

Otero County, Colorado
Financial Statements
with Independent Auditors' Report
December 31, 2020



Otero County, Colorado

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December 31, 2020

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Financial Section



**HINKLE &
COMPANY**
Strategic ^{PC}
Business Advisors

Independent Auditors' Report

Board of County Commissioners
Otero County
La Junta, Colorado

We have audited the accompanying financial statements of the governmental activities, each discretely presented component unit, each major fund, and the aggregate remaining fund information of the Otero County as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the basic financial statements of the Otero County, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each discretely presented component unit, each major fund, and the aggregate remaining fund information of the Otero County as of December 31, 2020, and the respective changes in financial position and cash flows, where applicable, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information listed in the table of contents 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 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Otero County's basic financial statements. The introductory section, combining and individual fund statements and schedules, statistical section, and local highway finance report listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund statements and schedules 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 basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling the information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Hick & Company, PC

Greenwood Village, Colorado
July 29, 2021



OTERO COUNTY, COLORADO

MANAGEMENT'S DISCUSSION AND ANALYSIS

The management of the County of Otero (the County) offers readers of the County's annual financial report this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2020. Readers are encouraged to consider the information presented here in conjunction with the basic financial statement information.

FINANCIAL HIGHLIGHTS

County-wide financial statements as of December 31, 2020:

- Assets of the County exceed its liabilities and deferred inflows of resources by \$29,495,181. The County's unrestricted net position of \$14,238,873 may be used to meet the County's on-going obligations.
- By far, the largest portion of the County's net position is its \$13,976,265 investment in capital assets net of accumulated depreciation and related debt.
- The restricted net position includes \$324,490 required by TABOR, the emergency contingency required by Article X, Section 20 of the Colorado Constitution.

Fund Financial Statements as of December 31, 2020

The County's *governmental funds* reported a combined ending fund balance of \$14,713,979 including the following major funds: General Fund with \$6,614,413; Road & Bridge Fund with \$2,068,855 (includes \$188,905 in inventory); Social Services Fund with \$595,025; and Capital Improvement Fund with \$2,327,080. Other governmental funds accounted for \$3,108,606. Of the total government fund balances, \$5,991,774 is unrestricted/unassigned. Committed funds include \$298,149 from the General Fund and \$6,955,108 in other governmental funds. Restricted funds include \$324,490 from the General Fund and \$955,553 in other governmental funds.

Overview of the Financial Statements

This discussion and analysis serves as an introduction to Otero County's basic financial statements. The County's basic financial statements consist of three components:

1. County-wide financial statements,
2. Fund financial statements, and
3. Notes to the financial statements. This report also contains required and other additional information in addition to the basic financial statements.

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

OTERO COUNTY, COLORADO

MANAGEMENT'S DISCUSSION AND ANALYSIS

They consist of two statements:

1. The *Statement of Net Position* presents information on all of the County's assets, deferred outflows, liabilities and deferred inflows, with the net difference 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.
2. The *Statement of Activities* presents information reporting how the County'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 result in cash flows in future fiscal periods. Earned but unused vacation leave and accrued interest expense are examples of these types of items.

Both county-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include tax assessment and collection, recording, voter registration/elections, law enforcement, incarcerations, land use, road and bridge activities, and general administration and support. Only those activities associated with the 911 Otero County Emergency Telephone Authority and the Small Business Development Revolving Loan Fund (component units) are considered to be business-type activities.

The county-wide financial statements include not only the County itself (known as the *primary government*), but also the 911 Otero County Emergency Telephone Service Authority and the Small Business Development Revolving Loan Fund. Financial information for these component units are reported separately from the financial information presented for the primary government itself. In addition, the County is participating in a joint venture with Otero County Landfill, Inc. (OCLI).

Fund Financial Statements — A *fund* is a grouping of related accounts used to maintain control over resources segregated for specific activities or objectives. The County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All County funds can be divided into three categories:

- Governmental funds,
- Proprietary funds, and
- Fiduciary funds.

Governmental Funds — Governmental funds account for essentially the same functions reported as governmental activities in the county-wide financial statements. Unlike the county-wide financial statements, however, governmental fund financial statements focus on how money flows into and out of those funds and the balances at year end that are available for spending. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other financial assets that can readily be converted to cash. Such information provides a detailed *short-term* view of the County's general government operations and may be useful in evaluating the County's near-term financing requirements.

OTERO COUNTY, COLORADO

MANAGEMENT'S DISCUSSION AND ANALYSIS

Because the focus of governmental funds is narrower than that of the county-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the county-wide financial statements. By doing so, readers may better understand the long-term impact of the County's near-term financing decisions. To facilitate this comparison between governmental funds and governmental activities, reconciliations are provided for both the *governmental fund* balance sheet and statement of revenues, expenditures and changes in fund balance.

The County reports eleven individual governmental funds. Information is presented separately in the *governmental fund* balance sheet and the statement of revenues, expenditures and changes in fund balance for the General Fund, Road & Bridge Fund, Social Services Fund, Capital Improvement Fund, and General Human Services Fund, all of which are considered to be *major funds*. Data from other governmental funds are combined into a single aggregated presentation. Individual fund data for each of the *non-major* governmental funds is provided in the form of *combining statements* elsewhere in the report. The non-major governmental funds include the Insurance Fund, Clerk Hire Fund, Conservation Trust Fund, Health Fund, Area Agency on Aging Fund, and Otero County Land Trust Fund. The County maintains one *other fund*. Due to the implementation of GASB 54, the Contingent funds did not meet the definition of a special revenue fund and was combined into the general fund.

Proprietary Funds — The County maintains two types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the county-wide financial statements. The County uses an enterprise fund to account for the 911 Otero County Emergency Telephone Authority and Small Business Development Revolving Loan Fund (component unit) activities. *Internal service funds* are used to accumulate and allocate costs internally among the County's functions. The County uses an Internal Services Fund to account for the provision of equipment provided by the County for its various departments. Departments utilize a rental charge reimbursement rate to provide the resources necessary to fund future acquisitions. In addition, a Medical Trust Fund is utilized to provide health coverage for its employees. Because these two internal service funds predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the county-wide financial statements.

Fiduciary Funds — Fiduciary funds are used to account for resources held for the benefit of parties outside the County. Fiduciary funds are not reported in the county-wide financial statements because the resources of those funds are not available for the support of the County's own programs. The accounting used for fiduciary funds is the same as that used for proprietary funds.

Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the county-wide and fund financial statements.

Required Supplemental Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplemental information concerning the County. The County adopts an annual appropriated budget for all funds. A budgetary comparison schedule has been provided for the General Fund and each major special revenue fund to demonstrate compliance with the budget requirement

Other Information

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplemental information.

OTERO COUNTY, COLORADO

MANAGEMENT'S DISCUSSION AND ANALYSIS

CONDENSED FINANCIAL INFORMATION County-Wide Financial Statements Condensed Statement of Net Position December 31, 2020

	2020			Total	2019 Total
	Governmental Activities	E911 Emergency Services	Small Business Development		
ASSETS					
CURRENT AND OTHER ASSETS					
Cash and Investments	\$ 16,878,588	\$ 227,794	\$ 562,991	\$ 17,669,373	\$ 17,030,257
Accounts Receivable	1,738,065	25,724	375,708	2,139,497	1,922,728
Taxes Receivable	3,724,798	-	-	3,724,798	3,592,973
Interest Receivables	-	-	-	-	38,255
Due from other governments	15,941	-	-	15,941	40,419
Inventory	188,905	-	-	188,905	214,018
CAPITAL ASSETS					
Capital Assets, <i>Not Being Depreciated</i>	5,443,950	-	-	5,443,950	5,443,950
Capital Assets, <i>Net of Accumulated Depreciation</i>	8,593,172	239,827	-	8,832,999	8,388,646
Total Assets	36,583,419	493,345	938,699	38,015,463	36,671,246
LIABILITIES					
Accounts Payable	653,546	27,440	388	681,374	1,780,111
Due to Other Governments	177,646	-	-	177,646	171,499
Public Trustee Deposits	7,486	-	-	7,486	13,407
Long-Term Liabilities	1,799,284	168,621	-	1,967,905	2,096,877
Total Liabilities	2,637,962	196,061	388	2,834,411	4,061,894
DEFERRED INFLOWS OF RESOURCES					
Total deferred inflows of resources	4,450,276	-	143	4,450,419	4,083,356
NET POSITION					
Net Investment in Capital Assets	13,976,265	71,206	-	14,047,471	13,111,422
Restricted	1,280,043	-	938,168	2,218,211	1,828,300
Unrestricted	14,238,873	226,078	-	14,464,951	13,023,719
Total Net Position	\$ 29,495,181	\$ 297,284	\$ 938,168	\$ 30,730,633	\$ 27,963,441

OTERO COUNTY, COLORADO

MANAGEMENT'S DISCUSSION AND ANALYSIS

Financial Analysis – Statement of Net Position

1. Restricted net assets are made up of statutory reserves of \$324,490 for emergencies required by TABOR.
2. The component units of government are comprised of the E911 Emergency Telephone reporting system and the Small Business Development Revolving Loan Fund. The financials are tracked under Otero County as it serves as the fiscal agent for the E911 Authority Board and the Otero Partners, Inc Board of Directors.
3. Based on current allocation, the County's share of the costs developed for the Landfill closure and post closure represent approximately 66.27% of the estimated \$1,483,000 allocated among the participating entities amounting to \$982,711. The majority of this cost is due to the calculations related to quantities of dirt needed for final cover, continuation of monitoring (water/methane), and other associated costs due to new regulations or practice.

