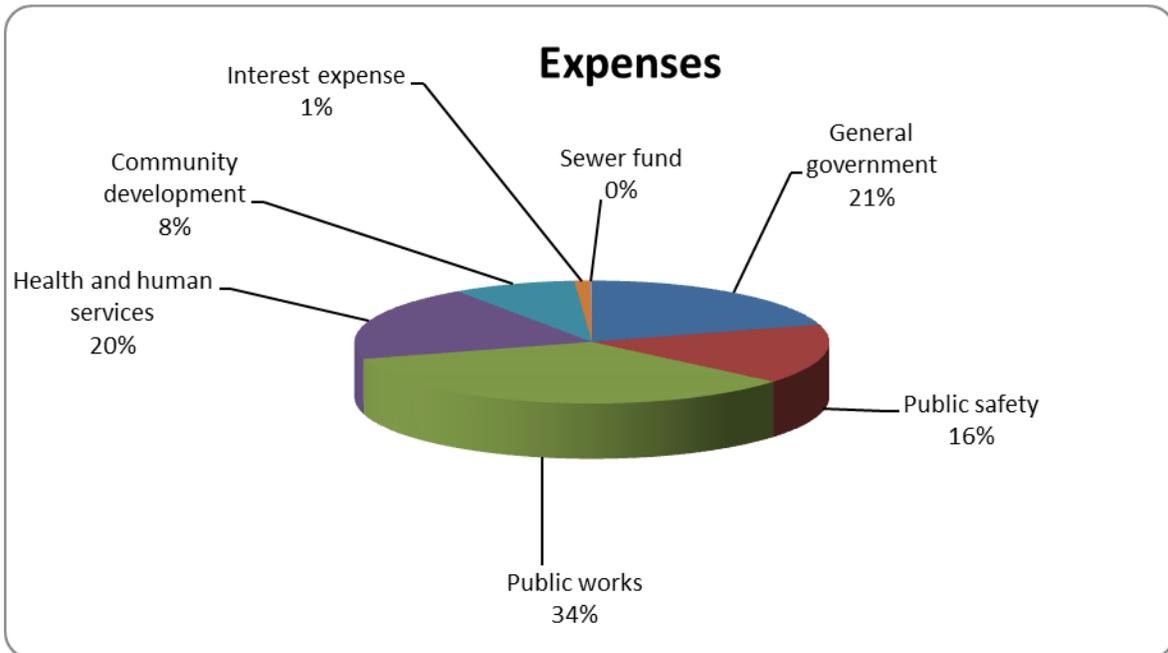
Traditionally, the largest portion of any County investments is in its capital assets: land, infrastructure, building, equipment, machinery, and specialized tools are necessary to deliver and/or provide services to the residents of Moffat County. Capital assets of the County increased due the replacement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

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

	Governmental Activities		Business-type Activities		Total	
	2013	Restated 2012	2013	2012	2013	Restated 2012
<b>Revenues:</b>						
<i>Program revenues:</i>						
Charges for services	\$ 5,720,495	\$ 6,289,849	\$ 18,594	\$ 15,061	\$ 5,739,089	\$ 6,304,910
Operating grants and contributions	10,266,373	13,528,369	136,020	9,809	10,402,393	13,538,178
Capital grants and contributions	42,231	395,850	-	-	42,231	395,850
<i>General revenues:</i>						
Property taxes	10,055,456	10,007,690	-	-	10,055,456	10,007,690
Specific ownership taxes	834,795	746,567	-	-	834,795	746,567
Sales taxes	2,815,674	2,791,188	-	-	2,815,674	2,791,188
Investment earnings	78,041	97,271	-	31	78,041	97,302
General grants and contributions	1,536,108	-	-	-	1,536,108	-
Other	690,886	922,095	-	-	690,886	922,095
Gain (loss) on disposals	(32,753)	(460,602)	-	-	(32,753)	(460,602)
<b>Total Revenues</b>	<b>32,007,306</b>	<b>34,318,277</b>	<b>154,614</b>	<b>24,901</b>	<b>32,161,920</b>	<b>34,343,178</b>
<b>Expenditures:</b>						
General government	6,016,411	6,560,099	-	-	6,016,411	6,560,099
Public safety	4,622,680	4,500,283	-	-	4,622,680	4,500,283
Public works	10,121,554	11,946,299	-	-	10,121,554	11,946,299
Health and human services	5,834,036	5,662,612	-	-	5,834,036	5,662,612
Community development	2,480,436	2,134,615	-	-	2,480,436	2,134,615
Interest	322,388	342,691	-	-	322,388	342,691
Sewer	-	-	29,608	32,084	29,608	32,084
<b>Total Expenses</b>	<b>29,397,505</b>	<b>31,146,599</b>	<b>29,608</b>	<b>32,084</b>	<b>29,427,113</b>	<b>31,178,683</b>
<b>Change in net position before transfers</b>	<b>2,609,801</b>	<b>3,171,678</b>	<b>125,006</b>	<b>(7,183)</b>	<b>2,734,807</b>	<b>3,164,495</b>
Transfers	(14,000)	-	14,000	-	-	-
<b>Change in net position after transfers</b>	<b>2,595,801</b>	<b>3,171,678</b>	<b>139,006</b>	<b>(7,183)</b>	<b>2,734,807</b>	<b>3,164,495</b>
<b>Net position - Jan 1 (restated)</b>	<b>66,366,886</b>	<b>63,195,208</b>	<b>164,237</b>	<b>171,419</b>	<b>66,531,123</b>	<b>63,366,627</b>
<b>Net position - Dec 31</b>	<b>\$ 68,962,687</b>	<b>\$ 66,366,886</b>	<b>\$ 303,243</b>	<b>\$ 164,236</b>	<b>\$ 69,265,930</b>	<b>\$ 66,531,122</b>

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

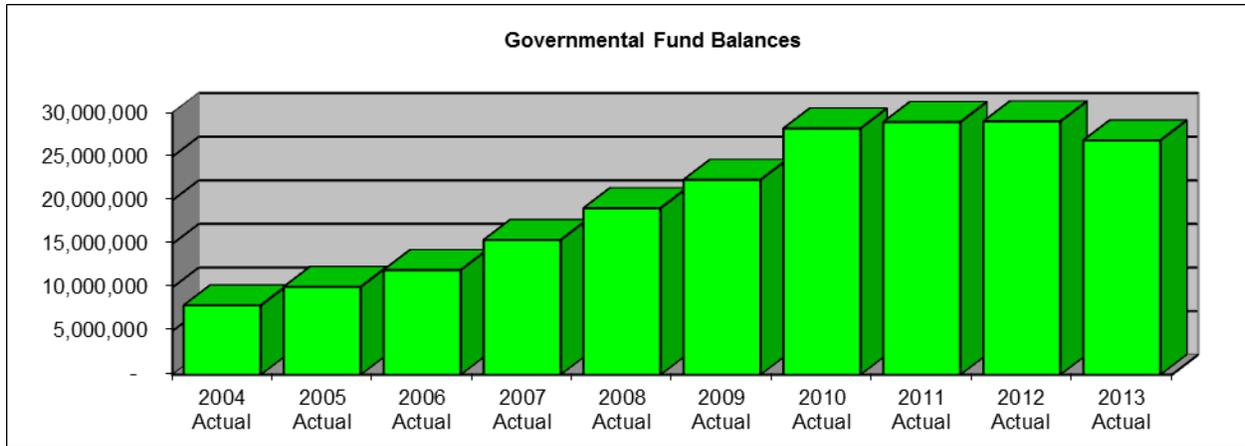
The following graphs depict the County's 2013 expenditures and revenues, respectively:



## Overview of the Financial Statements (continued):

### Fund Financial Analysis:

Below shows the County's total actual fund balances for fiscal years 2004 through 2013.



In 2013 capital outlay expense was \$6,206,943 which is an increase of \$2,077,124 from capital outlay expense of \$4,129,819 in 2012. Although 2013 has a \$2,173,165 decrease in fund balances the available reserve maintains a sufficient cash reserve.

### 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 \$690,725 to cover expenditures.

### Capital Assets and Debt Administration:

As of the end of the current fiscal year, the County's long-term liabilities decreased \$382,951, 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 2013 was \$6,727,363. 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 an additional emergency reserve of 10% of operations. At December 31, 2013, the County had a General Fund reserve balance of 50% of the 2013 actual expenditures (including transfers).

In 2014, the County is projected to decrease the General Fund Balance by approximately \$297,335.

**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, 2013**

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Hospital	Housing Authority
<b>Assets:</b>					
<b>Current Assets:</b>					
Cash and cash equivalents	\$ 29,217,225	\$ 1,751	\$ 29,218,976	\$ 6,645,753	\$ 691,176
Accounts, taxes, and other receivables	10,825,113	16,606	10,841,719	6,834,863	1,807
Due from other governments	75,217	-	75,217	-	-
Prepaid expenses	202,543	-	202,543	456,430	-
Inventory	1,461,813	-	1,461,813	451,233	-
Due from component unit	(5,017)	-	(5,017)	-	-
<b>Other Assets:</b>					
Restricted cash and investments	-	-	-	2,777,576	-
Notes receivable	250,000	-	250,000	-	-
<b>Capital Assets:</b>					
Capital assets	85,392,291	690,048	86,082,339	59,801,949	3,953,394
Accumulated depreciation	(37,724,724)	(404,405)	(38,129,129)	(23,002,216)	(2,429,637)
<b>Total Assets</b>	<b>89,694,461</b>	<b>304,000</b>	<b>89,998,461</b>	<b>53,965,588</b>	<b>2,216,740</b>
<b>Deferred Outflow of Resources:</b>					
Deferred charges	(74,481)	-	(74,481)	-	-
Total deferred outflow of resources	(74,481)	-	(74,481)	-	-
<b>Liabilities:</b>					
<b>Current Liabilities:</b>					
Accounts payable	1,085,317	433	1,085,750	1,586,997	85,802
Accrued compensation	242,396	324	242,720	1,289,898	1,534
Due to primary government	-	-	-	-	(5,017)
<b>Non-Current Liabilities:</b>					
Accrued interest	15,485	-	15,485	-	-
Due within one year:	570,000	-	570,000	827,536	5,756
Due longer than one year:	8,525,486	-	8,525,486	37,536,349	1,480,276
Premium on debt issuance	25,744	-	25,744	-	-
<b>Total Liabilities</b>	<b>10,464,428</b>	<b>757</b>	<b>10,465,185</b>	<b>41,240,780</b>	<b>1,568,351</b>
<b>Deferred Inflow of Resources:</b>					
Unavailable property tax revenue	10,158,814	-	10,158,814	1,399,098	-
Unavailable revenue - Other	34,051	-	34,051	-	-
Total deferred inflow of resources	10,192,865	-	10,192,865	1,399,098	-
<b>Net Position:</b>					
Net investment in capital assets	41,104,168	285,643	41,389,811	(1,564,152)	37,725
Restricted for emergencies	801,000	-	801,000	-	-
Restricted for debt service	926,010	-	926,010	-	-
Restricted for other purposes	1,958,801	-	1,958,801	2,832,096	-
Unrestricted	24,172,708	17,600	24,190,308	10,057,766	610,664
<b>Total Net Position</b>	<b>\$ 68,962,687</b>	<b>\$ 303,243</b>	<b>\$ 69,265,930</b>	<b>\$ 11,325,710</b>	<b>648,389</b>