OTERO COUNTY, COLORADO

MANAGEMENT'S DISCUSSION AND ANALYSIS

CONDENSED FINANCIAL INFORMATION County-Wide Financial Statements

Condensed Statement of Changes in Net Position Year Ended December 31, 2020

	2020			Total	2019 Total
	Primary Government	Component Unit	Component Unit		
	Governmental Activities	E911 Emergency Services	Small Business Development		
REVENUES					
GOVERNMENTAL					
PROGRAM REVENUES					
Charges for services	\$ 3,472,808	\$ -	\$ -	\$ 3,472,808	\$ 3,382,690
Operating grants and contributions	9,983,385	-	-	9,983,385	7,911,666
Total governmental program revenues	13,456,193	-	-	13,456,193	11,294,356
COMPONENT UNIT					
PROGRAM REVENUES					
Charges for services	-	153,241	915	154,156	153,725
Operating grants and contributions	-	-	747,128	747,128	15,041
Total component unit program revenues	-	153,241	748,043	901,284	168,766
GENERAL REVENUES					
Property and specific ownership taxes	4,408,114	-	-	4,408,114	4,257,031
Other taxes	4,293,664	-	-	4,293,664	4,502,146
Other revenue	741,416	143	11,048	752,607	771,591
Total general revenues	9,443,194	143	11,048	9,454,385	9,530,768
TOTAL - REVENUES	22,899,387	153,384	759,091	23,811,862	20,993,890
TOTAL EXPENDITURES	21,951,485	215,071	706,528	22,873,084	19,254,821
CHANGE IN NET POSITION	947,902	(61,687)	52,563	938,778	1,739,069
NET POSITION, Beginning of year	28,547,279	358,971	885,605	29,791,855	28,052,786
NET POSITION, End of year	\$ 29,495,181	\$ 297,284	\$ 938,168	\$ 30,730,633	\$ 29,791,855

OTERO COUNTY, COLORADO

MANAGEMENT'S DISCUSSION AND ANALYSIS

CONDENSED FINANCIAL INFORMATION County-Wide Financial Statements

Condensed Statement of Changes in Net Position Year Ended December 31, 2020 (Continued)

	2020			Total	2019 Total
	Primary Government	Component Unit	Component Unit		
	Governmental Activities	E911 Emergency Services	Small Business Development		
FUNCTION/PROGRAM - EXPENSES					
PRIMARY GOVERNMENT					
Governmental activities:					
General Government	\$ 6,048,045	\$ -	\$ -	\$ 6,048,045	\$ 4,142,159
Public safety	2,428,853	-	-	2,428,853	2,421,261
Public works	3,362,039	-	-	3,362,039	3,049,340
Public health and welfare	9,921,650	-	-	9,921,650	9,201,935
Culture and recreation	50,828	-	-	50,828	59,983
Conservation	124,234	-	-	124,234	30,790
Capital Outlays	5,444	-	-	5,444	18,887
Interest	10,392	-	-	10,392	5,613
Total governmental activities	<u>21,951,485</u>	<u>-</u>	<u>-</u>	<u>21,951,485</u>	<u>18,929,968</u>
COMPONENT UNIT					
E911 Emergency Services	-	215,071	-	215,071	224,853
Small Business Development	-	-	706,528	706,528	-
TOTAL FUNCTION/PROGRAMS - EXPENSES	<u>\$ 21,951,485</u>	<u>\$ 215,071</u>	<u>\$ 706,528</u>	<u>\$ 22,873,084</u>	<u>\$ 19,154,821</u>

OTERO COUNTY, COLORADO

MANAGEMENT'S DISCUSSION AND ANALYSIS

Financial Analysis – Statement of Activities

1. There was an increase in current year in the County's primary government net position of \$947,902 or 3.32%. This is primarily due to an increase in revenues in the County specific ownership tax, property taxes, payment in lieu of taxes, highway user tax, sales tax, insurance recovery, and operating grants.
2. The E911 Emergency Services decreased 20.8% in net position for fiscal year 2020 due to capital outlay purchases but continues to exhibit a strong financial picture. Currently, a \$0.70 per line surcharge is collected for the E911 system, and its governing board continues to maintain as well as upgrade its E911 level of service.
3. The Small Business Development Fund's net position increased \$52,563 or 5.6% for fiscal year 2020.

ANALYSIS OF POSITION

The overall financial position of the County improved during 2020, due to an increase in overall revenues.

Net capital assets for the Governmental Activities, the Business-Type Activities and component unit combined increased by \$444,354.

FUND FINANCIAL STATEMENT ANALYSIS

GOVERNMENTAL FUNDS

GENERAL FUND

The General Fund is the major operating fund of the County, providing the majority of the resources for operating and support programs. Revenues and other financing sources for the General Fund totaled \$8,150,089 in fiscal year 2020, an increase of 25.9% from fiscal year 2019.

OTERO COUNTY, COLORADO

MANAGEMENT'S DISCUSSION AND ANALYSIS

Schedule of Revenues and Other Financing Sources (General Fund with Contingent Fund)

	Fiscal Year 2020	Fiscal Year 2019	Increase (Decrease)	Percent Change
TAXES				
Property and other taxes	\$ 1,998,551	\$ 1,887,640	\$ 110,911	5.9%
Specific ownership taxes	428,388	448,841	(20,453)	-4.6%
Sales tax	2,175,012	1,914,205	260,807	13.6%
Intergovernmental taxes	10,469	14,300	(3,831)	-26.8%
Total taxes	4,612,420	4,264,986	347,434	8.1%
Intergovernmental	2,686,076	1,183,739	1,502,337	126.9%
Charges for services	487,138	506,063	(18,925)	-3.7%
Fines and forfeitures	1,802	2,929	(1,127)	-38.5%
Investment and miscellaneous	245,697	440,431	(194,734)	-44.2%
Other financing sources	116,956	76,709	40,247	52.5%
TOTAL	<u>\$ 8,150,089</u>	<u>\$ 6,474,857</u>	<u>\$ 1,675,232</u>	<u>25.9%</u>

Property Taxes — Property taxes has increased by 5.9% compared with prior year. The mill levy of 12.044 mills was unchanged from fiscal year 2019. The fiscal year 2020 mill levy was applied against an assessed valuation of \$160,755,451. The fiscal year 2019 mill levy was applied against an assessed valuation of \$156,039,279. The property tax mills levied for both years are in compliance with the restrictions of Article X Section 20 of the Colorado Constitution (TABOR).

Specific Ownership Tax — There was a 4.6% decrease in specific ownership tax collections in fiscal year 2020. A specific ownership tax is applied to the fair market value of vehicles registered in Colorado. The tax is collected when vehicle owners renew their registrations each year.

Sales Tax — Sales tax has increased by 13.6% compared with prior year. The County has a 1.0% sales tax in place. The \$2,175,012 generated in fiscal year 2020 represented an actual increase of \$260,807 over fiscal year 2010.

Intergovernmental — Intergovernmental revenue has increased by 126.9% compared to prior year. This is mainly due to receiving COVID-19 funding. This category includes federal, state and local sources, as well as Payment-In-Lieu of Taxes (PILT) on federal, state and other governmental lands. In addition, cost allocation (indirect cost reimbursement), grant funding, and other miscellaneous types of governmental revenue.

The primary source of federal revenue is Payment-In-Lieu of Taxes (PILT) on federal lands. The federal government slightly increased the allocation to the County. The County allocated \$507,942 to the General Fund in fiscal year 2020. This represents the total PILT from all federal lands, a 0.55% increase from fiscal year 2019.

Charges for Services — There was a 3.7% decrease in revenue

Basic Financial Statements

Otero County, Colorado
Statement of Net Position
December 31, 2020

	Governmental Activities	Component Units	
		E-911 Services	Small Business Development Fund
Assets			
Cash and Investments	\$ 16,878,588	\$ 227,794	\$ 562,991
Accounts Receivable	1,738,065	25,724	375,708
Taxes Receivable	3,724,798	-	-
Due from other government	15,941	-	-
Inventory	188,905	-	-
Capital Assets, <i>Not Being Depreciated</i>	5,443,950	-	-
Capital Assets, <i>Net of Accumulated Depreciation</i>	8,593,172	239,827	-
Total Assets	<u>36,583,419</u>	<u>493,345</u>	<u>938,699</u>
Liabilities			
Accounts Payable	653,546	27,440	388
Due to other governments	177,646	-	-
Public Trustee Deposits	7,486	-	-
Non-current Liabilities			
Due Within One Year	414,308	82,287	-
Due in More Than One Year	1,384,976	86,334	-
Total Liabilities	<u>2,637,962</u>	<u>196,061</u>	<u>388</u>
Deferred Inflows of Resources			
Property Taxes	3,724,798	-	-
Grant Revenue	725,478	-	143
Total Deferred Inflows of Resources	<u>4,450,276</u>	<u>-</u>	<u>143</u>
Net Position			
Net Investment in Capital Assets	13,976,265	71,206	-
Restricted For			
Emergencies	324,490	-	-
Grant	-	-	938,168
Statute	955,553	-	-
Unrestricted	14,238,873	226,078	-
Total Net Position	<u>\$ 29,495,181</u>	<u>\$ 297,284</u>	<u>\$ 938,168</u>

Otero County, Colorado
Statement of Activities
For the Year Ended December 31, 2020

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Change in Net Position		
		Charges for Services	Operating Grants and Contributions	Primary Government Governmental Activities	Component Unit E-911 Services Small Business Development	
Primary Government						
<i>Governmental Activities</i>						
General Government	\$ 6,048,045	\$ 607,671	\$ 841,165	\$ (4,599,209)	\$ -	\$ -
Public Safety	2,428,853	68,739	1,612,715	(747,399)	-	-
Public Works	3,362,039	218,461	49,663	(3,093,915)	-	-
Health and Welfare	9,921,650	2,577,937	7,426,203	82,490	-	-
Culture and Recreation	50,828	-	-	(50,828)	-	-
Conservation	124,234	-	53,639	(70,595)	-	-
Capital Outlays	5,444	-	-	(5,444)	-	-
Interest on Long-Term Debt	10,392	-	-	(10,392)	-	-
Total Government Activities	\$ 21,951,485	\$ 3,472,808	\$ 9,983,385	(8,495,292)	-	-
<i>Component Unit</i>						
E-911 Emergency Services	\$ 215,071	\$ 153,241	\$ -	-	(61,830)	-
Small Business Development	706,528	915	747,128	-	-	41,515
Total Business-Type Activities	\$ 921,599	\$ 154,156	\$ 747,128	-	(61,830)	41,515
General Revenues						
Property Taxes				3,629,779	-	-
Specific Ownership Taxes				778,335	-	-
Sales Taxes				2,175,012	-	-
Highway User Tax				1,600,241	-	-
Payment in Lieu of Taxes				507,942	-	-
Other Taxes				10,469	-	-
Fines and Forfeitures				1,802	-	-
Investment Income				258,896	143	-
Miscellaneous				428,696	-	11,048
Gain on sale of Capital assets				44,956	-	-
Insurance Recovery				7,066	-	-
Total General Revenues				9,443,194	143	11,048
Change in Net Position				947,902	(61,687)	52,563
Net Position, Beginning of year				28,547,279	358,971	885,605
Net Position, End of year				\$ 29,495,181	\$ 297,284	\$ 938,168

Otero County, Colorado
Balance Sheet
Governmental Funds
December 31, 2020

	General	Road & Bridges	Social Services	Capital Improvement	Nonmajor Governmental Funds	Totals
Assets						
Cash	\$ 6,203,044	\$ 1,745,365	\$ 919,699	\$ 2,198,172	\$ 2,992,349	\$ 14,058,629
Investments	80,112	-	-	-	-	80,112
Cash with Trustee	75,137	-	-	-	-	75,137
Accounts Receivable	552,208	169,548	239,208	18,707	695,394	1,675,065
Taxes Receivable	2,043,989	704,976	509,130	381,848	84,855	3,724,798
Interest Receivables	22,108	-	-	-	-	22,108
Due from Other Funds	341	-	-	2,195	-	2,536
Due from Other Governments	-	-	15,941	-	-	15,941
Notes Receivable - Interfund	-	-	-	110,551	-	110,551
Inventory	-	188,905	-	-	-	188,905
Total Assets	\$ 8,976,939	\$ 2,808,794	\$ 1,683,978	\$ 2,711,473	\$ 3,772,598	\$ 19,953,782
Liabilities						
Accounts Payable	103,444	27,600	20,717	2,545	235,366	389,672
Accrued Liabilities	21,919	7,138	-	-	4,216	33,273
Due to Other Funds	-	225	2,386	-	27	2,638
Due to Other Governments	75,137	-	102,509	-	-	177,646
Notes Payable - to other funds	110,551	-	-	-	-	110,551
Public Trustee Deposits	7,486	-	-	-	-	7,486
Total Liabilities	318,537	34,963	125,612	2,545	239,609	721,266
Deferred Inflows of Resources						
Property Taxes	2,043,989	704,976	509,130	381,848	84,855	3,724,798
Unavailable Grant Revenues	-	-	454,211	-	339,528	793,739
Total Deferred Inflows of Resources	2,043,989	704,976	963,341	381,848	424,383	4,518,537
Fund Balances						
Nonspendable inventory	-	188,905	-	-	-	188,905
Restricted						
Emergency	324,490	-	-	-	-	324,490
Statute	-	-	-	-	955,553	955,553
Committed	298,149	1,879,950	595,025	2,327,080	2,153,053	7,253,257
Unrestricted, Unassigned	5,991,774	-	-	-	-	5,991,774
Total Fund Balances	6,614,413	2,068,855	595,025	2,327,080	3,108,606	14,713,979
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 8,976,939	\$ 2,808,794	\$ 1,683,978	\$ 2,711,473	\$ 3,772,598	\$ 19,953,782

Otero County, Colorado
 Reconciliation of the Balance Sheet of Governmental Funds
 to the Statement of Net Position
 December 31, 2020

Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:

Total Fund Balances of Governmental Funds	\$ 14,713,979
Deferred inflow of resources for amounts not received within the availability period are not reported as revenue in the governmental funds	68,261
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in governmental funds.	
Non Depreciable Cost	5,443,950
Depreciable Cost	21,765,099
Less Accumulated Depreciation	(13,171,927)
The internal service funds are used by management to charge the costs of the operation and maintenance of the vehicle fleet and employee insurance to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position	2,441,830
Liabilities not due and payable in the current period are not reported in the fund balance sheets, but are reported on the government-wide statement of net position	
Capital lease payable	(60,857)
Compensated absences	(722,443)
Landfill post closure	(982,711)
	(1,765,991)
Total Net Position of Governmental Activities	\$ <u>29,495,181</u>

Otero County, Colorado
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2020

	General	Road & Bridges	Social Services	Capital Improvement	Nonmajor Governmental Funds	Totals
Revenues						
Property Tax	\$ 1,998,551	\$ 684,191	\$ 411,778	\$ 452,903	\$ 82,356	\$ 3,629,779
Specific Ownership Tax	428,388	146,777	88,335	97,168	17,667	778,335
Sales Tax	2,175,012	-	-	-	-	2,175,012
Intergovernmental Taxes	10,469	1,600,241	-	-	-	1,610,710
Intergovernmental	2,686,076	49,663	3,459,324	275,746	4,020,518	10,491,327
Charges for Services	487,138	218,138	-	-	282,680	987,956
Fines and Forfeitures	1,802	-	-	-	-	1,802
Investment Earnings	245,697	-	-	-	7,393	253,090
Miscellaneous	116,956	-	-	4,756	306,984	428,696
Total Revenues	<u>8,150,089</u>	<u>2,699,010</u>	<u>3,959,437</u>	<u>830,573</u>	<u>4,717,598</u>	<u>20,356,707</u>
Expenditures						
Current						
General Government	4,556,905	-	-	8,243	363,824	4,928,972
Public Safety	2,281,050	-	-	-	-	2,281,050
Public Works	177,502	2,776,378	-	-	-	2,953,880
Health and Welfare	84,811	-	3,990,441	-	4,068,826	8,144,078
Culture and Recreation	23,924	-	-	-	24,076	48,000
Conservation	110,893	-	-	-	1,517	112,410
Capital Outlay	-	436,352	-	652,571	-	1,088,923
Debt Service						
Principal	10,902	-	-	-	-	10,902
Interest and Fiscal Charges	10,392	-	-	-	-	10,392
Total Expenditures	<u>7,256,379</u>	<u>3,212,730</u>	<u>3,990,441</u>	<u>660,814</u>	<u>4,458,243</u>	<u>19,578,607</u>
Revenues Over (Under) Expenditures	<u>893,710</u>	<u>(513,720)</u>	<u>(31,004)</u>	<u>169,759</u>	<u>259,355</u>	<u>778,100</u>
Other Financing Sources (Uses)						
Sale of Assets	-	38,606	-	-	-	38,606
Insurance Recovery	-	-	-	-	7,066	7,066
Transfers In	-	-	-	-	56,493	56,493
Transfers Out	(56,493)	-	-	-	-	(56,493)
Total Other Financing Sources (Uses)	<u>(56,493)</u>	<u>38,606</u>	<u>-</u>	<u>-</u>	<u>63,559</u>	<u>45,672</u>
Net Change in Fund Balances	837,217	(475,114)	(31,004)	169,759	322,914	823,772
Fund Balances, Beginning of year	5,777,196	2,543,969	626,029	2,157,321	2,785,692	13,890,207
Fund Balances, End of year	<u>\$ 6,614,413</u>	<u>\$ 2,068,855</u>	<u>\$ 595,025</u>	<u>\$ 2,327,080</u>	<u>\$ 3,108,606</u>	<u>\$ 14,713,979</u>

Otero County, Colorado
 Reconciliation of the Statement of Revenues, Expenditures and Changes
 in Fund Balances of Governmental Funds to the Statement of Activities
 For the Year Ended December 31, 2020

Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:

Net Change in Fund Balances of Governmental Funds	\$	823,772
Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.		
Capital Outlay		1,095,479
Depreciation Expense		(633,449)
Governmental funds do not record deletions or losses; however, in the statement of activities these assets and accumulated depreciation are removed, and losses are recorded		
Assets Removed		(41,393)
Accumulated Depreciation		41,393
The internal service funds used by management to charge the costs of the operation and maintenance of the vehicle fleet and employee insurance to individual funds are reported in the government-wide statement of activities as governmental activities		
		(62,256)
Principal paid on capital leases		10,902
Compensated absences and landfill post-closure costs reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Landfill		(14,138)
Compensated Absences		(272,408)
Change in Net Position of Governmental Activities	\$	<u>947,902</u>

Otero County, Colorado
Statement of Net Position
Proprietary Funds
December 31, 2020

	Internal Service	Medical Trust	Totals
Assets			
<i>Current Assets</i>			
Cash and cash equivalent	\$ 552,580	\$ 2,112,130	\$ 2,664,710
Accounts Receivable	2,251	36,105	38,356
Total Current Assets	554,831	2,148,235	2,703,066
<i>Noncurrent Assets</i>			
Capital Assets, <i>Net of Accumulated Depreciation</i>	343,409	-	343,409
Total Noncurrent Assets	343,409	-	343,409
Total Assets	898,240	2,148,235	3,046,475
Liabilities			
<i>Current Liabilities</i>			
Accounts Payable	4,976	256,260	261,236
Total Current Liabilities	4,976	256,260	261,236
Net Position			
Net Investment in Capital Assets	343,409	-	343,409
Unrestricted	549,855	1,891,975	2,441,830
Total Net Position	\$ 893,264	\$ 1,891,975	\$ 2,785,239

Otero County, Colorado
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
December 31, 2020

	Internal Service	Medical Trust	Totals
Operating Revenues			
Charges for services	\$ 176,895	\$ 2,307,957	\$ 2,484,852
Total operating revenues	<u>176,895</u>	<u>2,307,957</u>	<u>2,484,852</u>
Operating Expenses			
General Government	39,379	795,876	835,255
Claims	-	1,590,651	1,590,651
Depreciation	<u>133,358</u>	<u>-</u>	<u>133,358</u>
Total operating expenses	<u>172,737</u>	<u>2,386,527</u>	<u>2,559,264</u>
Operating income (loss)	<u>4,158</u>	<u>(78,570)</u>	<u>(74,412)</u>
Non-Operating Revenues			
Gain on sale of assets	6,350	-	6,350
Interest revenue	<u>-</u>	<u>5,806</u>	<u>5,806</u>
Total non-operating revenues	<u>6,350</u>	<u>5,806</u>	<u>12,156</u>
Change in net position	10,508	(72,764)	(62,256)
Net Position, Beginning of year	<u>882,756</u>	<u>1,964,739</u>	<u>2,847,495</u>
Net Position, End of Year	<u>\$ 893,264</u>	<u>\$ 1,891,975</u>	<u>\$ 2,785,239</u>