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

**Moffat County, Colorado**  
**Statement of Activities**  
**For the Year Ended December 31, 2013**

	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Units	
					Primary Government				
	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	\$ 6,016,411	\$ 4,436,634	\$ 126,151	\$ -	\$ (1,453,626)	\$ (1,453,626)			
Public safety	4,622,680	186,563	254,709	-	(4,181,408)	(4,181,408)			
Public works	10,121,554	991,232	4,505,043	42,231	(4,583,048)	(4,583,048)			
Health and human services	5,834,036	20,276	4,974,749	-	(839,011)	(839,011)			
Community development	2,480,436	85,790	405,721	-	(1,988,925)	(1,988,925)			
Interest expense	322,388	-	-	-	(322,388)	(322,388)			
<b>Total Governmental Activities</b>	<b>29,397,505</b>	<b>5,720,495</b>	<b>10,266,373</b>	<b>42,231</b>	<b>(13,368,406)</b>	<b>(13,368,406)</b>			
<b>Business-type Activities:</b>									
Sewer	29,608	18,594	136,020	-		\$ 125,006	125,006		
<b>Total Business-type Activities</b>	<b>29,608</b>	<b>18,594</b>	<b>136,020</b>	<b>-</b>		<b>125,006</b>	<b>125,006</b>		
<b>Total Primary Government</b>	<b>\$ 29,427,113</b>	<b>\$ 5,739,089</b>	<b>\$ 10,402,393</b>	<b>\$ 42,231</b>	<b>(13,368,406)</b>	<b>125,006</b>	<b>(13,243,400)</b>		
<b>Component Units:</b>									
Hospital	\$ 34,477,914	\$ 31,870,959	\$ 830,640	\$ -			\$ (1,776,315)		
Housing authority	636,034	344,571	355,354	-				\$ 63,891	
<b>Total Component Units</b>	<b>\$ 35,113,948</b>	<b>\$ 32,215,530</b>	<b>\$ 1,185,994</b>	<b>\$ -</b>			<b>(1,776,315)</b>		<b>63,891</b>
<b>General Revenues:</b>									
Taxes:									
Property tax, levied for general purposes					10,055,456	-	10,055,456	1,430,154	-
Specific ownership taxes					834,795	-	834,795	-	-
Sales taxes					2,815,674	-	2,815,674	-	-
Lodging taxes					144,468	-	144,468	-	-
Other taxes					546,418	-	546,418	-	-
Investment earnings					78,041	-	78,041	32,063	454
Grants and contributions not restricted to a specific purpose					1,536,108	-	1,536,108	71,514	-
Transfers					(14,000)	14,000	-	-	-
Gain (Loss) on disposals					(32,753)	-	(32,753)	(226,256)	-
<b>Total General Revenues</b>					<b>15,964,207</b>	<b>14,000</b>	<b>15,978,207</b>	<b>1,307,475</b>	<b>454</b>
<b>Change in Net Position</b>					<b>2,595,801</b>	<b>139,006</b>	<b>2,734,807</b>	<b>(468,840)</b>	<b>64,345</b>
<b>Net Position - January 1 (Restated)</b>					<b>66,366,886</b>	<b>164,237</b>	<b>66,531,123</b>	<b>11,794,550</b>	<b>584,044</b>
<b>Net Position - December 31</b>					<b>\$ 68,962,687</b>	<b>\$ 303,243</b>	<b>\$ 69,265,930</b>	<b>\$ 11,325,710</b>	<b>\$ 648,389</b>

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

**FUND FINANCIAL STATEMENTS**



**Moffat County, Colorado**  
**Governmental Funds**  
**Balance Sheets**  
**December 31, 2013**

	<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	\$ 7,314,754	\$ 9,437,468	\$ 1,569,444	\$ 1,032,962	\$ 925,670	\$ 5,474,872	\$ 25,755,170
Taxes receivable	9,330,589	-	430,901	-	-	-	9,761,490
Accounts receivable	99,124	254,640	23,812	257,479	-	426,342	1,061,397
Due from other governments	-	-	36,471	-	-	38,746	75,217
Prepaid expenses	-	-	2,532	-	-	-	2,532
Inventories	-	1,461,813	-	-	-	-	1,461,813
Due from other funds	3,056	-	-	-	-	425,654	428,710
<b>Total Assets</b>	<b>\$ 16,747,523</b>	<b>\$ 11,153,921</b>	<b>\$ 2,063,160</b>	<b>\$ 1,290,441</b>	<b>\$ 925,670</b>	<b>\$ 6,365,614</b>	<b>\$ 38,546,329</b>
<b>Liabilities, Deferred Inflow of Resources and Fund Balances:</b>							
<b>Liabilities:</b>							
Accounts/vouchers payable	\$ 161,210	\$ 329,521	\$ 206,454	\$ 6,757	\$ -	\$ 503,887	\$ 1,207,829
Accrued salaries and benefits	102,707	76,846	15	29,774	-	19,338	228,680
Due to other funds	425,654	-	3,061	-	-	-	428,715
Due to component units	-	-	-	-	-	5,017	5,017
<b>Total Liabilities</b>	<b>689,571</b>	<b>406,367</b>	<b>209,530</b>	<b>36,531</b>	<b>-</b>	<b>528,242</b>	<b>1,870,241</b>
<b>Deferred inflow of resources:</b>							
Unavailable property tax revenue	9,330,589	-	430,901	-	-	-	9,761,490
Unavailable revenue - other	-	-	34,051	-	-	-	34,051
<b>Total deferred inflow of resources</b>	<b>9,330,589</b>	<b>-</b>	<b>464,952</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,795,541</b>
<b>Fund Balances:</b>							
Non-spendable	-	1,461,813	2,532	-	-	-	1,464,345
Spendable:							
Restricted	801,000	-	1,386,146	1,253,910	925,670	1,042,125	5,408,851
Committed	1,414,099	292,325	-	-	-	3,983,777	5,690,201
Assigned	-	8,993,416	-	-	-	811,470	9,804,886
Unassigned	4,512,264	-	-	-	-	-	4,512,264
<b>Total Fund Balances</b>	<b>6,727,363</b>	<b>10,747,554</b>	<b>1,388,678</b>	<b>1,253,910</b>	<b>925,670</b>	<b>5,837,372</b>	<b>26,880,547</b>
<b>Total Liabilities, Deferred Inflow of Resources and Fund Balances</b>	<b>\$ 16,747,523</b>	<b>\$ 11,153,921</b>	<b>\$ 2,063,160</b>	<b>\$ 1,290,441</b>	<b>\$ 925,670</b>	<b>\$ 6,365,614</b>	<b>\$ 38,546,329</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, 2013**

<b>Governmental Funds Total Fund Balance</b>	\$	26,880,547
<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.		47,558,741
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.		3,404,590
Prepaid telecommunications costs are long-term assets of the County.		80,006
Deferred refunding costs are capitalized and amortized over the life of the debt in the Statement of Activities. This is the unamortized amount of deferred refunding costs.		(74,481)
<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 issuance.		(7,125,744)
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.		(1,063,054)
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.		(932,433)
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.		(15,485)
		_____
<b>Governmental Activities Net Position</b>	<b>\$</b>	<b>68,962,687</b>
		_____

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, 2013**

	<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	\$ 9,020,503	\$ 2,622,166	\$ 443,723	\$ 1,394,334	\$ -	\$ 916,084	\$ 14,396,810
Intergovernmental revenue	300,309	5,446,542	4,862,055	186,294	-	130,883	10,926,083
Charges for services	1,091,191	328,167	17,683	66,929	-	530,868	2,034,838
Reimbursements	155,093	-	-	-	-	-	155,093
Investment income	16,491	10,790	1,686	1,034	40,039	5,030	75,070
Other revenue	516,030	34,439	32,833	-	-	440,055	1,023,357
<b>Total Revenues</b>	<u>11,099,617</u>	<u>8,442,104</u>	<u>5,357,980</u>	<u>1,648,591</u>	<u>40,039</u>	<u>2,022,920</u>	<u>28,611,251</u>
<b>Expenditures:</b>							
General government	3,718,140	-	-	-	-	423,333	4,141,473
Public safety	2,395,814	-	-	1,997,073	-	33,513	4,426,400
Public works	2,124,259	9,744,161	-	-	-	921,038	12,789,458
Health and human services	447,041	-	5,291,121	-	-	-	5,738,162
Community development	1,608,581	-	-	-	-	1,008,893	2,617,474
Debt service:							
Principal	-	-	-	-	560,000	-	560,000
Interest	-	-	-	-	340,966	-	340,966
<b>Total Expenditures</b>	<u>10,293,835</u>	<u>9,744,161</u>	<u>5,291,121</u>	<u>1,997,073</u>	<u>900,966</u>	<u>2,386,777</u>	<u>30,613,933</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	805,782	(1,302,057)	66,859	(348,482)	(860,927)	(363,857)	(2,002,682)
<b>Other Financing Sources (Uses):</b>							
Transfers in	13,000	-	-	1,637,064	860,587	1,085,525	3,596,176
Transfers (out)	(3,209,314)	-	-	(860,587)	-	-	(4,069,901)
<b>Total Other Financing Sources (Uses)</b>	<u>(3,196,314)</u>	<u>-</u>	<u>-</u>	<u>776,477</u>	<u>860,587</u>	<u>1,085,525</u>	<u>(473,725)</u>
<b>Net Change in Fund Balances</b>	(2,390,532)	(1,302,057)	66,859	427,995	(340)	721,668	(2,476,407)
<b>Fund Balances - January 1</b>	<u>9,117,895</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>29,356,954</u>
<b>Fund Balances - December 31</b>	<u>\$ 6,727,363</u>	<u>\$ 10,747,554</u>	<u>\$ 1,388,678</u>	<u>\$ 1,253,910</u>	<u>\$ 925,670</u>	<u>\$ 5,837,372</u>	<u>\$ 26,880,547</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, 2013**

**Net Change in Fund Balances - Governmental Funds** \$ (2,476,407)

*Adjustments:*

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.	560,000
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.	871,056
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.	(136,688)
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.	3,712,523
Capital assets transferred from internal service funds and business-type funds are not recognized as transfers in on the governmental funds, but are recognized as increases in net position for governmental activities.	109,780
The reduction of prepaid expenses relating to telecom results in an expense on the government wide financial statements.	(18,244)
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.	18,578
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.	(44,797)

<b>Change in Net Position of Governmental Activities</b>	\$ 2,595,801
--	--------------

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

**Moffat County, Colorado  
Proprietary Funds  
Statement of Net Position  
December 31, 2013**

	<b>Business-type Activities Enterprise Fund</b>	<b>Governmental Activities</b>
	<b>Sewer Fund</b>	<b>Internal Service Funds</b>
<b>Assets:</b>		
Current assets:		
Cash and investments	\$ 1,751	\$ 3,582,054
Accounts receivable	16,606	2,172
Internal balances	-	5
<b>Total current assets</b>	<b>18,357</b>	<b>3,584,231</b>
<b>Non-current assets:</b>		
Capital assets	690,048	110,028
Accumulated depreciation	(404,405)	(1,204)
<b>Total non-current assets</b>	<b>285,643</b>	<b>108,824</b>
<b>Total Assets</b>	<b>304,000</b>	<b>3,693,055</b>
<b>Liabilities:</b>		
Accounts payable and accrued liabilities	433	274,750
Accrued salaries and benefits	324	13,715
<b>Total Liabilities</b>	<b>757</b>	<b>288,465</b>
<b>Net Position:</b>		
Net investment in capital assets	285,643	108,824
Unrestricted	17,600	3,295,766
<b>Total Net Position</b>	<b>\$ 303,243</b>	<b>\$ 3,404,590</b>

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, 2013**

	<b>Business-type Activities Enterprise Fund</b>	<b>Governmental Activities</b>
	<b>Sewer Fund</b>	<b>Internal Service Funds</b>
<b>Operating Revenues:</b>		
Charges for services	\$ 18,594	\$ 245,976
Contributions	-	3,140,073
Reimbursements	-	832,636
Intergovernmental	135,860	7,200
Other	160	418,433
<b>Total Operating Revenues</b>	<u>154,614</u>	<u>4,644,318</u>
<b>Operating Expenses:</b>		
Operations and maintenance	17,829	1,981,548
Claims and related insurance expenses	-	2,125,796
Depreciation	11,779	18,592
<b>Total Operating Expenses</b>	<u>29,608</u>	<u>4,125,936</u>
<b>Operating Income (Loss)</b>	125,006	518,382
<b>Non-operating Revenue:</b>		
Investment income	<u>-</u>	<u>2,729</u>
<b>Income (Loss) Before Transfers</b>	125,006	521,111
Transfers In	14,000	472,725
Transfers (out)	<u>-</u>	<u>(122,780)</u>
<b>Change in Net Position</b>	139,006	871,056
<b>Net Position - January 1</b>	<u>164,237</u>	<u>2,533,534</u>
<b>Net Position - December 31</b>	<u>\$ 303,243</u>	<u>\$ 3,404,590</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, 2013**

	<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	\$ 3,422	\$ 4,221,668
Other cash receipts	136,020	425,633
Cash paid for goods and services	(17,542)	(4,227,614)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>121,900</b>	<b>419,687</b>
<b>Cash Flows From Capital Financing Activities:</b>		
Acquisition of capital assets	(151,059)	(153,121)
<b>Net Cash Provided (Used) by Non-Capital Financing Activities</b>	<b>(151,059)</b>	<b>(153,121)</b>
<b>Cash Flows From Non-Capital Financing Activities:</b>		
Transfer from other fund	14,000	463,800
<b>Net Cash Provided by Non-Capital Financing Activities</b>	<b>14,000</b>	<b>463,800</b>
<b>Cash Flows From Investing Activities:</b>		
Interest received	-	2,729
<b>Net Cash Provided by Investing Activities</b>	<b>-</b>	<b>2,729</b>
<b>Net Change in Cash and Cash Equivalents</b>	<b>(15,159)</b>	<b>733,095</b>
<b>Cash and Cash Equivalents - Beginning</b>	<b>16,910</b>	<b>2,848,959</b>
<b>Cash and Cash Equivalents - Ending</b>	<b>1,751</b>	<b>3,582,054</b>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>		
Operating income (loss)	<b>125,006</b>	<b>518,382</b>
<b>Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:</b>		
Depreciation expense	11,779	18,592
(Increase) decrease in accounts receivable	(15,172)	3,499
Increase (decrease) in accounts payable and accrued liabilities	52	(122,239)
Increase (decrease) in accrued salaries and benefits	235	1,969
Increase (decrease) in unavailable revenues	-	(516)
<b>Total Adjustments</b>	<b>(3,106)</b>	<b>(98,695)</b>
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$ 121,900</b>	<b>\$ 419,687</b>

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

**Moffat County, Colorado  
Agency Funds  
Statement of Fiduciary Net Position  
December 31, 2013**

	<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	\$ 29,387,317	\$ 36,242	\$ 34,038	\$ 31,886	\$ 6,313	\$ 61,433	\$ 3,437	\$ 29,560,666
Less: cash held for County funds	<u>(28,534,685)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(28,534,685)</u>
<b>Total Assets</b>	<u><u>\$ 852,632</u></u>	<u><u>\$ 36,242</u></u>	<u><u>\$ 34,038</u></u>	<u><u>\$ 31,886</u></u>	<u><u>\$ 6,313</u></u>	<u><u>\$ 61,433</u></u>	<u><u>\$ 3,437</u></u>	<u><u>\$ 1,025,981</u></u>
<b>Liabilities</b>								
Held for other governments and agencies	\$ 852,632	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 852,632
Held by Public Trustee	-	36,242	-	-	-	-	-	36,242
Held for others	<u>-</u>	<u>-</u>	<u>34,038</u>	<u>31,886</u>	<u>6,313</u>	<u>61,433</u>	<u>3,437</u>	<u>137,107</u>
<b>Total Liabilities</b>	<u><u>\$ 852,632</u></u>	<u><u>\$ 36,242</u></u>	<u><u>\$ 34,038</u></u>	<u><u>\$ 31,886</u></u>	<u><u>\$ 6,313</u></u>	<u><u>\$ 61,433</u></u>	<u><u>\$ 3,437</u></u>	<u><u>\$ 1,025,981</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, 2013**

**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, 2013**  
**(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, 2013**  
**(Continued)**

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

**B. Component Unit Condensed Financial Statements**

	<u>The Memorial Hospital</u>	<u>Housing Authority of Moffat County</u>	<u>Total Component Units</u>
<b>Assets:</b>			
Current assets and other	\$ 17,165,855	\$ 692,983	\$ 17,858,838
Plant, property, and equipment, net	36,799,733	1,523,757	38,323,490
Total Assets	<u>53,965,588</u>	<u>2,216,740</u>	<u>56,182,328</u>
Total Assets and Deferred Outflow of Resources	<u>53,965,588</u>	<u>2,216,740</u>	<u>56,182,328</u>
<b>Liabilities and Fund Equity:</b>			
Current liabilities	2,876,895	82,319	2,959,214
Long-term debt	38,363,885	1,486,032	39,849,917
Total Liabilities	<u>41,240,780</u>	<u>1,568,351</u>	<u>42,809,131</u>
<b>Deferred Inflow of Resources:</b>			
Unavailable property tax revenue	1,399,098	-	1,399,098
Total Deferred Inflow of Resources	<u>1,399,098</u>	<u>-</u>	<u>1,399,098</u>
<b>Fund Equity:</b>			
Net position - Restricted	1,267,944	37,725	1,305,669
Net position - Unrestricted	10,057,766	610,664	10,668,430
Total Fund Equity	<u>11,325,710</u>	<u>648,389</u>	<u>11,974,099</u>
Total Liabilities, Deferred Inflow of Resources and Fund Equity	<u>\$ 53,965,588</u>	<u>\$ 2,216,740</u>	<u>\$ 56,182,328</u>
Operating Revenues	\$ 32,701,599	\$ 699,925	\$ 33,401,524
<b>Expenses:</b>			
Operating and other expenses	(31,351,646)	(544,295)	(31,895,941)
Depreciation and amortization	(3,126,268)	(91,739)	(3,218,007)
Operating Income (Loss)	<u>(1,776,315)</u>	<u>63,891</u>	<u>(1,712,424)</u>
Net Non-operating Revenues, Expenses and Transfers	<u>1,307,475</u>	<u>454</u>	<u>1,307,929</u>
Net Income	(468,840)	64,345	(404,495)
Net Position - January 1	11,794,550	584,044	12,378,594
Net Position - December 31	<u>\$ 11,325,710</u>	<u>\$ 648,389</u>	<u>\$ 11,974,099</u>

**Moffat County, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2013**  
**(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, 2013**  
**(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, 2013**  
**(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, 2013**  
**(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, 2013 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, 2013**  
**(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, 2013**  
**(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, 2013 was \$25,744.

**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, 2013**  
**(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, 2013, the County reported \$926,010 of net position restricted for debt service payments, and \$801,000 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 \$47,558,741 difference is related to property, plant and equipment of \$85,282,261 less accumulated depreciation of \$37,723,520.

**Moffat County, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2013**  
**(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 \$3,712,523 difference represents capital outlay of \$5,902,763, less depreciation expense of \$2,157,487 and gain or loss on disposals in the amount of \$32,753.

**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, Health Insurance Trust 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 on pages F14, F18 and F19.

As required by Colorado Statutes, the County followed the required timetable noted below in preparing, approving, and enacting its budget for 2013.

1. For the 2013 budget year, prior to August 25, 2012, 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, 2012 only once by a single notification.
2. On or before October 15, 2012, 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, 2013**  
**(Continued)**

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

**A. Budgetary Information (continued)**

3. Prior to December 15, 2012, 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 2012 were collected in 2013 and taxes certified in 2013 will be collected in 2014. 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 restricted a portion of the December 31, 2013 year-end fund balance in the General Fund for this purpose in the amount of \$801,000, which is the approximate required reserve.

**Moffat County, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2013**  
**(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, 2013**  
**(Continued)**

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

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

At December 31, 2013, the carrying value of the County's deposits was \$30,244,957. The bank balances of these accounts were \$30,727,413. At the end of 2013, the County held deposits and investments with the following maturities:

<u>Type:</u>	<u>Rating</u>	<u>Carrying Amount</u>	<u>Maturities</u>	
			<u>Less Than One Year</u>	<u>Less Than Five Years</u>
<i>Deposits:</i>				
Petty Cash	Not Rated	\$ 7,026	\$ 7,026	\$ -
Checking Accounts	Not Rated	5,609,764	5,609,764	-
Savings Accounts	Not Rated	11,422,563	11,422,563	-
Certificates of Deposit	Not Rated	1,992,000	1,992,000	-
<i>Investments:</i>				
Investment Pools	AAAm	2,707,363	2,707,363	-
Repurchase agreements	Not Rated	7,240,924	7,240,924	-
U.S. Agencies	AA+	339,647	-	339,647
Cash with Trustee	Not Rated	925,670	925,670	-
		<u>\$ 30,244,957</u>	<u>\$ 29,905,310</u>	<u>\$ 339,647</u>

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, 2013**  
**(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 \$6,118,361. At December 31, 2013 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, 2013, the Hospital, held the following investments:

Cash and cash equivalents	\$ 6,118,361
Fixed income funds	1,984,000
Investment pool	<u>1,320,968</u>
Total	<u><u>\$ 9,423,329</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	\$ 99,124	\$ 254,640	\$ -	\$ 269,152	\$ 31,244	\$ 654,160
Taxes	9,330,589	-	430,901	-	397,324	10,158,814
Other	-	-	23,812	-	-	23,812
Intergovernmental	-	-	36,471	-	38,746	75,217
Gross receivables	<u>9,429,713</u>	<u>254,640</u>	<u>491,184</u>	<u>269,152</u>	<u>467,314</u>	<u>10,912,003</u>
Less: allowance for uncollectible	-	-	-	(11,673)	-	(11,673)
<b>Net Receivables</b>	<u><u>\$ 9,429,713</u></u>	<u><u>\$ 254,640</u></u>	<u><u>\$ 491,184</u></u>	<u><u>\$ 257,479</u></u>	<u><u>\$ 467,314</u></u>	<u><u>\$ 10,900,330</u></u>

**Moffat County, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2013**  
**(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 \$10,158,814 of unearned revenue is property taxes levied in 2013 but not available until 2014. Additionally, grants and fees totaling \$34,051 were collected in 2013, but will not be available for use until 2014.

**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, 2013, \$250,000 was outstanding as receivable on this note receivable.

**E. Capital Assets**

Capital asset activity for the year ended December 31, 2013 was as follows:

	<u>Beginning Balance</u>	<u>Reclassification</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	100	-	-	(100)	-
Total capital assets, not being depreciated	<u>1,823,794</u>	<u>-</u>	<u>-</u>	<u>(100)</u>	<u>1,823,694</u>
Capital assets, being depreciated:					
Infrastructure	32,619,719	-	2,663,171	-	35,282,890
Improvements	5,880,916	515,145	1,583,496	-	7,979,557
Buildings	21,774,734	(374,660)	331,248	-	21,731,322
Equipment	17,655,979	6,398	1,477,969	(565,519)	18,574,827
Total capital assets being depreciated	<u>77,931,348</u>	<u>146,883</u>	<u>6,055,884</u>	<u>(565,519)</u>	<u>83,568,596</u>
Less accumulated depreciation for:					
Infrastructure	(10,014,318)	-	(603,797)	-	(10,618,115)
Improvements	(4,178,268)	(512,260)	(140,779)	-	(4,831,307)
Buildings	(9,009,521)	512,309	(438,146)	-	(8,935,358)
Equipment	(12,732,522)	(146,932)	(993,358)	532,869	(13,339,943)
Total accumulated depreciation	<u>(35,934,629)</u>	<u>(146,883)</u>	<u>(2,176,080)</u>	<u>532,869</u>	<u>(37,724,723)</u>
Total capital assets being depreciated, net	<u>41,996,719</u>	<u>-</u>	<u>3,879,804</u>	<u>(32,650)</u>	<u>45,843,873</u>
<b>Governmental activities capital assets, net</b>	<u>\$ 43,820,513</u>	<u>\$ -</u>	<u>\$ 3,879,804</u>	<u>\$ (32,750)</u>	<u>\$ 47,667,567</u>

**Moffat County, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2013**  
**(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	90,042	-	506,253
Buildings	37,278	-	-	37,278
Equipment	48,500	61,017	-	109,517
Total capital assets being depreciated	<u>501,989</u>	<u>151,059</u>	<u>-</u>	<u>653,048</u>
Less accumulated depreciation for:				
Improvements	(317,358)	(10,593)	-	(327,951)
Buildings	(26,768)	(932)	-	(27,700)
Equipment	(48,500)	(254)	-	(48,754)
Total accumulated depreciation	<u>(392,626)</u>	<u>(11,779)</u>	<u>-</u>	<u>(404,405)</u>
Total capital assets being depreciated, net	<u>109,363</u>	<u>139,280</u>	<u>-</u>	<u>248,643</u>
<b>Business-type activities capital assets, net</b>	<u>\$ 146,363</u>	<u>\$ 139,280</u>	<u>\$ -</u>	<u>\$ 285,643</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	\$ 1,058,914	\$ 146,918
Public safety	268,495	390,496
Public works	4,425,323	1,559,150
Health and human services	110,028	27,263
Community development	193,124	52,253
<b>Total Governmental Activities</b>	<u>\$ 6,055,884</u>	<u>\$ 2,176,080</u>
<b>Business-type Activities:</b>		
Sanitation	\$ 151,059	\$ 11,779
<b>Total Business-type Activities</b>	<u>\$ 151,059</u>	<u>\$ 11,779</u>

**Moffat County, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2013**  
**(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 2013 were as follows:

<b>Transfer In</b>	<b>Transfer out</b>	<b>Amount</b>
General	Central Dup.	\$ 13,000
Retirement	General	467,233
Airport	General	20,614
Capital Projects	General	423,999
Sewer Fund	General	14,000
Senior Citizens	General	173,679
Central Dup.	General	472,725
Lease purchase	Jail	860,587
Jail	General	1,637,064
Total		\$ 4,082,901

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, 2013 were comprised of the following:

<b>Due (to) from:</b>	<b>Receivable</b>	<b>Payable</b>
General Fund	\$ 3,056	\$ (425,654)
Special Revenue Funds:		
Human services	-	(3,061)
Non-Major Funds	425,654	-
Internal Service Funds:		
Central Duplicating/IT	5	-
	\$ 428,715	\$ (428,715)

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, 2013**  
**(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, 2013 has been reflected in the governmental activities column of the government-wide financial statements.