Otero County, Colorado
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2020

	Internal Service	Medical Trust	Totals
Cash Flows From Operating Activities			
Cash received from customer	\$ 174,644	\$ 2,271,852	\$ 2,446,496
Cash paid to vendors	<u>(34,403)</u>	<u>(2,339,978)</u>	<u>(2,374,381)</u>
Net Cash Provided by Operating Activities	<u>140,241</u>	<u>(68,126)</u>	<u>72,115</u>
Cash Flows From Capital and Related Financing Activities			
Proceeds from sale of assets	6,350	-	6,350
Payments for purchase of capital acquisition	<u>(204,479)</u>	<u>-</u>	<u>(204,479)</u>
Net Cash (Used) by Capital and Related Financing Activities	<u>(198,129)</u>	<u>-</u>	<u>(198,129)</u>
Cash Flows from Investing Activities			
Interest Received	<u>-</u>	<u>5,806</u>	<u>5,806</u>
Net cash provided by investing activities	<u>-</u>	<u>5,806</u>	<u>5,806</u>
Net Increase in Cash and Cash Equivalents	(57,888)	(62,320)	(120,208)
Cash and Cash Equivalents, <i>Beginning of Year</i>	<u>610,468</u>	<u>2,174,450</u>	<u>2,784,918</u>
Cash and Cash Equivalents, <i>End of Year</i>	<u>\$ 552,580</u>	<u>\$ 2,112,130</u>	<u>\$ 2,664,710</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating Income (Loss)	\$ 4,158	\$ (78,570)	\$ (74,412)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities			
Depreciation	133,358	-	133,358
Changes in Asset and Liabilities			
Accounts Receivable	(2,251)	(36,105)	(38,356)
Accounts Payable	<u>4,976</u>	<u>46,549</u>	<u>51,525</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 140,241</u>	<u>\$ (68,126)</u>	<u>\$ 72,115</u>

Otero County, Colorado
Statement of Fiduciary Assets and Liabilities
Fiduciary Funds with Comparative 2019
December 31, 2020

	2020	2019
Assets		
Cash and cash equivalents	\$ <u>698,715</u>	\$ <u>678,845</u>
Total assets	<u>698,715</u>	<u>678,845</u>
Liabilities		
Due to other entities	<u>698,715</u>	<u>678,845</u>
Net cash (used) in capital and related financing activities	<u><u>\$ 698,715</u></u>	<u><u>\$ 678,845</u></u>

Otero County, Colorado
Notes to the Financial Statements
December 31, 2020

Note 1: Summary of Significant Accounting Policies

The financial statements of Otero County (the County) have been prepared in conformity with accounting principles generally accepted in the United States of America as applicable to governmental entities. The County's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements. A summary of significant policies is as follows:

Reporting Entity

Otero County is a statutory county governed by an elected three-member commission. As required by generally accepted accounting principles, these financial statements present Otero County (the primary government) and its component units.

Component units are legally separate organizations for which the County is financially accountable. The County is financially accountable for an organization if the County appoints a voting majority of the organization's governing board and 1) the County is able to significantly influence the programs or services performed or provided by the organizations; or 2) the County is legally entitled to or can otherwise access the organization's resources; the County is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the County is obligated for the debt of the organization. Component units also may include organizations that are fiscally dependent on the County in that the County approves the budget, levies their taxes, or issues their debt.

Discretely Presented Component Units

Otero County Emergency Telephone Service Authority Board – The Otero County Emergency Telephone Service Authority Board (“Authority”) was created for the purpose of providing 911 emergency phone services for Otero County. All governmental entities of the County agreed to participate through an intergovernmental agreement. The County Commissioners have the power of appointment over the Board and are, therefore, deemed to have oversight responsibility over the Authority. The Authority is presented as a business-type activity. The Authority does not issue separate financial statements.

Small Business Development Revolving Loan Entity (AKA Otero Partners, Inc.) – The Small Business Development Revolving Loan Entity (AKA Otero Partners, Inc.) focuses on providing loans to small businesses, while at the same time offering technical assistance through the local Small Business Development Center. This entity was formed by intergovernmental agreement (IGA) with other governmental units and is considered a not-for-profit corporation under Colorado law and the Internal Revenue Code. Each of the participants appoints one board member to the governing body. The County has determined that this entity should be included in the reporting entity because its exclusion would render the financial statements misleading. In addition, there are no separately issued financial statements for this entity.

Otero County, Colorado
Notes to the Financial Statements
December 31, 2020

Note 1: Summary of Significant Accounting Policies (Continued)

Joint Venture

Otero County Landfill, Inc. – Otero County is a participant along with six other entities within the County in a joint venture known as the Otero County Landfill, Inc. As a participant, the County is responsible for a portion of the closure and post-closure costs of the landfill. See Note 6 for the County's share of those estimated costs as of December 31, 2020. A complete financial report may be obtained from the administrative offices of Otero County.

Related Organizations

Otero County Housing Authority – The Otero County Housing Authority is governed by a five-member board appointed by the Commissioners. The Authority provides housing to certain qualified residents and is principally funded through federal grants and rental charges. Because the appointments are administrative in nature and control over the organization is at the federal government level, the Authority is treated as a related organization of the County rather than a component unit.

Government-wide and Fund Financial Statements

The government-wide financial statements report information on all the non-fiduciary activities of the primary government and its component units. The effect of inter-fund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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

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

Otero County, Colorado
Notes to the Financial Statements
December 31, 2020

Note 1: Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows.

Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 90 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. This approach differs from the manner in which the governmental activities in the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the governmental fund statements.

Property taxes, sales taxes, franchise taxes, interest revenues, and charges for services are all considered to be susceptible to accrual and accordingly have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

Grant and entitlement awards are recorded as revenue when earned. Grants or entitlements received in excess of expenditures are recorded as deferred inflows of resources. Expenditures are recorded on an accrual basis.

Under the terms of grant agreements, the County funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenditures are incurred, there are both restricted and unrestricted net position available to finance the program. It is the County's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general reimbursement grant resources to each such programs, followed by categorical block grants, and then by general revenues.

Otero County, Colorado
Notes to the Financial Statements
December 31, 2020

Note 1: Summary of Significant Accounting Policies (Continued)

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

The County funds certain expenditures by a combination of restricted, committed, assigned and unassigned revenues. Thus, when expenditures are incurred, there are restricted, committed, assigned and unrestricted fund balance available to finance the expenditure. It is the County's policy to first apply restricted fund balance, followed by committed fund balance, and then by assigned fund balance to each such expenditure, followed by unassigned fund balance.

Net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Net position is reported as restricted when there are limitations imposed on use, either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The remainder of net position is reported as not being restricted.

The County reports the following major governmental funds:

The General Fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those which are required to be accounted for in another fund.

The Road & Bridge Fund is a special revenue fund, which is used to account for the proceeds of highway taxes and other specific revenue sources that are legally restricted to expenditures for maintenance and construction of the County road system and for the operation of solid waste disposal as outlined by an Intergovernmental Agreement with Otero County Landfill, Inc. (OCLI).

The Social Services Fund is a special revenue fund, which is used to account for federal, state, and local revenues to be used to provide welfare services to eligible individuals within the County.

The Capital Improvement Fund is a major fund for financial reporting purposes. The fund is tentatively being targeted for a jail construction project and improvements to the County buildings. Management has chosen to show this fund as a major fund even though it does not meet the required tests to show it as a major fund.

Special Revenue Funds – Special revenue funds are used to account for revenue sources that are legally restricted to expenditure for specific purposes. The other special revenue funds include the Insurance, Clerk Hire, Conservation Trust, Contingent, General Human Service, Health, AAA Services, General Human Service and Otero County Land Trust (OCLT) funds.

Proprietary Funds – There are two proprietary funds. The Internal Service Fund accounts for the purchase of assets for departmental use with a minimum of \$1,000. The Medical Insurance fund accounts for medical benefits provided to other departments or agencies of the government, or to other governments, on a cost reimbursement basis.

Otero County, Colorado
Notes to the Financial Statements
December 31, 2020

Note 1: Summary of Significant Accounting Policies (Continued)

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

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 internal service funds are charges for services. Operating expenses of the internal service funds include the costs of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Fiduciary Funds – Fiduciary funds account for assets held by the County in a trustee capacity or as an agent on behalf of others.

The agency funds are custodial in nature and do not present results of operations or a measurement focus. Agency funds are accounted for using the accrual basis of accounting. Those funds are used to account for assets that the County holds for others in an agency capacity. The County's agency funds include the Treasurer's office, Clerk's office, and Public Trustee.

Fund Equity – Fund equity at the governmental fund financial reporting level is classified as “fund balance”. Fund equity for all other reporting is classified as “net position”.

Cash and Cash Equivalents – For the purpose of the statement of cash flows the government's cash and cash equivalents are considered to be cash on hand, demand deposits, and highly liquid investments.

The County may invest in bonds or other interest-bearing obligations issued by or unconditionally guaranteed by the United States, bonds that are the direct obligation of the State of Colorado, or any county, city, or school district in the State. The County may also invest in repurchase agreements of any marketable security otherwise authorized by law, where the market value of such security is at all times at least equal to the moneys involved, and there is assignment of such security pursuant to current depository regulations.

Investments for the government, as well as for its component units, are reported at fair value.

Receivables and Payables – Outstanding balances between funds are reported as “due to/from other funds”. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances”.

All trade and property tax receivables, including those for each discretely presented component unit, are shown net of an allowance for uncollectible accounts, if required.