**Moffat County, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2013**  
**(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	\$ 1,046,703	50.76%	\$ 531,259
Regional - Postclosure	427,871	50.76%	\$ 217,168
Closed - Postclosure	352,011	52.27%	\$ 184,006
<b>Total</b>	<b>\$ 1,826,585</b>		<b>\$ 932,433</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 50.76% of capacity as of year-end. It is estimated that another \$894,152 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	\$ 1,485,000	\$ -	\$ (75,000)	\$ 1,410,000	\$ 70,000
Series 2006	6,175,000	-	(485,000)	5,690,000	500,000
Landfill postclosure	887,637	44,796	-	932,433	-
Compensated absences	926,365	136,688	-	1,063,053	-
Premium on debt issuance	30,179	-	(4,435)	25,744	-
<b>Total Governmental Activities</b>					
<b>Long-term Liabilities</b>	<b>\$ 9,504,181</b>	<b>\$ 181,484</b>	<b>\$ (564,435)</b>	<b>\$ 9,121,230</b>	<b>\$ 570,000</b>

**Moffat County, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2013**  
**(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
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	620,000	197,848	817,848
2019	2023 3,325,000	561,016	3,886,016
2024	2025 770,000	40,820	810,820
Total	<u>\$ 7,100,000</u>	<u>\$ 1,866,525</u>	<u>\$ 8,966,525</u>

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

At December 31, 2013, the Hospital had note payable obligations of \$38,363,885.

The Housing Authority has \$1,485,047 of mortgages outstanding and a long-term capital recovery payable of \$38,363,885. The mortgages included in the Housing Authority liability are:

- CHFA Primary Mortgage (6.5%) \$183,262
- HUD Restructuring Note (1%) \$1,152,763
- 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
2014	\$ 827,536	\$ 2,989,497	\$ 5,756	\$ 24,789
2015	766,585	2,928,711	5,090	24,470
2016	829,181	2,866,115	5,431	24,129
2017	896,888	2,798,408	5,795	23,765
2018	970,124	2,725,172	6,183	23,377
2019	2023 6,176,413	12,300,066	37,711	110,091
2024	2028 9,144,945	9,331,534	52,147	95,655
2029	2033 13,540,225	4,936,254	1,367,919	76,154
2034	2035 5,211,988	330,956	-	-
Total	<u>\$ 38,363,885</u>	<u>\$ 41,206,713</u>	<u>\$ 1,486,032</u>	<u>\$ 402,430</u>

**Moffat County, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2013**  
**(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, 2013**  
**(Continued)**

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

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

At December 31, 2013, the County had restricted fund balances for the following purposes:

<u>Restricted For:</u>	<u>Balance</u>
<i>General Fund (Tabor)</i>	\$ 801,000
<i>Human Services</i>	1,386,146
<i>Jail</i>	1,253,910
<i>Lease Purchase</i>	925,670
<i>Non-major funds:</i>	
Landfill post-closure	332,000
Conservation trust projects	188,452
E-911	419,759
Tourism promotion	101,914
	<u>\$ 5,408,851</u>

At December 31, 2013, the County had committed fund balances for the following purposes:

<u>Committed For:</u>	<u>Balance</u>
<i>General Fund:</i>	
Museum	\$ 1,105,284
30% operating reserve	308,815
<i>Road and Bridge - 30% operating reserve</i>	292,325
<i>Non-major funds:</i>	
Landfill - 30% operating reserve	163,887
Library - Memorial	125,358
Library - 30% operating reserve	174,337
Senior Citizens - 30% operating reserve	67,663
Airport 30% operating reserve	14,027
Capital projects:	
Courthouse expansion/major renovation	643,712
Senior Housing Improvements	418,712
Multi-use building at Fairgrounds	697,854
Capital projects	1,256,137
Telecommunications	422,090
	<u>\$ 5,690,201</u>

**Moffat County, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2013**  
**(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, 2013**  
**(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, 2013.

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, 2013**  
**(Continued)**

**V. Other Information (continued)**

**H. Significant Taxpayers**

Fifty-seven (57%) 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	\$ 87,128,100	\$ 5,672,187
WEXPRO COMPANY	34,043,884	2,037,331
TRAPPER MINING INC	23,503,144	1,531,324
PACIFICORP-ELEC OPERATIONS	22,972,700	1,496,809
ROCKIES EXPRESS PIPELINE	20,576,400	1,231,271
WYOMING INTERSTATE GAS	19,585,400	1,172,088
COLOWYO COAL COMPANY	19,348,391	1,161,969
PUBLIC SERVICE	17,865,000	1,161,268
SALT RIVER PROJECT	14,057,100	915,904
QEP FIELD SERVICES	8,037,123	481,163
<b>TOTALS</b>	<b>\$ 267,117,242</b>	<b>\$ 16,861,314</b>

**I. Implementation of Government Accounting Standards Board Statement No. 65, Items Previously Reported as Assets and Liabilities**

The County implemented Government Accounting Standards Board Statement No. 65 ("GASB 65"), Items Previously Reported as Assets and Liabilities, which requires debt issuance costs, previously reported as an asset and amortized, to be recognized as an outflow at the time such costs are incurred. As such, the financial statements report a restatement of the beginning net position in the amount of \$323,568, which was the unamortized debt issuance cost at December 31, 2012. The Housing Authority also reports a restatement of beginning net position in the amount of \$41,489, which represents the unamortized debt issuance cost at December 31, 2012 that were written off upon implementation of GASB 65.

**J. Restatement of Fund Balance and Net Position**

During 2013 the County discovered that liabilities were overstated for amounts that are restricted to expenditure on specific purposes and to be included in restricted fund balance of the County. The financial statements report a restatement of the beginning General Fund balance and net position in the amount of \$303,243, which represents the balance of unexpended restricted monies at December 31, 2012. Prior year comparative activity has also been restated to reflect this presentation.

**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, 2013**  
**(With Comparative Actual Amounts For the Year Ended December 31, 2012)**

	2013			Final Budget Variance Positive (Negative)	Restated 2012
	Original Budget	Final Budget	Actual Amounts		Actual
<b>Revenues:</b>					
Taxes:					
Property taxes	\$ 9,083,229	\$ 9,083,229	\$ 8,988,015	\$ (95,214)	\$ 2,884,585
Sales tax	-	-	26,001	26,001	25,444
Cigarette tax	4,000	4,000	5,408	1,408	4,201
Other	2,500	2,500	1,079	(1,421)	6,771
Intergovernmental:					
Federal	48,500	48,500	37,574	(10,926)	55,072
State and local	58,842	286,351	262,735	(23,616)	130,921
Charges for services	1,166,200	1,169,209	1,091,191	(78,018)	1,452,691
Investment earnings	24,000	24,000	16,491	(7,509)	21,892
Other	576,295	999,001	671,123	(327,878)	814,826
<b>Total Revenues</b>	<b>10,963,566</b>	<b>11,616,790</b>	<b>11,099,617</b>	<b>(517,173)</b>	<b>5,396,403</b>
<b>Expenditures:</b>					
<b>General Government:</b>					
Commissioners	430,532	438,152	427,985	10,167	447,133
Clerk and Recorder	625,594	616,733	686,988	(70,255)	597,297
Elections	63,403	68,403	71,903	(3,500)	66,710
Treasurer	476,138	766,138	455,220	310,918	432,339
Public Trustee	19,307	19,307	15,365	3,942	14,751
Assessor	653,326	684,534	613,141	71,393	585,320
Accounting	371,299	371,299	338,359	32,940	232,739
Administration	5,000	5,000	-	5,000	95,715
Human resources	305,155	305,155	279,012	26,143	277,441
County Attorney	373,068	373,068	223,352	149,716	209,748
Surveyor	23,208	23,208	24,357	(1,149)	21,510
Other administrative services	843,018	876,498	582,458	294,040	252,414
<b>Total General Government</b>	<b>4,189,048</b>	<b>4,547,495</b>	<b>3,718,140</b>	<b>829,355</b>	<b>3,233,117</b>
<b>Public Safety:</b>					
District Attorney	395,464	393,162	395,464	(2,302)	384,639
Sheriff	1,824,043	1,852,351	1,676,478	175,873	1,756,206
Emergency management	39,031	27,503	50,521	(23,018)	35,145
Fire control	18,131	131,867	67,837	64,030	127,613
Coroner	105,260	107,260	94,820	12,440	108,522
Community safety	118,481	118,481	110,694	7,787	103,074
<b>Total Public Safety</b>	<b>2,500,410</b>	<b>2,630,624</b>	<b>2,395,814</b>	<b>234,810</b>	<b>2,515,199</b>
<b>Public Works:</b>					
Grounds and buildings	187,095	811,072	817,590	(6,518)	196,411
Fairgrounds	600,988	588,478	313,994	274,484	348,646
Parks and recreation	2,917	2,917	349,346	(346,429)	452,062
Cemetary	97,200	172,200	104,425	67,775	193,723
Shadow mountain	1,027,827	1,027,827	-	1,027,827	-
Sherman youth camp	40,473	40,473	21,532	18,941	26,850
Arts	2,750	2,750	677	2,073	1,926
Pest and weed control	507,891	512,149	516,695	(4,546)	554,590
<b>Total Public Works</b>	<b>2,467,141</b>	<b>3,157,866</b>	<b>2,124,259</b>	<b>1,033,607</b>	<b>1,774,208</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, 2013**  
**(With Comparative Actual Amounts For the Year Ended December 31, 2012)**  
**(Continued)**

	2013			Final Budget Variance Positive (Negative)	Restated 2012
	Original Budget	Final Budget	Actual Amounts		Actual
<b>Expenditures (continued):</b>					
<b>Health and Human Services:</b>					
Ambulance service	27,376	33,052	32,340	712	25,993
Maybell fire	12,500	22,527	14,080	8,447	8,884
Allotments - Health	226,000	238,628	249,439	(10,811)	207,602
Veterans office	27,033	27,001	24,299	2,702	24,497
Community evaluation team	235,275	237,375	126,883	110,492	191,227
<b>Total Health and Human Services</b>	<u>528,184</u>	<u>558,583</u>	<u>447,041</u>	<u>111,542</u>	<u>458,203</u>
<b>Community Development:</b>					
Building inspector	-	-	-	-	15,503
Planning	-	-	-	-	14,994
Natural resources	173,691	363,691	270,800	92,891	146,203
Hamilton community center	972	272	3,773	(3,501)	4,265
Maybell center	16,321	11,476	21,382	(9,906)	11,888
County fair	60,318	94,751	84,296	10,455	84,085
Extension service	158,370	158,970	153,978	4,992	144,073
Museum	367,710	606,941	692,743	(85,802)	405,209
Museum minerals	1,000	16,636	16,160	476	522
Contributions	71,000	81,000	81,000	-	98,900
Development services	305,853	306,653	284,449	22,204	230,041
<b>Total Community Development</b>	<u>1,155,235</u>	<u>1,640,390</u>	<u>1,608,581</u>	<u>31,809</u>	<u>1,155,683</u>
<b>Total Expenditures</b>	<u>10,840,018</u>	<u>12,534,958</u>	<u>10,293,835</u>	<u>2,241,123</u>	<u>9,136,410</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>123,548</u>	<u>(918,168)</u>	<u>805,782</u>	<u>1,723,950</u>	<u>(3,740,007)</u>
<b>Other Financing Sources (Uses):</b>					
Transfers in	-	-	13,000	13,000	8,500
Transfers (out)	(2,771,315)	(2,771,315)	(3,209,314)	(437,999)	(1,171,484)
<b>Total Other Financing (Uses)</b>	<u>(2,771,315)</u>	<u>(2,771,315)</u>	<u>(3,196,314)</u>	<u>(424,999)</u>	<u>(1,162,984)</u>
<b>Net Change in Fund Balances</b>	<u>\$ (2,647,767)</u>	<u>\$ (3,689,483)</u>	<u>(2,390,532)</u>	<u>\$ 1,298,951</u>	<u>(4,902,991)</u>
<b>Fund Balances - January 1 (Restated)</b>			<u>9,117,895</u>		<u>14,020,886</u>
<b>Fund Balances - December 31</b>			<u>\$ 6,727,363</u>		<u>\$ 9,117,895</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, 2013**  
**(With Comparative Actual Amounts For the Year Ended December 31, 2012)**