Otero County, Colorado
Notes to the Financial Statements
December 31, 2020

Note 1: Summary of Significant Accounting Policies (Continued)

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

Property taxes are not due and payable until after the assessment year has ended and are not included in the budgets or statements of revenues, expenditures, and fund balance of the assessment year. Property taxes levied are recorded in the governmental funds as taxes receivable and deferred inflows of resources as of December 31, 2020, since the amounts are measurable but not available until 2020. Property tax abatements are recorded as an offset to property tax revenues when they are paid. An allowance for uncollectible property taxes is not provided as the uncollectible amounts were determined to be negligible based on an analysis of historical trends. Property taxes are levied before December 22 each year and attached as an enforceable lien on the property as of January 1 of the following year. Taxes are payable in full on April 30 or in two installments due on February 28 and June 15. The County, through the Otero County Treasurer, bills and collects its own property taxes as well as property taxes of all other taxing authorities within the County. Collection of taxes and distribution of them to the various taxing entities is done by the 10th of every month following the month of collection.

Inventory of Material and Supplies – Inventory is valued at cost using the first-in first-out (FIFO) method and consists of expendable supplies held for consumption. The cost is recorded as an expenditure when consumed rather than when purchased. Reported inventories are equally offset by a non-spendable fund balance, which indicates that they do not constitute “available spendable resources” even though they are a component of assets.

Capital Assets – Capital assets, which include property, equipment, and current infrastructure (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental activities’ columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Assets purchased for departmental use with a minimum cost of \$1,000 are purchased by the County Internal Services Fund and billed to the departments quarterly for their use. Donated capital assets are recorded at acquired 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 assets lives are not capitalized. Building, improvements, and equipment of the primary government, as well as the component unit, are depreciated using the straight-line method over the following estimated useful lives:

Buildings	20 – 75 years
Building improvements	20 years
Public domain infrastructure	25 years
Vehicles	5 – 20 years
Office equipment	5 – 10 years
Computer and Equipment	3 – 5 years

Otero County, Colorado
Notes to the Financial Statements
December 31, 2020

Note 1: Summary of Significant Accounting Policies (Continued)

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

Compensated Absences – It is the government's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation and eligible sick pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured as a result of employee resignations and retirements.

Long-Term Obligations – In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or proprietary fund type statement of net position.

Deferred Inflows of Resources – In addition to liabilities, the statement of net position and the governmental fund balance sheet 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 and/or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has two types of items which arise both under the full accrual and modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the items, property taxes and unavailable grant revenue, are reported in both the governmental activities statement of net position and in the governmental funds balance sheet. The governmental funds report deferred inflows of resources from property taxes and unavailable grant revenue. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Since property tax revenues are collected in arrears during the succeeding year, a receivable and corresponding deferred inflow of resources is recorded at December 31. As the tax is collected in the succeeding year, the deferred inflow of resources is recognized as revenue and the receivable is reduced.

Fund Equity – In the fund financial statements, governmental funds report non-spendable amounts that are (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash such as inventories, prepaid items, long-term notes receivable and fund advances. Restrictions of fund balance represents amounts that are restricted for specific fund purposes stipulated by external resource providers constitutionally or through enabling legislation. Committed fund balances include amounts that can only be used for the specific purposes determined by the passage of a resolution by the Board of County Commissioners. Commitments may be modified or changed only by the Board of County Commissioners approving a new resolution. Assigned fund balance includes amounts intended to be used by the County for specific purposes that are neither restricted nor committed. Intent is expressed by the County Administrator. Unassigned fund balance includes amounts that do not meet any of the above criteria. The County may report positive unassigned fund balances only in the general fund and negative unassigned fund balances may be reported in all funds.

Otero County, Colorado
Notes to the Financial Statements
December 31, 2020

Note 1: Summary of Significant Accounting Policies (Continued)

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

Net Position – The County’s net position is classified in the following components:

- *Net Investment in Capital Assets* – This component consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds, the portion of the debt attributable to the unspent proceeds is not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.
- *Restricted* – This component consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Restricted assets are assets which have restrictions placed on the use of the assets through external constraints imposed by creditors (such as through debt covenants), contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation. Generally, a liability relates to restricted assets if the asset results from a resource flow that also results in the recognition of a liability or if the liability will be liquidated with the restricted assets reported.
- *Unrestricted* – This component consists of the net amount of assets, deferred outflows of resources, liabilities and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Budgetary Information – The County's budgetary procedures are as follows:

- Prior to October 15, the County Commissioners receive a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain taxpayer comments. Prior to December 15, the budget is legally enacted through passage of a resolution. Revisions that alter the total expenditures of any fund generally must be approved by the Commissioners. Budgeted amounts in the accompanying financial statements include revisions to the original appropriation resolution. Appropriations lapse at year-end and any open purchase items must be appropriated in the following year.

Expenditures may not legally exceed appropriations at the fund level.

Otero County, Colorado
Notes to the Financial Statements
December 31, 2020

Note 1: Summary of Significant Accounting Policies (Continued)

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

Retirement Plan – The employees of the County are members of the Colorado County Official's and Employee's Retirement Association (CCOERA) (the Plan). The Plan is a defined contribution plan which is funded currently.

Subsequent Events

The County has evaluated subsequent events for recognition or disclosure through July 29, 2021, which is the date the financial statements were available for issuance.

Note 2: Cash and Investments

Deposits – The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is specified by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds.

Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. As of December 31, 2020, the County's deposits were not exposed to credit risk, as all deposits were insured by the Federal Deposit Insurance Corporation (FDIC) or collateralized in accordance with PDPA.

The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must equal at least 102% of the uninsured deposits. The State Regulatory Commissions for banks are required by Statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

At December 31, 2020, the County's and Component Unit's cash and investments had the following book and bank balances:

	Bank	Book
Insured deposits	\$ 6,386,746	\$ 6,386,746
Collateralized deposits	9,714,651	9,534,515
ColoTrust	2,370,300	2,370,300
Cash with Trustee	75,137	75,137
Petty cash	1,390	1,390
	<hr/>	<hr/>
Total	\$ <u>18,548,224</u>	\$ <u>18,368,088</u>

Otero County, Colorado
Notes to the Financial Statements
December 31, 2020

Note 2: Cash and Investments (Continued)

Cash and Investment Reconciliation

Governmental funds - cash and investments	\$ 16,803,451
Governmental funds - cash with trustee	<u>75,137</u>
 Total primary government	 16,878,588
Agency funds	698,715
Component Units	<u>790,785</u>
 Total	 \$ <u>18,368,088</u>

The carrying amount of deposits for the E911 services and the small business development entity, discretely presented component units, was \$227,794 and \$562,991, respectively. These amounts are included in the above tables.

Investments – Colorado revised statutes specify investment instruments meeting defined rating and risk criteria in which the County may invest as follows:

- United States Treasury Obligations
- Federal Instrumentality Securities
- Time Certificates of Deposit
- Commercial Paper
- Money Market Mutual Funds
- Local Government Investment Pools

Interest Rate Risk – As a means of limiting its exposure to losses arising from prevailing market interest rates, it is the policy of the County to invest its funds in a manner which will provide the highest investment return while ensuring preservation of capital and protection of investment principal. The County's investment objectives are:

- Conformance with all federal, state, and other legal requirements
- Preservation of capital and the protection of investment principal
- Maintaining sufficient liquidity to enable the County to meet all operating requirements
- Seek highest rate of return possible

The county recognizes its fair value investments within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the assets. Level 1) inputs are quoted prices in active markets for identical assets; level 2) inputs are significant other observable inputs; and level 3) inputs are significant unobservable inputs. The County's recurring fair value measurements as of December 31, 2020, are represented by brokered certificates of deposit totaling \$5,135,000 which are valued using a pricing matrix (level 2 inputs) and money market mutual funds totaling \$8,606 which are valued using level 1) inputs. The County's investments held at ColoTrust are not subject to the fair value hierarchy.

Otero County, Colorado
Notes to the Financial Statements
December 31, 2020

Note 2: Cash and Investments (Continued)

Cash and Investment Reconciliation (Continued)

Credit Risk – The County's investment policy limits investments to the following types of securities and transactions:

- United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest.
- Commercial paper rated in the highest rating category by one or more nationally recognized rating agencies.
- Securities of the World Bank, the inter-American development bank, the Asian development bank, or the African development bank, if rated in the two highest rating categories by one or more nationally recognized rating agencies.
- Any Banker's Acceptance issued by a state or national bank which has a combined capital and surplus of at least \$250,000,000, is FDIC insured and is rated in one of the three highest rating categories by one or more nationally recognized agencies.
- Investment pools authorized by Colorado law.
- Guaranteed investment contracts purchased only with debt, certificates of participation or lease-purchase agreement (no refunding) proceeds.
- Commissioner approved depositories.

At December 31, 2020, the County had investments held in the Colorado Local Government Liquid Asset Trust (ColoTrust) and the investment is rated AAAM by Standard & Poor's. ColoTrust operates similarly to a money market fund with each share valued at \$1.00. These amounts are considered cash equivalents and totaled \$2,370,300 as of December 31, 2020. Separately issued financial statements for ColoTrust may be obtained at www.colotrust.com. The State Securities Commissioner administers and enforces all state statutes governing Colorado.

Concentration of Credit Risk – It is the intent of the County to diversify the investments within the portfolio to avoid incurring unreasonable risks inherent in over-investing in specific instruments. ColoTrust, as an external investment pool, does not pose a concentration of credit risk.

Note 3: Unavailable Grant Revenue

The statement of net position reports unavailable grant revenue of \$725,478 while the governmental funds balance sheet reports unavailable grant revenue of \$793,739, which represent resources that have been received but not yet earned.