	2013			Final Budget Variance	2012
	Original Budget	Final Budget	Actual Amounts	Positive (Negative)	Actual
<b>Revenues:</b>					
Taxes:					
Property taxes	\$ -	\$ -	\$ (31,329)	\$ (31,329)	\$ 6,021,696
Delinquent taxes & interest	-	-	375	375	59
Sales tax	1,227,000	1,227,000	1,391,237	164,237	1,380,877
Specific ownership	650,000	650,000	834,795	184,795	746,567
Other taxes	300,000	300,000	427,089	127,089	625,795
Intergovernmental:					
Federal	1,563,500	1,563,500	1,448,170	(115,330)	2,799,763
State and local	3,841,213	3,841,213	3,998,372	157,159	4,055,684
Charges for services	260,600	371,013	328,167	(42,846)	398,616
Investment income	12,000	12,000	10,790	(1,210)	18,650
Other	9,700	31,604	34,438	2,834	608,097
<b>Total Revenues</b>	<b>7,864,013</b>	<b>7,996,330</b>	<b>8,442,104</b>	<b>445,774</b>	<b>16,655,804</b>
<b>Expenditures:</b>					
Highways:					
Personnel	3,100,525	3,100,525	3,119,837	(19,312)	2,873,625
Operating	1,010,200	948,833	822,202	126,631	1,000,235
Maintenance and equipment:					
Personnel	592,760	592,760	521,196	71,564	492,172
Operating	1,338,500	1,337,357	1,066,148	271,209	1,177,508
Administration:					
Personnel	328,829	328,829	305,634	23,195	323,416
Operating	175,189	175,189	153,550	21,639	149,754
Other:					
Fuel & other	122,600	78,504	182,771	(104,267)	606,950
Intergovernmental revenue sharing	40,000	40,000	38,044	1,956	851,755
Capital outlay	1,200,000	1,483,260	1,168,699	314,561	352,212
Capital projects	5,059,000	5,149,000	2,366,080	2,782,920	3,161,267
<b>Total Expenditures</b>	<b>12,967,603</b>	<b>13,234,257</b>	<b>9,744,161</b>	<b>3,490,096</b>	<b>10,988,894</b>
<b>Net Change in Fund Balances</b>	<b>\$ (5,103,590)</b>	<b>\$ (5,237,927)</b>	<b>(1,302,057)</b>	<b>\$ 3,935,870</b>	<b>5,666,910</b>
<b>Fund Balances - January 1</b>			<b>12,049,611</b>		<b>6,382,701</b>
<b>Fund Balances - December 31</b>			<b>\$ 10,747,554</b>		<b>\$ 12,049,611</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, 2013**  
**(With Comparative Actual Amounts For the Year Ended December 31, 2012)**

	2013			Final Budget Variance Positive (Negative)	2012
	Original Budget	Final Budget	Actual Amounts		Actual
<b>Revenues:</b>					
Taxes:					
Property taxes	\$ 444,876	\$ 444,876	\$ 445,725	\$ 849	\$ 441,724
Delinquent taxes & interest	200	200	(2,002)	(2,202)	139
Intergovernmental	5,776,341	5,795,074	4,862,055	(933,019)	4,864,241
Charges for services	2,500	2,500	17,683	15,183	5,035
Investment income	2,750	2,750	1,686	(1,064)	2,501
Other	25,000	65,000	32,833	(32,167)	41,268
<b>Total Revenues</b>	<b>6,251,667</b>	<b>6,310,400</b>	<b>5,357,980</b>	<b>(952,420)</b>	<b>5,354,908</b>
<b>Expenditures:</b>					
Health & Welfare:					
State Sponsored	-	-	-	-	6,921
Medication transportation	7,500	9,500	6,153	3,347	(32)
CSBG	14,305	14,305	12,651	1,654	11,196
APS	-	-	6,699	(6,699)	-
Home Based treatment	49,544	49,544	30,050	19,494	44,784
Intensive family therapy	17,019	17,019	19,432	(2,413)	15,863
Life skills	100,859	100,859	39,598	61,261	82,665
Day treatment	64,509	64,509	19,090	45,419	26,386
Sexual abuse	32,849	32,849	23,209	9,640	25,041
Mental health & sub abuse	169,998	169,998	89,351	80,647	90,575
Spec. economic assistance	2,000	2,000	311	1,689	-
Child care	187,233	187,233	130,216	57,017	151,626
Child care quality	1,368	1,368	580	788	1,433
C4K	7,600	7,600	13,392	(5,792)	77,605
NCCCCF	142,737	142,737	123,968	18,769	53,231
Child welfare 80/20	577,720	577,720	565,517	12,203	565,586
Child welfare 100	91,462	91,462	100,290	(8,828)	80,870
Child welfare program	594,000	594,000	399,677	194,323	411,032
Connect for health	-	13,533	5,947	7,586	-
OAP	56,500	56,500	46,773	9,727	47,226
Colorado works	417,118	417,118	355,587	61,531	252,016
Fraud incentives	-	-	-	-	585
Aid to Needy Disabled	19,100	23,100	22,777	323	9,168
LEAP - Low-income Energy Assistance	225,000	225,000	115,482	109,518	159,921
LEAP Administration	19,094	19,094	14,147	4,947	11,942
LEAP Outreach	2,500	2,500	4,367	(1,867)	67
Food stamps	2,960,000	2,960,000	2,454,239	505,761	2,520,183
Commodities	1,515	1,515	1,396	119	1,451
FA job search	-	-	18	(18)	-
COLO refugee & immigration	200	200	-	200	-
Regular administration	510,698	510,698	460,003	50,695	459,179
Non allocated administration	1,700	1,700	2,294	(594)	2,294
OAP administration	4,100	4,100	5,340	(1,240)	5,389
Child support	243,448	243,448	193,043	50,405	203,422
IVD Federal incentives	-	-	24,212	(24,212)	-
IVD State incentives	-	-	3,843	(3,843)	45,097
AFDC RTND - CO portion of collection	(35,000)	(35,000)	(20,148)	(14,852)	(28,562)
GA / WF	10,700	50,700	21,617	29,083	27,233
<b>Total Expenditures</b>	<b>6,497,376</b>	<b>6,556,909</b>	<b>5,291,121</b>	<b>1,265,788</b>	<b>5,361,393</b>
<b>Net Change in Fund Balances</b>	<b>\$ (245,709)</b>	<b>\$ (246,509)</b>	<b>66,859</b>	<b>\$ 313,368</b>	<b>(6,485)</b>
<b>Fund Balances - January 1</b>			<b>1,321,819</b>		<b>1,328,304</b>
<b>Fund Balances - December 31</b>			<b>\$ 1,388,678</b>		<b>\$ 1,321,819</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, 2013**  
**(With Comparative Actual Amounts For the Year Ended December 31, 2012)**

	<u>2013</u>			<u>Final Budget</u>	<u>2012</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>	<u>Actual</u>
<b>Revenues:</b>					
Taxes					
Sales tax	\$ 1,270,000	\$ 1,270,000	\$ 1,394,334	\$ 124,334	\$ 1,376,446
Intergovernmental					
Federal	148,380	160,698	135,334	(25,364)	187,394
State	15,000	15,000	50,960	35,960	20,485
Charges for services	39,000	41,678	66,929	25,251	181,605
Investment Income	2,000	2,000	1,034	(966)	1,574
Other	-	-	-	-	6,743
<b>Total Revenues</b>	<u>1,474,380</u>	<u>1,489,376</u>	<u>1,648,591</u>	<u>159,215</u>	<u>1,774,247</u>
<b>Expenses:</b>					
Personnel	1,564,086	1,560,882	1,420,075	140,807	1,297,707
Operating	810,511	784,005	576,998	207,007	574,179
<b>Total Expenses</b>	<u>2,374,597</u>	<u>2,344,887</u>	<u>1,997,073</u>	<u>347,814</u>	<u>1,871,886</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	(900,217)	(855,511)	(348,482)	507,029	(97,639)
<b>Other Financing Sources (Uses):</b>					
Transfers in	1,637,064	1,637,064	1,637,064	-	477,118
Transfers (out)	(895,941)	(895,941)	(860,587)	35,354	(848,081)
<b>Total Other Financing Sources (Uses)</b>	<u>741,123</u>	<u>741,123</u>	<u>776,477</u>	<u>35,354</u>	<u>(370,963)</u>
<b>Net Change in Fund Balances</b>	<u>\$ (159,094)</u>	<u>\$ (114,388)</u>	427,995	<u>\$ 542,383</u>	(468,602)
<b>Fund Balances - January 1</b>			825,915		1,294,517
<b>Fund Balances - December 31</b>			<u>\$ 1,253,910</u>		<u>\$ 825,915</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, 2013**  
**(With Comparative Actual Amounts For the Year Ended December 31, 2012)**

	<u>2013</u>			<u>2012</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	\$ 40,039	\$ 39	\$ 40,386
<b>Total revenues</b>	<u>40,000</u>	<u>40,039</u>	<u>39</u>	<u>40,386</u>
<b>Expenses:</b>				
Principal	560,000	560,000	-	525,000
Interest and other	343,442	340,966	2,476	363,460
<b>Total expenses</b>	<u>903,442</u>	<u>900,966</u>	<u>2,476</u>	<u>888,460</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	(863,442)	(860,927)	2,515	(848,074)
<b>Other Financing Sources:</b>				
Transfers in	895,941	860,587	(35,354)	848,081
<b>Total Other Financing Sources</b>	<u>895,941</u>	<u>860,587</u>	<u>(35,354)</u>	<u>848,081</u>
<b>Net Change in Fund Balances</b>	<u>\$ 32,499</u>	(340)	<u>\$ (32,839)</u>	7
<b>Fund Balances - January 1</b>		<u>926,010</u>		<u>926,003</u>
<b>Fund Balances - December 31</b>		<u>\$ 925,670</u>		<u>\$ 926,010</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, 2013**

	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	\$ 801,006	\$ 624,670	\$ 202,313	\$ 118,725	\$ 27,724	\$ 188,452	\$ 400,971	\$ -	\$ 66,498	\$ 2,619,099	\$ 425,414	\$ 5,474,872
Accounts receivable	9,288	397,324	-	-	220	-	19,510	-	-	-	-	426,342
Due from other governments	-	-	-	-	-	-	-	-	38,746	-	-	38,746
Due from other funds	-	-	-	-	-	-	-	-	-	425,654	-	425,654
<b>Total Assets</b>	<b>\$ 810,294</b>	<b>\$ 1,021,994</b>	<b>\$ 202,313</b>	<b>\$ 118,725</b>	<b>\$ 27,944</b>	<b>\$ 188,452</b>	<b>\$ 420,481</b>	<b>\$ -</b>	<b>\$ 105,244</b>	<b>\$ 3,044,753</b>	<b>\$ 425,414</b>	<b>\$ 6,365,614</b>
<b>Liabilities and Fund Balances:</b>												
Accounts payable and accrued liabilities	\$ 51,254	\$ 403,512	\$ 11,599	\$ 1,211	\$ 597	\$ -	\$ 722	\$ -	\$ 3,330	\$ 28,338	\$ 3,324	\$ 503,887
Accrued salaries and benefits	6,672	9,007	-	3,601	58	-	-	-	-	-	-	19,338
Due to component unit	-	-	-	5,017	-	-	-	-	-	-	-	5,017
<b>Total Liabilities</b>	<b>57,926</b>	<b>412,519</b>	<b>11,599</b>	<b>9,829</b>	<b>655</b>	<b>-</b>	<b>722</b>	<b>-</b>	<b>3,330</b>	<b>28,338</b>	<b>3,324</b>	<b>528,242</b>
<b>Fund Balances:</b>												
Spendable												
Restricted	332,000	-	-	-	-	188,452	419,759	-	101,914	-	-	1,042,125
Committed	163,887	299,695	-	67,663	14,027	-	-	-	-	3,016,415	422,090	3,983,777
Assigned	256,481	309,780	190,714	41,233	13,262	-	-	-	-	-	-	811,470
<b>Total Fund Balances</b>	<b>752,368</b>	<b>609,475</b>	<b>190,714</b>	<b>108,896</b>	<b>27,289</b>	<b>188,452</b>	<b>419,759</b>	<b>-</b>	<b>101,914</b>	<b>3,016,415</b>	<b>422,090</b>	<b>5,837,372</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 810,294</b>	<b>\$ 1,021,994</b>	<b>\$ 202,313</b>	<b>\$ 118,725</b>	<b>\$ 27,944</b>	<b>\$ 188,452</b>	<b>\$ 420,481</b>	<b>\$ -</b>	<b>\$ 105,244</b>	<b>\$ 3,044,753</b>	<b>\$ 425,414</b>	<b>\$ 6,365,614</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, 2013**

	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	\$ -	\$ 654,670	\$ -	\$ -	\$ 5,367	\$ -	\$ 111,577	\$ 2	\$ 144,468	\$ -	\$ -	\$ 916,084
Intergovernmental	-	3,876	-	22,084	62,767	42,156	-	-	-	-	-	130,883
Charges for services	465,983	12,431	5,472	40,315	6,667	-	-	-	-	-	-	530,868
Investment income	680	584	535	200	38	209	383	-	77	2,324	-	5,030
Other	6,782	46,665	16	5,053	(7,619)	-	-	-	-	388,696	462	440,055
<b>Total Revenues</b>	<u>473,445</u>	<u>718,226</u>	<u>6,023</u>	<u>67,652</u>	<u>67,220</u>	<u>42,365</u>	<u>111,960</u>	<u>2</u>	<u>144,545</u>	<u>391,020</u>	<u>462</u>	<u>2,022,920</u>
<b>Expenditures:</b>												
General government	-	-	423,333	-	-	-	-	-	-	-	-	423,333
Public safety	-	-	-	-	-	-	33,513	-	-	-	-	33,513
Public works	546,291	-	-	-	46,756	-	-	152,281	-	156,323	19,387	921,038
Community development	-	581,122	-	225,542	-	41,848	-	-	160,381	-	-	1,008,893
<b>Total Expenditures</b>	<u>546,291</u>	<u>581,122</u>	<u>423,333</u>	<u>225,542</u>	<u>46,756</u>	<u>41,848</u>	<u>33,513</u>	<u>152,281</u>	<u>160,381</u>	<u>156,323</u>	<u>19,387</u>	<u>2,386,777</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(72,846)</u>	<u>137,104</u>	<u>(417,310)</u>	<u>(157,890)</u>	<u>20,464</u>	<u>517</u>	<u>78,447</u>	<u>(152,279)</u>	<u>(15,836)</u>	<u>234,697</u>	<u>(18,925)</u>	<u>(363,857)</u>
<b>Other Financing Sources (Uses):</b>												
Transfers in	-	-	467,233	173,679	20,614	-	-	-	-	423,999	-	1,085,525
<b>Net Change in Fund Balances</b>	<u>(72,846)</u>	<u>137,104</u>	<u>49,923</u>	<u>15,789</u>	<u>41,078</u>	<u>517</u>	<u>78,447</u>	<u>(152,279)</u>	<u>(15,836)</u>	<u>658,696</u>	<u>(18,925)</u>	<u>721,668</u>
<b>Fund Balances - January 1</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>
<b>Fund Balances - December 31</b>	<u>\$ 752,368</u>	<u>\$ 609,475</u>	<u>\$ 190,714</u>	<u>\$ 108,896</u>	<u>\$ 27,289</u>	<u>\$ 188,452</u>	<u>\$ 419,759</u>	<u>\$ -</u>	<u>\$ 101,914</u>	<u>\$ 3,016,415</u>	<u>\$ 422,090</u>	<u>\$ 5,837,372</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, 2013**  
**(With Comparative Actual Amounts For the Year Ended December 31, 2012)**

	<u>2013</u>			<u>2012</u>
	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Budget Variance Positive (Negative)</u>	<u>Actual</u>
<b>Revenues:</b>				
Charges for services	\$ 458,000	\$ 465,983	\$ 7,983	\$ 430,334
Investment income	1,500	680	(820)	1,230
Other revenue	-	6,782	6,782	5,483
<b>Total Revenues</b>	<u>459,500</u>	<u>473,445</u>	<u>13,945</u>	<u>437,047</u>
<b>Expenditures:</b>				
<b>Public Works:</b>				
Personnel	314,260	317,355	(3,095)	297,903
Operating	326,700	221,893	104,807	255,130
Capital outlay	65,057	7,043	58,014	6,164
<b>Total Expenditures</b>	<u>706,017</u>	<u>546,291</u>	<u>159,726</u>	<u>559,197</u>
<b>Net Change in Fund Balances</b>	<u>\$ (246,517)</u>	<u>(72,846)</u>	<u>\$ 173,671</u>	<u>(122,150)</u>
<b>Fund Balances - January 1</b>		<u>825,214</u>		<u>947,364</u>
<b>Fund Balances - December 31</b>		<u>\$ 752,368</u>		<u>\$ 825,214</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, 2013**  
**(With Comparative Actual Amounts For the Year Ended December 31, 2012)**

	<u>2013</u>			<u>2012</u>
	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Budget Variance Positive (Negative)</u>	<u>Actual</u>
<b>Revenues:</b>				
Taxes:				
Property taxes	\$ 657,018	\$ 654,227	\$ (2,791)	\$ 661,495
Interest and penalties	-	443	443	1,005
Charges for services	10,500	12,431	1,931	11,864
Investment income	-	584	584	867
Intergovernmental	-	3,876	3,876	-
Other	2,100	46,665	44,565	7,131
<b>Total Revenues</b>	<u>669,618</u>	<u>718,226</u>	<u>48,608</u>	<u>682,362</u>
<b>Expenditures:</b>				
Personnel	432,566	390,631	41,935	355,724
Operating	230,763	190,491	40,272	206,655
<b>Total Expenditures</b>	<u>663,329</u>	<u>581,122</u>	<u>82,207</u>	<u>562,379</u>
<b>Net Change in Fund Balances</b>	<u>\$ 6,289</u>	137,104	<u>\$ 130,815</u>	119,983
<b>Fund Balances - January 1</b>		<u>472,371</u>		<u>352,388</u>
<b>Fund Balances - December 31</b>		<u>\$ 609,475</u>		<u>\$ 472,371</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, 2013**  
**(With Comparative Actual Amounts For the Year Ended December 31, 2012)**

	<u>Original and Final Budget</u>	<u>Actual Amounts</u>	<u>Variance Positive (Negative)</u>	<u>2012 Actual</u>
<b>Revenues:</b>				
<b>Other:</b>				
Charges for services	\$ 4,350	\$ 5,472	\$ 1,122	\$ 5,042
Interest income	500	535	35	512
Other	-	16	16	-
<b>Total Revenues</b>	<u>4,850</u>	<u>6,023</u>	<u>1,173</u>	<u>5,554</u>
<b>Expenditures:</b>				
Retirement benefits	479,444	422,143	57,301	421,422
Administrative	6,288	1,190	5,098	1,126
<b>Total Expenditures</b>	<u>485,732</u>	<u>423,333</u>	<u>62,399</u>	<u>422,548</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	(480,882)	(417,310)	63,572	(416,994)
<b>Other Financing Sources (Uses):</b>				
Transfers in	467,233	467,233	-	449,129
<b>Total Other Financing Sources</b>	<u>467,233</u>	<u>467,233</u>	<u>-</u>	<u>449,129</u>
<b>Net Change in Fund Balances</b>	<u>\$ (13,649)</u>	49,923	<u>\$ 63,572</u>	32,135
<b>Fund Balances - January 1</b>		<u>140,791</u>		<u>108,656</u>
<b>Fund Balances - December 31</b>		<u>\$ 190,714</u>		<u>\$ 140,791</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, 2013**  
**(With Comparative Actual Amounts For the Year Ended December 31, 2012)**

	<u>2013</u>			<b>Final Budget Variance Positive (Negative)</b>	<u>2012</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>		<u>Actual</u>
<b>Revenues:</b>					
<b>Intergovernmental:</b>					
Intergovernmental	\$ 19,167	\$ 19,167	\$ 22,084	\$ 2,917	\$ 19,833
<b>Charges for services:</b>					
Charges for services	38,000	38,000	40,315	2,315	37,233
<b>Other:</b>					
Interest	250	250	200	(50)	274
Other	2,300	3,026	5,053	2,027	64,243
<b>Total Revenues</b>	<u>59,717</u>	<u>60,443</u>	<u>67,652</u>	<u>7,209</u>	<u>121,583</u>
<b>Expenditures:</b>					
Administration	25,889	26,615	27,857	(1,242)	24,616
Transportation	66,236	63,968	64,813	(845)	61,861
Meal program	149,313	149,313	132,872	16,441	132,763
Voucher program	-	-	-	-	11,763
Capital outlay	-	-	-	-	58,878
<b>Total Expenditures</b>	<u>241,438</u>	<u>239,896</u>	<u>225,542</u>	<u>14,354</u>	<u>289,881</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	(181,721)	(179,453)	(157,890)	21,563	(168,298)
<b>Other Financing Sources (Uses):</b>					
Transfers in	173,679	173,679	173,679	-	168,446
<b>Total Other Financing Sources</b>	<u>173,679</u>	<u>173,679</u>	<u>173,679</u>	<u>-</u>	<u>168,446</u>
<b>Net Change in Fund Balances</b>	<u>\$ (8,042)</u>	<u>\$ (5,774)</u>	15,789	<u>\$ 21,563</u>	148
<b>Fund Balances - January 1</b>			<u>93,107</u>		<u>92,959</u>
<b>Fund Balances - December 31</b>			<u>\$ 108,896</u>		<u>\$ 93,107</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, 2013**  
**(With Comparative Actual Amounts For the Year Ended December 31, 2012)**

	<u>2013</u>			<b>Final Budget Variance Positive (Negative)</b>	<u>2012</u>
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>		<b>Actual</b>
<b>Revenues:</b>					
<b>Taxes:</b>					
Taxes - Aircraft tax	\$ 2,000	\$ 2,000	\$ 5,367	\$ 3,367	\$ 4,009
<b>Charges for services:</b>					
Rents	10,000	10,000	6,667	(3,333)	5,857
<b>Other:</b>					
Investment income	300	300	38	(262)	119
Intergovernmental	32,000	32,000	62,767	30,767	414,968
Other	1,000	1,000	(7,619)	(8,619)	1,261
<b>Total Revenues</b>	<u>45,300</u>	<u>45,300</u>	<u>67,220</u>	<u>21,920</u>	<u>426,214</u>
<b>Expenditures:</b>					
Personnel	1,669	1,431	3,281	(1,850)	2,538
Operations	63,236	63,236	39,975	23,261	33,029
Capital outlay	-	44,453	3,500	40,953	447,938
<b>Total Expenditures</b>	<u>64,905</u>	<u>109,120</u>	<u>46,756</u>	<u>62,364</u>	<u>483,505</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	(19,605)	(63,820)	20,464	84,284	(57,291)
<b>Other Financing Sources (Uses):</b>					
Transfers in	20,614	20,614	20,614	-	5,861
<b>Total Other Financing Sources</b>	<u>20,614</u>	<u>20,614</u>	<u>20,614</u>	<u>-</u>	<u>5,861</u>
<b>Net Change in Fund Balances</b>	<u>\$ 1,009</u>	<u>\$ (43,206)</u>	41,078	<u>\$ 84,284</u>	(51,430)
<b>Fund Balances - January 1</b>			(13,789)		37,641
<b>Fund Balances - December 31</b>			<u>\$ 27,289</u>		<u>\$ (13,789)</u>

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, 2013**  
**(With Comparative Actual Amounts For the Year Ended December 31, 2012)**

	<u>2013</u>		<u>2012</u>	
	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Budget Variance Positive (Negative)</u>	<u>Actual</u>
<b>Revenues:</b>				
<b>Intergovernmental:</b>				
Lottery proceeds	\$ 40,000	\$ 42,156	\$ 2,156	\$ 40,068
<b>Other:</b>				
Interest income	300	209	(91)	283
<b>Total Revenues</b>	<u>40,300</u>	<u>42,365</u>	<u>2,065</u>	<u>40,351</u>
<b>Expenditures:</b>				
Treasurer's fees	-	424	(424)	402
Capital outlay	125,840	41,424	84,416	-
<b>Total Expenditures</b>	<u>125,840</u>	<u>41,848</u>	<u>83,992</u>	<u>402</u>
<b>Net Change in Fund Balances</b>	<u>\$ (85,540)</u>	517	<u>\$ 86,057</u>	39,949
<b>Fund Balances - January 1</b>		<u>187,935</u>		<u>147,986</u>
<b>Fund Balances - December 31</b>		<u>\$ 188,452</u>		<u>\$ 187,935</u>

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, 2013**  
**(With Comparative Actual Amounts For the Year Ended December 31, 2012)**

	<u>2013</u>			<u>2012</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	\$ 111,577	\$ (12,423)	\$ 121,659
<b>Other:</b>				
Interest income	100	383	283	489
Other	-	-	-	340
<b>Total Revenues</b>	<u>124,100</u>	<u>111,960</u>	<u>(12,140)</u>	<u>122,488</u>
<b>Expenditures:</b>				
Operations	42,000	23,223	18,777	27,255
Special projects	275,000	10,290	264,710	35,943
<b>Total Expenditures</b>	<u>317,000</u>	<u>33,513</u>	<u>283,487</u>	<u>63,198</u>
<b>Net Change in Fund Balances</b>	<u>\$ (192,900)</u>	78,447	<u>\$ 271,347</u>	59,290
<b>Fund Balances - January 1</b>		<u>341,312</u>		<u>282,022</u>
<b>Fund Balances - December 31</b>		<u>\$ 419,759</u>		<u>\$ 341,312</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, 2013**  
**(With Comparative Actual Amounts For the Year Ended December 31, 2012)**