Otero County, Colorado
Notes to the Financial Statements
December 31, 2020

Note 4: Capital Assets

Capital asset activity for the year ended December 31, 2020, is as follows:

	Balance 12/31/19	Additions	Deletions	Balance 12/31/20
Governmental Activities				
<i>Capital Assets, Not Being Depreciated</i>				
Land	\$ 434,954	\$ -	\$ -	\$ 434,954
Easements	5,008,996	-	-	5,008,996
Total Capital Assets, <i>Not Being Depreciated</i>	<u>5,443,950</u>	<u>-</u>	<u>-</u>	<u>5,443,950</u>
<i>Capital Assets, Being Depreciated</i>				
Buildings and Improvements	6,233,257	643,332	-	6,876,589
Equipment	9,392,401	656,626	(115,001)	9,934,026
Infrastructure	4,954,484	-	-	4,954,484
Total Capital Assets, <i>Being Depreciated</i>	<u>20,580,142</u>	<u>1,299,958</u>	<u>(115,001)</u>	<u>21,765,099</u>
<i>Less Accumulated Depreciation</i>				
Buildings and Improvements	(3,125,806)	(231,790)	-	(3,357,596)
Equipment	(6,586,815)	(430,887)	115,001	(6,902,701)
Infrastructure	(2,807,500)	(104,130)	-	(2,911,630)
Total Accumulated Depreciation	<u>(12,520,121)</u>	<u>(766,807)</u>	<u>115,001</u>	<u>(13,171,927)</u>
Total Capital Assets, <i>Being Depreciated, net</i>	<u>8,060,021</u>	<u>533,151</u>	<u>-</u>	<u>8,593,172</u>
Governmental Activities Capital Assets, <i>net</i>	<u>\$ 13,503,971</u>	<u>\$ 533,151</u>	<u>\$ -</u>	<u>\$ 14,037,122</u>

Depreciation expense charged to functions of the primary governments is as follows:

General governments	\$ 209,679
Public safety	97,140
Public works	394,021
Public health and welfare	47,821
Culture and recreation	2,828
Social Services	15,318
Total depreciation expense	<u>\$ 766,807</u>

Component Unit activity for the year ended December 31, 2020, is as follows:

Component Unit	Balance 12/31/19	Additions	Deletions	Balance 12/31/20
<i>Capital Assets, Being Depreciated</i>				
Equipment	\$ 531,701	\$ -	\$ -	\$ 531,701
Accumulated depreciation	<u>(203,076)</u>	<u>(88,798)</u>	<u>-</u>	<u>(291,874)</u>
Total	<u>\$ 328,625</u>	<u>\$ (88,798)</u>	<u>\$ -</u>	<u>\$ 239,827</u>

Otero County, Colorado
Notes to the Financial Statements
December 31, 2020

Note 5: Interfund Balances and Transfers

Inter-fund transfers and balances for the year ended December 31, 2020, consisted of annual additional County support for the Otero County Health Department for 2020.

	General Fund	Health Fund	Total
Transfer in	\$ -	\$ 56,493	\$ 56,493
Transfer out	(56,493)	-	(56,493)
Total	\$ (56,493)	\$ 56,493	\$ -

The Capital Improvement Fund issued the General Fund a loan in the amount of \$295,365 for certain energy efficiency improvements. The remaining balance on this loan is \$110,551 as of December 31, 2020. The loan is payable in annual installments of \$30,098 and matures on November 1, 2024. This loan has been eliminated in the government-wide financial statements.

Note 6: Long-Term Obligations

Activity relating to long-term obligations for the year ended December 31, 2020, is as follows:

	Balance 12/31/19	Additions	Deletions	Balance 12/31/20	Due Within One Year
Governmental Activities					
Capital leases	\$ 71,759	\$ -	\$ (10,902)	\$ 60,857	\$ 12,483
Compensated absences	478,983	479,754	(203,021)	755,716	335,560
Closure and post-closure cost	968,573	14,138	-	982,711	66,265
Total	\$ 1,519,315	\$ 493,892	\$ (213,923)	\$ 1,799,284	\$ 414,308

Closure and Post-Closure Cost – In 1994, Otero County entered into an intergovernmental agreement (IGA) with the City of La Junta, City of Rocky Ford, Town of Cheraw, Town of Swink, Town of Manzanola, and the Town of Fowler to establish and operate an approved solid waste disposal site and facility. The IGA formed the Otero County Landfill, Inc. (OCLI) to operate the three landfill sites within Otero County. The IGA transfers the liability for closure and post-closure costs to OCLI with the County and all participating entities responsible for a portion of the costs. These costs are based on an average of population and assessed valuation of each entity to the total of all entities. The current estimated total closure and post-closure costs are \$1,674,009 of which \$1,468,000 is allocated among the participating entities. Actual cost may be higher due to inflation, changes in technology, continuation of monitoring (water/methane), and/or changes in regulations. Based on the current allocation, the County's share is approximately 66% of the estimated \$1,468,000, amounting to \$982,711.

Component Unit – On August 7, 2018, the County entered a Lease Purchase Agreement with Motorola Solutions Credit Company, LLC for equipment, software, and upgrades of E911 capital assets. Interest accrues on the Lease at 4.92% per annum. Principal and interest payments are due annually in September through 2022.

Otero County, Colorado
Notes to the Financial Statements
December 31, 2020

Note 6: Long-Term Obligations (Continued)

Capital assets of \$531,701 less accumulated depreciation of \$291,874 are reported under this lease.

Component Unit	Balance 12/31/19	Additions	Deletions	Balance 12/31/20	Due Within One Year
Capital leases	\$ 247,050	\$ -	\$ (78,429)	\$ 168,621	\$ 82,287
Total	\$ 247,050	\$ -	\$ (78,429)	\$ 168,621	\$ 82,287

Note 7: Non-Spendable, Restricted, and Unrestricted Fund Balance

The County accounts for its fund balances in conformity with GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions (GASB 54). This Statement defines the different types of fund balances that a governmental entity must use for financial reporting purposes.

GASB 54 requires the fund balance amounts to be properly reported within one of the fund balance categories listed below:

- Non-spendable: The non-spendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. This category includes items such as fund balance associated with inventories and prepaids.
- Restricted: Fund balances are reported as restricted when constraints placed on the use of resources are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislations.
- Committed: Committed fund balance consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, which would be the Board of County Commissioners through a formal resolution.
- Assigned: Amounts that are constrained by the government's intent to be used for a specific purpose, but are neither restricted nor committed, are reported as assigned fund balance. Under the Commissioners' adopted policy, the authority to assign fund balances rests with the County Administrator and is delegated to staff. Interest earned on fund balances is assigned to be used by that fund unless otherwise specified in Commissioner or voter documentation.
- Unassigned fund balance is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications.

Otero County, Colorado
Notes to the Financial Statements
December 31, 2020

Note 8: Retirement Plan

The County participates in the Colorado County Officials and Employees Retirement Association (CCOERA) 401(a) Plan (the Plan), a multi-employer defined contribution retirement plan. CCOERA's seven-member governing board has the authority to establish and amend the Plan. The Otero County Commissioners elects to participate in the Plan and is able to elect certain amendments and definitions of terms, including the definition of "compensation" and "employee" and to set contribution rates based on the County's Participation Agreement. In a defined contribution plan, benefits depend solely on amounts contributed to the Plan plus investment earnings. All permanent full-time employees are required to participate as soon as they become eligible at entry date. At December 31, 2020, there were 169 County participants who had account balances in the Plan. The County Participation Agreement requires that the employees contribute 6% and the County contribute a like amount of the employee's base salary each month. Plan participants vest at the rate of 10% per year and are fully vested after 10 years of service or have reached 55 years of age. Participants who are not fully vested forfeit the remaining balance in their account. All forfeitures are placed into a separate account and used to reduce future contributions from the County.

During 2020, the County and covered employees made the required contributions, amounting to \$420,319 in County contributions and \$471,070 in employee contributions, which includes \$50,751 of employee voluntary contributions. During the year ended December 31, 2020, there were unvested participant account balances totaling \$35,186 which were forfeited, of this amount and the beginning of the year balance \$47,694 was used to reduce County contributions and the remaining balance of \$11,205 is in the forfeiture account at year-end. Subsequent to year-end the remaining balance was used to reduce the County contribution.

Note 9: Contingencies

In April of 1979, the County entered into an agreement with the Arkansas Valley Exposition and Fair Association to be the guarantor on a loan to the Association from Farmers Home Administration with a current balance of \$11,595. The proceeds were used in the construction of a 4-H building located in Rocky Ford, Colorado. The County will at all times act as guarantor of the annual repayment cost of \$11,913, which commenced January 1, 1980 and continue annually thereafter for a term of 40 years, to the extent that income derived from the use of the building does not meet the annual repayment cost. The County required an assignment of the lease between the City of Rocky Ford, Colorado and the Arkansas Valley Exposition and Fair Association as security for the loan, subordinate to the assignment required by the Farmers Home Administration.

The County is party to various legal proceedings which occur in the normal course of government operations. These legal proceedings are not likely to have a material adverse impact on the affected funds of the County. In addition, the County maintains insurance coverage for such occurrences.

Amounts received or receivable from grantor agencies are subject to audit adjustments by such grantor agencies, principally the federal and state governments. Any disallowed claims, including amounts already collected, may constitute a liability of the board. In that event, Otero County may be required to refund amounts to the federal and state governments.

Otero County, Colorado
Notes to the Financial Statements
December 31, 2020

Note 10: Risk Management

The County is exposed to various risks of loss related to property and casualty losses as well as those related to injuries of employees while on the job. The County was unable to obtain property and liability insurance at a cost it considered to be economically justifiable. Therefore, the County joined together with the other Counties in the State of Colorado to form the Colorado Counties Casualty and Property Pool (CAPP) and the County Workers' Compensation Pool, (CWCP), public entity risk pools currently operating as a common risk management and insurance program for member counties. The County pays an annual contribution to CAPP and CWCP for its property and casualty insurance coverage and workers' compensation insurance coverage. The intergovernmental agreement of CAPP provides that the pool will be financially self-sustaining through member contributions and additional assessments, if necessary, and the Pool will purchase excess insurance through commercial companies for members' claims in excess of a specified self-insured retention, which is determined each policy year. The County's claims have not exceeded its coverage in any of the last three years.

The County also handles health and life insurance claims for its employees. Premiums are charged to the County to cover medical claims with reinsurance provided by commercial carriers for individual claims in excess of \$50,000 annually.

The County records an estimated liability for health insurance claims. Claims liabilities are based on estimates of the ultimate cost of reported claims (including future claim adjustment expenses) and an estimate for claims incurred but not reported based on historical experience.