	<u>2013</u>			<u>2012</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	\$ -	\$ 2	\$ 2	\$ (3,014)
<b>Total Revenues</b>	<u>-</u>	<u>2</u>	<u>2</u>	<u>(3,014)</u>
<b>Expenditures:</b>				
Public works	-	152,281	(152,281)	-
<b>Total Expenditures</b>	<u>-</u>	<u>152,281</u>	<u>(152,281)</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	<u>\$ -</u>	<u>(152,279)</u>	<u>\$ (152,279)</u>	<u>(3,014)</u>
<b>Fund Balances - January 1</b>		<u>152,279</u>		<u>155,293</u>
<b>Fund Balances - December 31</b>		<u>\$ -</u>		<u>\$ 152,279</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, 2013**  
**(With Comparative Actual Amounts For the Year Ended December 31, 2012)**

	<u>2013</u>			<b>Final Budget Variance Positive (Negative)</b>	<u>2012</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>		<u>Actual</u>
<b>Revenues:</b>					
<b>Taxes:</b>					
Lodging tax	\$ 139,350	\$ 139,350	\$ 144,468	\$ 5,118	\$ 168,080
<b>Other:</b>					
Other revenue	-	-	-	-	7
Investment income	650	650	77	(573)	203
<b>Total Revenues</b>	<u>140,000</u>	<u>140,000</u>	<u>144,545</u>	<u>4,545</u>	<u>168,290</u>
<b>Expenditures:</b>					
Personnel	33,436	33,436	2,182	31,254	2,405
Advertising	27,000	23,325	26,310	(2,985)	37,435
Operations	104,200	99,200	131,889	(32,689)	163,833
Capital outlay	-	-	-	-	450
<b>Total Expenditures</b>	<u>164,636</u>	<u>155,961</u>	<u>160,381</u>	<u>(4,420)</u>	<u>204,123</u>
<b>Net Change in Fund Balances</b>	<u>\$ (24,636)</u>	<u>\$ (15,961)</u>	(15,836)	<u>\$ 125</u>	(35,833)
<b>Fund Balances - January 1</b>			<u>117,750</u>		<u>153,583</u>
<b>Fund Balances - December 31</b>			<u>\$ 101,914</u>		<u>\$ 117,750</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, 2013**  
**(With Comparative Actual Amounts For the Year Ended December 31, 2012)**

	<u>2013</u>			<u>2012</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Final Budget Variance Positive (Negative)</u>	<u>Actual</u>
<b>Revenues:</b>					
<b>Other:</b>					
Interest	\$ 5,000	\$ 5,000	\$ 2,324	\$ (2,676)	\$ 4,250
Other	50,000	50,000	388,696	338,696	227,405
<b>Total Revenues</b>	<u>55,000</u>	<u>55,000</u>	<u>391,020</u>	<u>336,020</u>	<u>231,655</u>
<b>Expenditures:</b>					
Other capital projects	271,446	1,462,565	156,323	1,306,242	413,008
<b>Total Expenditures</b>	<u>271,446</u>	<u>1,462,565</u>	<u>156,323</u>	<u>1,306,242</u>	<u>413,008</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	(216,446)	(1,407,565)	234,697	1,642,262	(181,353)
<b>Other Financing Sources:</b>					
Transfers in	-	-	423,999	423,999	62,430
<b>Total Other Financing Sources</b>	<u>-</u>	<u>-</u>	<u>423,999</u>	<u>423,999</u>	<u>62,430</u>
<b>Net Change in Fund Balances</b>	<u>\$ (216,446)</u>	<u>\$ (1,407,565)</u>	658,696	<u>\$ 2,066,261</u>	(118,923)
<b>Fund Balances - January 1</b>			<u>2,357,719</u>		<u>2,476,642</u>
<b>Fund Balances - December 31</b>			<u>\$ 3,016,415</u>		<u>\$ 2,357,719</u>

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

**Moffat County, Colorado**  
**Capital Projects Funds**  
**Telecommunications**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual (GAAP Basis)**  
**For the Year Ended December 31, 2013**  
**(With Comparative Actual Amounts For the Year Ended December 31, 2012)**

	2013		Final Budget Variance Positive (Negative)	2012
	Original and Final Budget	Actual		Actual
<b>Revenues:</b>				
Other income	\$ 800	\$ 462	\$ (338)	\$ 790
<b>Total Revenues</b>	800	462	(338)	790
<b>Expenditures:</b>				
Capital outlay	30,000	19,387	10,613	18,540
<b>Total Expenditures</b>	30,000	19,387	10,613	18,540
<b>Net Change in Fund Balances</b>	\$ (29,200)	(18,925)	\$ 10,275	(17,750)
<b>Fund Balances - January 1</b>		441,015		458,765
<b>Fund Balances - December 31</b>		\$ 422,090		\$ 441,015

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, 2013**  
**(With Comparative Actual Amounts For the Year Ended December 31, 2012)**

	<u>2013</u>			<b>Variance Positive (Negative)</b>	<u>2012</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>		<u>Actual</u>
<b>Operating Revenues:</b>					
Charges for services	\$ 20,000	\$ 20,000	\$ 18,594	\$ (1,406)	\$ 15,061
Intergovernmental revenue	-	143,010	135,860	(7,150)	9,809
Other	-	-	160	160	-
<b>Total Operating Revenues</b>	<u>20,000</u>	<u>163,010</u>	<u>154,614</u>	<u>(8,396)</u>	<u>24,870</u>
<b>Operating Expenses:</b>					
Operations and maintenance	17,275	174,285	168,888	5,397	20,746
Depreciation	11,337	11,337	11,779	(442)	-
<b>Total Operating Expenses</b>	<u>28,612</u>	<u>185,622</u>	<u>180,667</u>	<u>4,955</u>	<u>20,746</u>
<b>Operating Income (Loss)</b>	(8,612)	(22,612)	(26,053)	(3,441)	4,124
<b>Non-Operating Revenues:</b>					
Investment income	20	20	-	(20)	31
Transfers	-	-	14,000	14,000	-
<b>Change in Net Position - Budget Basis:</b>	<u>\$ (8,592)</u>	<u>\$ (22,592)</u>	(12,053)	<u>\$ 10,539</u>	4,155
<b>Reconciliation to GAAP Basis:</b>					
<b>Adjustments:</b>					
Capital outlay			151,059		-
Depreciation			-		(11,337)
<b>Change in Net Position - GAAP Basis</b>			139,006		(7,182)
<b>Net Position - January 1</b>			<u>164,237</u>		<u>171,419</u>
<b>Net Position - December 31</b>			<u>\$ 303,243</u>		<u>\$ 164,237</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, 2013**

	<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	\$ 3,159,100	\$ 422,954	\$ 3,582,054
Accounts receivable	787	1,385	2,172
Internal balances	-	5	5
<b>Total Current Assets</b>	<u>3,159,887</u>	<u>424,344</u>	<u>3,584,231</u>
<b>Non-current Assets:</b>			
Capital assets	110,028	-	110,028
Accumulated depreciation	(1,204)	-	(1,204)
<b>Total Non-current Assets</b>	<u>108,824</u>	<u>-</u>	<u>108,824</u>
<b>Total Assets</b>	<u>3,268,711</u>	<u>424,344</u>	<u>3,693,055</u>
<b>Liabilities:</b>			
Accounts payable and accrued liabilities	226,390	48,360	274,750
Accrued salaries and benefits	-	13,715	13,715
<b>Total Liabilities</b>	<u>226,390</u>	<u>62,075</u>	<u>288,465</u>
<b>Net Position:</b>			
Unrestricted	3,042,321	362,269	3,404,590
<b>Total Net Position</b>	<u>\$ 3,042,321</u>	<u>\$ 362,269</u>	<u>\$ 3,404,590</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, 2013**

	<b>Health Insurance Trust Fund</b>	<b>Central Duplicating/ IT Fund</b>	<b>Total Internal Service Funds</b>
<b>Revenues:</b>			
Charges for services	\$ -	\$ 245,976	\$ 245,976
Intergovernmental	-	7,200	7,200
Contributions	3,140,073	-	3,140,073
Reimbursements	-	832,636	832,636
Other	252,965	165,468	418,433
<b>Total Revenues</b>	<u>3,393,038</u>	<u>1,251,280</u>	<u>4,644,318</u>
<b>Expenditures:</b>			
Operations and maintenance	533,657	1,410,846	1,944,503
Claims and related insurance expenses	2,125,796	-	2,125,796
Capital outlay	-	37,045	37,045
Depreciation	1,204	17,388	18,592
<b>Total Expenditures</b>	<u>2,660,657</u>	<u>1,465,279</u>	<u>4,125,936</u>
<b>Operating Income (Loss)</b>	<u>732,381</u>	<u>(213,999)</u>	<u>518,382</u>
<b>Non-operating Revenues:</b>			
Interest	2,729	-	2,729
<b>Income (Loss) Before Transfers</b>	735,110	(213,999)	521,111
Transfers In	-	472,725	472,725
Transfers (out)	-	(122,780)	(122,780)
<b>Change in Net Position</b>	735,110	135,946	871,056
<b>Net Position - January 1</b>	<u>2,307,211</u>	<u>226,323</u>	<u>2,533,534</u>
<b>Net Position - December 31</b>	<u>\$ 3,042,321</u>	<u>\$ 362,269</u>	<u>\$ 3,404,590</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, 2013**

	<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	\$ 3,144,592	\$ 1,077,076	\$ 4,221,668
Other cash receipts	252,965	172,668	425,633
Cash paid for goods and services	<u>(2,780,066)</u>	<u>(1,447,548)</u>	<u>(4,227,614)</u>
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>617,491</u>	<u>(197,804)</u>	<u>419,687</u>
<b>Cash Flows From Capital Financing Activities:</b>			
Acquisition of capital assets	(110,028)	(43,093)	(153,121)
<b>Net Cash Provided (Used) by Non-Capital Financing Activities</b>	<u>(110,028)</u>	<u>(43,093)</u>	<u>(153,121)</u>
<b>Cash Flows From Non-Capital Financing Activities:</b>			
Transfer (to) from other fund	-	463,800	463,800
<b>Net Cash Provided (Used) by Non-Capital Financing Activities</b>	<u>-</u>	<u>463,800</u>	<u>463,800</u>
<b>Cash Flows From Investing Activities:</b>			
Interest received	2,729	-	2,729
<b>Net Cash Provided by Investing Activities</b>	<u>2,729</u>	<u>-</u>	<u>2,729</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	510,192	222,903	733,095
<b>Cash and Cash Equivalents - January 1</b>	<u>2,648,908</u>	<u>200,051</u>	<u>2,848,959</u>
<b>Cash and Cash Equivalents - December 31</b>	<u><u>3,159,100</u></u>	<u><u>422,954</u></u>	<u><u>3,582,054</u></u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>			
Operating income (loss)	732,381	(213,999)	518,382
<b>Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:</b>			
(Increase) decrease in accounts receivable	4,519	(1,020)	3,499
Increase (decrease) in accounts payable and accrued liabilities	(120,613)	(1,626)	(122,239)
Increase (decrease) in accrued salaries and benefits	-	1,969	1,969
Increase (decrease) in deferred revenues	-	(516)	(516)
Depreciation	1,204	17,388	18,592
<b>Total Adjustments</b>	<u>(114,890)</u>	<u>16,195</u>	<u>(98,695)</u>
<b>Net Cash Provided (Used) by Operating Activities</b>	<u><u>\$ 617,491</u></u>	<u><u>\$ (197,804)</u></u>	<u><u>\$ 419,687</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 (Non-GAAP Basis) and Actual with Reconciliation to GAAP Basis**  
**For the Year Ended December 31, 2013**  
**(With Comparative Actual Amounts For the Year Ended December 31, 2012)**

	<u>2013</u>			<u>2012</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Final Budget Variance Positive (Negative)</u>	<u>Actual</u>
<b>Operating Revenues:</b>					
Contributions	\$ 2,909,712	\$ 2,909,712	\$ 3,140,073	\$ 230,361	\$ 2,871,310
Other	-	-	252,965	252,965	415,301
<b>Total Operating Revenues</b>	<u>2,909,712</u>	<u>2,909,712</u>	<u>3,393,038</u>	<u>483,326</u>	<u>3,286,611</u>
<b>Operating Expenses:</b>					
Claims and related insurance expenses	2,556,138	2,556,138	2,125,796	430,342	2,633,463
Operations	528,517	586,267	533,657	52,610	532,885
Capital outlay	-	125,011	110,028	14,983	-
<b>Total Operating Expenses</b>	<u>3,084,655</u>	<u>3,267,416</u>	<u>2,769,481</u>	<u>497,935</u>	<u>3,166,348</u>
<b>Operating Income (Loss)</b>	(174,943)	(357,704)	623,557	981,261	120,263
<b>Non-operating Revenues:</b>					
Interest	3,600	3,600	2,729	(871)	4,040
<b>Change in Net Position - Budget Basis</b>	<u>\$ (171,343)</u>	<u>\$ (354,104)</u>	626,286	<u>\$ 980,390</u>	124,303
<b>Reconciliation to GAAP Basis:</b>					
<b>Adjustments:</b>					
Depreciation			(1,204)		-
Capital outlay			110,028		-
			<u>108,824</u>		<u>-</u>
<b>Change in Net Position - GAAP Basis</b>			735,110		124,303
<b>Net Position - January 1</b>			<u>2,307,211</u>		<u>2,182,908</u>
<b>Net Position - December 31</b>			<u>\$ 3,042,321</u>		<u>\$ 2,307,211</u>

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 (Non-GAAP Basis) and Actual with Reconciliation to GAAP Basis**  
**For the Year Ended December 31, 2013**  
**(With Comparative Actual Amounts For the Year Ended December 31, 2012)**

	<u>2013</u>			<u>2012</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Final Budget Variance Positive (Negative)</u>	<u>Actual</u>
<b>Revenues:</b>					
Charges for services	\$ 271,502	\$ 271,502	\$ 245,976	\$ (25,526)	\$ 207,427
Intergovernmental	-	7,200	7,200	-	-
Other revenues	33,000	33,000	165,468	132,468	100,239
Reimbursements	(956,726)	956,726	832,636	(124,090)	1,188,486
<b>Total Revenues</b>	<u>(652,224)</u>	<u>1,268,428</u>	<u>1,251,280</u>	<u>(17,148)</u>	<u>1,496,152</u>
<b>Expenses:</b>					
Operations and maintenance	1,262,859	1,286,232	1,049,176	237,056	1,114,739
Personnel	384,594	382,763	361,670	21,093	317,275
Capital outlay	36,500	89,000	80,138	8,862	34,730
<b>Total Expenses</b>	<u>1,683,953</u>	<u>1,757,995</u>	<u>1,490,984</u>	<u>267,011</u>	<u>1,466,744</u>
<b>Operating Income (Loss)</b>	(2,336,177)	(489,567)	(239,704)	249,863	29,408
<b>Transfers in</b>	472,725	472,725	472,725	-	-
<b>Transfers (out)</b>	-	-	(13,000)	(13,000)	-
<b>Change in Net Position - Budget Basis</b>	<u>\$ (1,863,452)</u>	<u>\$ (16,842)</u>	220,021	<u>\$ 236,863</u>	29,408
<b>Reconciliation to GAAP Basis:</b>					
<b>Adjustments:</b>					
Depreciation			(17,388)		(17,388)
Capital outlay			43,093		-
Capital transfer out			(109,780)		-
			<u>(84,075)</u>		<u>(17,388)</u>
<b>Change in Net Position - GAAP Basis</b>			135,946		12,020
<b>Net Position - January 1</b>			<u>226,323</u>		<u>214,303</u>
<b>Net Position - December 31</b>			<u>\$ 362,269</u>		<u>\$ 226,323</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, 2013**

<b>County Treasurer</b>	<b>Balance January 1, 2013</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance December 31, 2013</b>
<b>Assets:</b>				
Cash	\$ 30,945,580	\$ 100,135,907	\$ (101,694,170)	\$ 29,387,317
Less: cash held for County funds	(29,937,264)			(28,534,685)
<b>Total Assets</b>	<b>\$ 1,008,316</b>	<b>\$ 100,135,907</b>	<b>\$ (101,694,170)</b>	<b>\$ 852,632</b>
<b>Liabilities:</b>				
Held by Trustee	\$ 1,008,316	\$ 100,135,907	\$ (101,694,170)	\$ 852,632
<b>Total Liabilities</b>	<b>\$ 1,008,316</b>	<b>\$ 100,135,907</b>	<b>\$ (101,694,170)</b>	<b>\$ 852,632</b>
<b>Public Trustee</b>				
<b>Assets:</b>				
Cash	\$ 36,541	\$ 1,651,358	\$ (1,651,657)	\$ 36,242
<b>Total Assets</b>	<b>\$ 36,541</b>	<b>\$ 1,651,358</b>	<b>\$ (1,651,657)</b>	<b>\$ 36,242</b>
<b>Liabilities:</b>				
Held by Trustee	\$ 36,541	\$ 1,651,358	\$ (1,651,657)	\$ 36,242
<b>Total Liabilities</b>	<b>\$ 36,541</b>	<b>\$ 1,651,358</b>	<b>\$ (1,651,657)</b>	<b>\$ 36,242</b>
<b>Inmate Commissary</b>				
<b>Assets:</b>				
Cash	\$ 10,919	\$ 121,652	\$ (98,533)	\$ 34,038
<b>Total Assets</b>	<b>\$ 10,919</b>	<b>\$ 121,652</b>	<b>\$ (98,533)</b>	<b>\$ 34,038</b>
<b>Liabilities:</b>				
Held by Trustee	\$ 10,919	\$ 121,652	\$ (98,533)	\$ 34,038
<b>Total Liabilities</b>	<b>\$ 10,919</b>	<b>\$ 121,652</b>	<b>\$ (98,533)</b>	<b>\$ 34,038</b>
<b>Inmate Welfare</b>				
<b>Assets:</b>				
Cash	\$ 45,260	21,467	(34,841)	31,886
<b>Total Assets</b>	<b>\$ 45,260</b>	<b>21,467</b>	<b>(34,841)</b>	<b>31,886</b>
<b>Liabilities:</b>				
Held by Trustee	\$ 45,260	21,467	(34,841)	31,886
<b>Total Liabilities</b>	<b>\$ 45,260</b>	<b>21,467</b>	<b>(34,841)</b>	<b>31,886</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, 2013**

<u>Sheriff Scholarship</u>	<b>Balance January 1, 2013</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance December 31, 2013</b>
<b>Assets:</b>				
Cash	\$ 4,633	\$ 3,791	\$ (2,111)	\$ 6,313
<b>Total Assets</b>	<b>\$ 4,633</b>	<b>\$ 3,791</b>	<b>\$ (2,111)</b>	<b>\$ 6,313</b>
<b>Liabilities:</b>				
Held by Trustee	\$ 4,633	\$ 3,791	\$ (2,111)	\$ 6,313
<b>Total Liabilities</b>	<b>\$ 4,633</b>	<b>\$ 3,791</b>	<b>\$ (2,111)</b>	<b>\$ 6,313</b>
<u>Extension</u>	<b>Balance January 1, 2013</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance December 31, 2013</b>
<b>Assets:</b>				
Cash	\$ 55,840	\$ 10,054	\$ (4,461)	\$ 61,433
<b>Total Assets</b>	<b>\$ 55,840</b>	<b>\$ 10,054</b>	<b>\$ (4,461)</b>	<b>\$ 61,433</b>
<b>Liabilities:</b>				
Held by Trustee	\$ 55,840	\$ 10,054	\$ (4,461)	\$ 61,433
<b>Total Liabilities</b>	<b>\$ 55,840</b>	<b>\$ 10,054</b>	<b>\$ (4,461)</b>	<b>\$ 61,433</b>
<u>Search and Rescue</u>	<b>Balance January 1, 2013</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance December 31, 2013</b>
<b>Assets:</b>				
Cash	\$ 5,039	\$ 1,017	\$ (2,619)	\$ 3,437
<b>Total Assets</b>	<b>\$ 5,039</b>	<b>\$ 1,017</b>	<b>\$ (2,619)</b>	<b>\$ 3,437</b>
<b>Liabilities:</b>				
Held by Trustee	\$ 5,039	\$ 1,017	\$ (2,619)	\$ 3,437
<b>Total Liabilities</b>	<b>\$ 5,039</b>	<b>\$ 1,017</b>	<b>\$ (2,619)</b>	<b>\$ 3,437</b>

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



<b>LOCAL HIGHWAY FINANCE REPORT</b>	STATE: Colorado
	YEAR ENDING (mm/yy): December 2013

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

ITEM	AMOUNT	ITEM	AMOUNT
<b>A.3. Other local imposts:</b>		<b>A.4. Miscellaneous local receipts:</b>	
a. Property Taxes and Assessments	(30,954)	a. Interest on investments	10,790
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes	1,391,237	c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	106,143
5. Specific Ownership &/or Other	987,075	g. Other Misc. Receipts	75,320
6. Total (1. through 5.)	2,378,312	h. Other	
c. Total (a. + b.)	2,347,358	i. Total (a. through h.)	192,253
	(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	3,944,460	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	7,944
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	33,562	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant		e. U.S. Corps of Engineers	
e. Other (Specify)	15,213	f. Other Federal	1,869,629
f. Total (a. through e.)	48,775	g. Total (a. through f.)	1,877,573
4. Total (1. + 2. + 3.f)	3,993,235	3. Total (1. + 2.g)	
			(Carry forward to page 1)

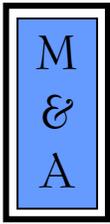
**III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL**

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
<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		2,305,329	2,305,329
(4). System Enhancement & Operation			0
(5). Total Construction (1) + (2) + (3) + (4)	0	2,305,329	2,305,329
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	2,305,329	2,305,329
			(Carry forward to page 1)

**Notes and Comments:**

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





# MCMAHAN AND ASSOCIATES, L.L.C.

*Certified Public Accountants and Consultants*

CHAPEL SQUARE, BLDG C  
245 CHAPEL PLACE, SUITE 300  
P.O. Box 5850, Avon, CO 81620

WEB SITE: WWW.MCMAHANCPA.COM  
MAIN OFFICE: (970) 845-8800  
FACSIMILE: (970) 845-8108  
E-MAIL: MCMAHAN@MCMAHANCPA.COM

## **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, 2013, 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 19, 2014.

#### ***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*

PAUL J. BACKES, CPA, CGMA  
MICHAEL N. JENKINS, CA, CPA, CGMA  
DANIEL R. CUDAHY, CPA, CGMA

Avon: (970) 845-8800  
Aspen: (970) 544-3996  
Frisco: (970) 668-3481

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

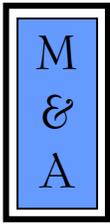
***Compliance and Other Matters***

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.  
June 19, 2014**



# MCMAHAN AND ASSOCIATES, L.L.C.

*Certified Public Accountants and Consultants*

CHAPEL SQUARE, BLDG C  
245 CHAPEL PLACE, SUITE 300  
P.O. Box 5850, AVON, CO 81620

WEB SITE: WWW.MCMAHANCPA.COM  
MAIN OFFICE: (970) 845-8800  
FACSIMILE: (970) 845-8108  
E-MAIL: MCMAHAN@MCMAHANCPA.COM

## **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, 2013. 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, 2013.

*Member: American Institute of Certified Public Accountants*

PAUL J. BACKES, CPA, CGMA  
MICHAEL N. JENKINS, CA, CPA, CGMA  
DANIEL R. CUDAHY, CPA, CGMA

AVON: (970) 845-8800  
ASPEN: (970) 544-3996  
FRISCO: (970) 668-3481

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

***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.  
June 19, 2014**

**Moffat County, Colorado, Colorado**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended December 31, 2013**

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

*Financial Statements*

Type of auditor's report issued	Unmodified
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	Unmodified
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 Section 221 Insured Loan Program	CFDA #93.558 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, 2013**  
**(Continued)**

**Note:** There were no findings for the fiscal year ended December 31, 2012.

**Moffat County, Colorado**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended December 31, 2013**

<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	10.561	No	135,546
Emergency Food Assistance Program (Food Commodities)	10.569	No	9,467
<b>Total Department of Agriculture</b>			<u>145,013</u>
<b>Department of Human Services:</b>			
<b>Passed through Colorado Department of Human Services:</b>			
Temporary Assistance for Needy Families	93.558	Yes	356,050
Temporary Assistance for Needy Families - ARRA	93.714	No	
Child Support Enforcement	93.563	No	177,257
Low-income Energy Assistance	93.568	No	109,667
Child Care and Development Block Grant	93.575	No	27,675
Child Care Mandatory and Matching Funds of the Child Care and Development	93.596	No	90,438
Runaway and Homeless Youth Grant	93.623	No	2,634
Stephanie tubbs Jones Child Welfare Services Program	93.645	No	14,166
Foster Care Title IV-E	93.658	No	160,410
Adoption Assistance	93.659	No	25,154
Social Services Block Grant	93.667	No	94,416
Medical Assistance Program	93.778	No	108,772
Transitional Living for Homeless Youth	93.550	No	5,001
Adjustment to federal assistance	93	No	(163)
<b>Total Department of Human Services</b>			<u>1,171,477</u>
<b>Department of Transportation:</b>			
Airport Improvement Program	20.106	No	40,008
<b>Total Department of Transportation</b>			<u>40,008</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	Yes	350,323
CDBG Grant Award	14.228	No	143,010
<b>Total Department of Housing and Urban Development</b>			<u>1,859,871</u>
<b>Total Expenditures</b>			<u>\$ 3,216,369</u>

**Notes to the Schedule of Expenditures of Federal Awards For the Year Ended December 31, 2013**

**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, 2013