The following represents the changes in the claims liability for health insurance for the County for the years ended December 31, 2020:

	Balance
Liability balance, Beginning of year	\$ 209,711
Incurred claims	1,590,651
Payments on claims	(1,544,102)
Liability balance, End of year (IBNR)	\$ 256,260

The Incurred but Not Received (IBNR) liabilities is booked at the end of the year. The IBNR is the claims that have been incurred but not yet paid. This is a 24 month claim average / 365 x 75 days (lag time days). In 2020, the IBNR liability was \$256,260.

Note 11: Tax Spending and Debt Limitations

Article X, Section 20, of the Colorado Constitution, commonly known as the Taxpayer Bill of Rights (TABOR), contains tax, spending, revenue, and debt limitations which apply to the State of Colorado and all local governments.

Otero County, Colorado
Notes to the Financial Statements
December 31, 2020

Note 11: Tax Spending and Debt Limitations (Continued)

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases. Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

The County's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits and qualifications as an enterprise, may require judicial interpretation. In November 1995, a majority of the County's electors authorized the County to collect, retain and spend all revenues and other funds collected from any source notwithstanding the limitations of Article X, Section 20, of the Colorado Constitution.

Emergency Reserves have been provided for as required by Article X, Section 20, of the Constitution of the State of Colorado. \$324,490 of the net position and fund balance has been restricted in compliance with this requirement.

Note 12: Related Party Transactions

The County entered into an agreement with OCLI to provide employees and equipment to run the landfill as well as provide administrative services for OCLI for its share of the required contributions. For the year ended December 31, 2020, the County incurred costs of \$162,867 on behalf of OCLI.

Required Supplementary Information

Otero County, Colorado
 Budgetary Comparison Schedule
 General Fund
 For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Property Taxes	\$ 1,955,599	\$ 1,955,599	\$ 1,998,549	\$ 42,950
Specific Ownership Taxes	368,000	368,000	428,388	60,388
Sales Taxes	1,743,239	1,743,239	2,175,012	431,773
Intergovernmental taxes	5,900	5,900	10,469	4,569
Intergovernmental	1,478,154	3,046,171	2,686,076	(360,095)
Charges for services	379,176	379,176	487,138	107,962
Fines and foreclosures	2,100	2,100	1,802	(298)
Investments earnings	150,000	150,000	245,697	95,697
Miscellaneous	124,076	124,076	114,956	(9,120)
Total revenues	6,206,244	7,774,261	8,148,087	373,826
Expenditures				
General government	4,019,163	5,587,180	4,556,886	1,030,294
Public Safety	2,584,432	2,584,432	2,281,050	303,382
Public Works	176,816	176,816	177,502	(686)
Health and welfare	51,654	51,654	84,811	(33,157)
Culture and recreation	34,458	34,458	23,924	10,534
Conservation	145,619	145,619	110,893	34,726
Debt Principal	10,902	10,902	10,902	-
Debt Interest and fiscal charges	5,636	5,636	10,392	(4,756)
Total expenditures	7,028,680	8,596,697	7,256,360	1,340,337
Excess (Deficiency) of revenues over expenditures	(822,436)	(822,436)	891,727	1,714,163
Other financing sources				
Transfer out	(56,493)	(56,493)	(56,493)	-
Total other financing sources (uses)	(56,493)	(56,493)	(56,493)	-
Net changes in fund balance	(878,929)	(878,929)	835,234	\$ 1,714,163
Fund Balance, Beginning of Year	4,866,123	4,866,123	5,481,030	
Fund Balance, End of Year	\$ 3,987,194	\$ 3,987,194	\$ 6,316,264	
Contingent Fund				
Fund Balance, Beginning of Year			296,166	
Net changes in fund balance			1,983	
Fund Balance, Beginning of Year			298,149	
Combined				
Fund Balance, Beginning of Year			5,777,196	
Net Changes in fund balance			837,217	
Fund Balance, End of Year			\$ 6,614,413	

See the accompanying Independent Auditors' Report.

Otero County, Colorado
 Budgetary Comparison Schedule
 Road and Bridge Fund
 For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Property Taxes	\$ 669,048	\$ 669,048	\$ 684,191	\$ 15,143
Specific Ownership Taxes	104,000	104,000	146,777	42,777
Intergovernmental taxes	1,800,803	1,800,803	1,600,241	(200,562)
Intergovernmental	-	-	49,663	49,663
Charges for services	185,700	185,700	218,138	32,438
Miscellaneous	5,000	5,000	-	(5,000)
Total Revenues	<u>2,764,551</u>	<u>2,764,551</u>	<u>2,699,010</u>	<u>(65,541)</u>
Expenditures				
Public Works	2,819,117	2,939,117	2,776,378	162,739
Capital Outlay	136,050	356,050	436,352	(80,302)
Total expenditures	<u>2,955,167</u>	<u>3,295,167</u>	<u>3,212,730</u>	<u>82,437</u>
Excess (Deficiency) of revenues over expenditures	<u>(190,616)</u>	<u>(530,616)</u>	<u>(513,720)</u>	<u>16,896</u>
Other financing sources (uses)				
Sale of assets	20,000	20,000	38,606	18,606
Total other financing sources (uses)	<u>20,000</u>	<u>20,000</u>	<u>38,606</u>	<u>18,606</u>
Net changes in fund balance	(170,616)	(510,616)	(475,114)	\$ <u>35,502</u>
Fund Balance, Beginning of Year	<u>2,327,479</u>	<u>2,327,479</u>	<u>2,543,969</u>	
Fund Balance, End of Year	<u>\$ 2,156,863</u>	<u>\$ 1,816,863</u>	<u>\$ 2,068,855</u>	

Otero County, Colorado
 Budgetary Comparison Schedule
 Social Services Fund
 For the Year Ended December 31, 2020

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Property Taxes	\$ 401,889	\$ 411,778	\$ 9,889
Specific Ownership Taxes	80,000	88,335	8,335
Intergovernmental	<u>3,989,583</u>	<u>3,459,324</u>	<u>(530,259)</u>
Total Revenues	<u>4,471,472</u>	<u>3,959,437</u>	<u>(512,035)</u>
Expenditures			
Health and welfare	<u>4,524,030</u>	<u>3,990,441</u>	<u>533,589</u>
Total expenditures	<u>4,524,030</u>	<u>3,990,441</u>	<u>533,589</u>
Excess (Deficiency) of revenues over expenditures	<u>(52,558)</u>	<u>(31,004)</u>	<u>21,554</u>
Net changes in fund balance	(52,558)	(31,004)	\$ <u><u>21,554</u></u>
Fund Balance, Beginning of Year	<u>990,364</u>	<u>626,029</u>	
Fund Balance, End of year	<u>\$ <u>937,806</u></u>	<u>\$ <u>595,025</u></u>	

Otero County, Colorado
 Budgetary Comparison Schedule
 Capital Improvement Fund
 For the Year Ended December 31, 2020

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Property Taxes	\$ 442,827	\$ 452,903	\$ 10,076
Specific Ownership Taxes	50,000	97,168	47,168
Intergovernmental	100,000	275,746	175,746
Miscellaneous	-	4,756	4,756
	592,827	830,573	237,746
Expenditures			
General government	10,000	8,243	1,757
Capital Outlay	1,700,000	652,571	1,047,429
	1,710,000	660,814	1,049,186
Total expenditures			
Net changes in fund balance	(1,117,173)	169,759	\$ <u>1,286,932</u>
Fund Balance, Beginning of Year	1,664,384	2,157,321	
Fund Balance, End of Year	\$ 547,211	\$ 2,327,080	

Otero County, Colorado
Notes to Required Supplementary Information
December 31, 2020

Note 1: Budgetary Basis of Accounting

Budgetary information

Formal budgetary integration in all funds is employed as a management control device during the year. Budgets are adopted for all governmental fund types on a basis consistent with generally accepted accounting principles (GAAP) as applicable to governmental units. The County follows these procedures in establishing the budgetary data reflected in the financial statements:

- Prior to October 15, the County Budget Officer submits to the Board of County Commissioners a proposed operating budget for the fiscal year commencing the following January 1. The budget is prepared by fund and department, and includes actual data from the prior year, current year and budget year estimated revenues and expenditures.
- Public hearings are conducted to obtain taxpayer comments.
- Prior to December 16, the budget is legally enacted, and the required mill levy is adopted through the passage of a resolution. This resolution authorizes an appropriation at each fund level and lapses at year end. The fund then becomes the level of control upon which expenditures cannot legally exceed appropriations.
- All appropriations lapse at the end of the year.
- Budgeted amounts in this report are as originally adopted or as amended by the Board of Commissioners during the year through supplemental appropriation.

Combining and Individual Fund Statements and Schedules

Otero County, Colorado
Combining Balance Sheet
Nonmajor Funds
December 31, 2020

	Insurance Fund	Clerk Hire	Conservation Trust	General Human Services	Health Fund	AAA Services	Otero County Land Trust	Totals
Assets								
Cash and Investments	\$ 292,711	\$ 494,993	\$ 384,458	\$ 84,798	\$ 1,443,985	\$ 226,348	\$ 65,056	\$ 2,992,349
Accounts Receivable	4,788	13,027	-	117,400	306,670	253,509	-	695,394
Taxes Receivable	84,855	-	-	-	-	-	-	84,855
Total Assets	\$ 382,354	\$ 508,020	\$ 384,458	\$ 202,198	\$ 1,750,655	\$ 479,857	\$ 65,056	\$ 3,772,598
Liabilities								
Accounts Payable	\$ 1,861	\$ 998	\$ 16	\$ 5,407	\$ 17,823	\$ 209,261	\$ -	\$ 235,366
Accrued Liabilities	-	967	-	-	3,249	-	-	4,216
Due to Other Funds	27	-	-	-	-	-	-	27
Total Liabilities	1,888	1,965	16	5,407	21,072	209,261	-	239,609
Deferred Inflows of Resources								
Property Taxes	84,855	-	-	-	-	-	-	84,855
Grant Revenue	-	-	-	172,045	-	167,483	-	339,528
Total deferred Inflows of resources	84,855	-	-	172,045	-	167,483	-	424,383
Fund Balances								
Restricted - Statute	-	506,055	384,442	-	-	-	65,056	955,553
Committed	295,611	-	-	24,746	1,729,583	103,113	-	2,153,053
Total Fund Balances	295,611	506,055	384,442	24,746	1,729,583	103,113	65,056	3,108,606
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 382,354	\$ 508,020	\$ 384,458	\$ 202,198	\$ 1,750,655	\$ 479,857	\$ 65,056	\$ 3,772,598

Otero County, Colorado
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Funds
For the Year Ended December 31, 2020

	Insurance Fund	Clerk Hire	Conservation Trust	General Human Services	Health Fund	AAA Services	Otero County Land Trust	Totals
Revenues								
Property Tax	\$ 82,356	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 82,356
Specific Ownership Tax	17,667	-	-	-	-	-	-	17,667
Intergovernmental	-	-	53,639	1,058,355	1,601,801	1,306,723	-	4,020,518
Charges for Services	-	189,595	-	-	93,085	-	-	282,680
Investment Income	125	-	6,157	-	-	-	1,111	7,393
Other	66,533	-	2,687	9,514	227,310	940	-	306,984
Total Revenues	\$ 166,681	\$ 189,595	\$ 62,483	\$ 1,067,869	\$ 1,922,196	\$ 1,307,663	\$ 1,111	\$ 4,717,598
Expenditures								
Current								
General Government	\$ 206,324	\$ 157,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 363,824
Health and Welfare	-	-	-	1,111,020	1,658,691	1,299,115	-	4,068,826
Culture and Recreation	-	-	24,076	-	-	-	-	24,076
Conservation	-	-	-	-	-	-	1,517	1,517
Total Expenditures	206,324	157,500	24,076	1,111,020	1,658,691	1,299,115	1,517	4,458,243
Excess Revenues Over (Under)								
Expenditures	(39,643)	32,095	38,407	(43,151)	263,505	8,548	(406)	259,355
Other Financing Sources (Uses)								
Insurance Recovery	7,066	-	-	-	-	-	-	7,066
Transfers In	-	-	-	-	56,493	-	-	56,493
Total Other Financing Sources	7,066	-	-	-	56,493	-	-	63,559
Net Change in Fund Balances	(32,577)	32,095	38,407	(43,151)	319,998	8,548	(406)	322,914
Fund Balances, Beginning of year	328,188	473,960	346,035	67,897	1,409,585	94,565	65,462	2,785,692
Fund Balances, End of year	\$ 295,611	\$ 506,055	\$ 384,442	\$ 24,746	\$ 1,729,583	\$ 103,113	\$ 65,056	\$ 3,108,606

Otero County, Colorado
General Fund (including Contingent Fund)
Balance Sheet
December 31, 2020

	General Fund Without	Contingent	General Fund Total
Assets			
Cash	\$ 5,904,896	\$ 298,148	\$ 6,203,044
Investments	80,112	-	80,112
Cash with Trustee	75,137	-	75,137
Accounts Receivable	552,207	1	552,208
Taxes Receivable	2,043,989	-	2,043,989
Interest Receivables	22,108	-	22,108
Due from Other Funds	341	-	341
 Total Assets	 \$ 8,678,790	 \$ 298,149	 \$ 8,976,939
Liabilities			
Accounts Payable	\$ 103,444	\$ -	\$ 103,444
Accrued Liabilities	21,919	-	21,919
Due to Other Governments	75,137	-	75,137
Notes Payable - to other funds	110,551	-	110,551
Public Trustee Deposits	7,486	-	7,486
 Total Liabilities	 318,537	 -	 318,537
Deferred Inflows of Resources			
Property Taxes	2,043,989	-	2,043,989
Fund Balances			
Restricted	321,642	-	321,642
Committed	-	298,149	298,149
Unrestricted, Unassigned	5,994,622	-	5,994,622
 Total Fund Balances	 6,316,264	 298,149	 6,614,413
 Total Liabilities, Deferred Inflows of Resources, and Fund Balances	 \$ 8,678,790	 \$ 298,149	 \$ 8,976,939

Otero County, Colorado
Schedule of Revenues, Expenditures and Changes in Fund Balances
General Fund *(including Contingent Fund)*
For the Year Ended December 31, 2020

	General Fund Without	Contingent	General Fund Total
Revenues			
Property Tax	\$ 1,998,549	\$ 2	\$ 1,998,551
Specific Ownership Tax	428,388	-	428,388
Sales Tax	2,175,012	-	2,175,012
Intergovernmental Taxes	10,469	-	10,469
Intergovernmental	2,686,076	-	2,686,076
Charges for Services	487,138	-	487,138
Fines and Forfeitures	1,802	-	1,802
Investment Earnings	245,697	-	245,697
Miscellaneous	114,956	2,000	116,956
	<hr/>	<hr/>	<hr/>
Total Revenues	8,148,087	2,002	8,150,089
	<hr/>	<hr/>	<hr/>
Expenditures			
Current			
General Government	4,556,886	19	4,556,905
Public Safety	2,281,050	-	2,281,050
Public Works	177,502	-	177,502
Health and Welfare	84,811	-	84,811
Culture and Recreation	23,924	-	23,924
Conservation	110,893	-	110,893
Debt Service			
Principal	10,902	-	10,902
Interest and Fiscal Charges	10,392	-	10,392
	<hr/>	<hr/>	<hr/>
Total Expenditures	7,256,360	19	7,256,379
	<hr/>	<hr/>	<hr/>
Revenues Over (Under) Expenditures	891,727	1,983	893,710
	<hr/>	<hr/>	<hr/>
Other Financing Sources (Uses)			
Transfers Out	(56,493)	-	(56,493)
	<hr/>	<hr/>	<hr/>
Total Other Financing Sources (Uses)	(56,493)	-	(56,493)
	<hr/>	<hr/>	<hr/>
Net Change in Fund Balances	835,234	1,983	837,217
	<hr/>	<hr/>	<hr/>
Fund Balances, Beginning of year	5,481,030	296,166	5,777,196
	<hr/>	<hr/>	<hr/>
Fund Balances, End of year	\$ 6,316,264	\$ 298,149	\$ 6,614,413
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Otero County, Colorado
 Budgetary Comparison Schedule
 Insurance fund
 For the Year Ended December 31, 2020

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Property Tax	\$ 80,603	\$ 82,356	\$ 1,753
Specific Ownership Tax	12,500	17,667	5,167
Investment Income	100	125	25
Other	52,500	66,533	14,033
Total Revenues	145,703	166,681	20,978
Expenditures			
General Government	208,402	206,324	2,078
Public Works	2,500	-	2,500
Total Expenditures	210,902	206,324	4,578
Excess Revenues Over (Under) Expenditures	(65,199)	(39,643)	25,556
Other Financing Sources (Uses)			
Insurance Recovery	-	7,066	7,066
Net Change in Fund Balances	(65,199)	(32,577)	\$ <u>32,622</u>
Fund Balances, Beginning of year	326,982	328,188	
Fund Balances, End of year	\$ 261,783	\$ 295,611	

Otero County, Colorado
 Budgetary Comparison Schedule
 Clerk Hire Fund
 For the Year Ended December 31, 2020

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Charges for Services	\$ 180,000	\$ 189,595	\$ 9,595
Total Revenues	180,000	189,595	9,595
Expenditures			
Current			
General Government	172,344	157,500	14,844
Total Expenditures	172,344	157,500	14,844
Excess Revenues Over (Under) Expenditures	7,656	32,095	24,439
Net Change in Fund Balances	7,656	32,095	\$ 24,439
Fund Balances, Beginning of year	450,345	473,960	
Fund Balances, End of year	\$ 458,001	\$ 506,055	

Otero County, Colorado
 Budgetary Comparison Schedule
 Conservation Trust Fund
 For the Year Ended December 31, 2020

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$ 50,000	\$ 53,639	\$ 3,639
Investment Income	1,500	6,157	4,657
Other	2,686	2,687	1
Total Revenues	54,186	62,483	8,297
Expenditures			
Culture and Recreation	318,205	24,076	294,129
Total Expenditures	318,205	24,076	294,129
Excess Revenues Over (Under) Expenditures	(264,019)	38,407	302,426
Net Change in Fund Balances	(264,019)	38,407	\$ <u>302,426</u>
Fund Balances, Beginning of year	346,627	346,035	
Fund Balances, End of year	\$ 82,608	\$ 384,442	

Otero County, Colorado
 Budgetary Comparison Schedule
 Human Services Fund
 For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Intergovernmental	\$ 1,057,053	\$ 1,196,430	\$ 1,058,355	\$ (138,075)
Other	14,570	14,570	9,514	(5,056)
Total Revenues	<u>1,071,623</u>	<u>1,211,000</u>	<u>1,067,869</u>	<u>(143,131)</u>
Expenditures				
Health and welfare	<u>1,071,623</u>	<u>1,211,000</u>	<u>1,111,020</u>	<u>99,980</u>
Total expenditures	<u>1,071,623</u>	<u>1,211,000</u>	<u>1,111,020</u>	<u>99,980</u>
Excess (Deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>(43,151)</u>	<u>(43,151)</u>
Net changes in fund balance	-	-	(43,151)	<u>\$ (43,151)</u>
Fund Balance, Beginning of Year	<u>67,897</u>	<u>67,897</u>	<u>67,897</u>	
Fund Balance, End of Year	<u>67,897</u>	<u>\$ 67,897</u>	<u>\$ 24,746</u>	

Otero County, Colorado
 Budgetary Comparison Schedule
 Health Fund
 For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues				
Intergovernmental	\$ 1,323,168	\$ 1,323,168	\$ 1,601,801	\$ 278,633
Charges for Services	90,490	90,490	93,085	2,595
Other	47,000	47,000	227,310	180,310
Total Revenues	<u>1,460,658</u>	<u>1,460,658</u>	<u>1,922,196</u>	<u>461,538</u>
Expenditures				
Health and Welfare	1,536,171	1,736,171	1,658,691	77,480
Total Expenditures	<u>1,536,171</u>	<u>1,736,171</u>	<u>1,658,691</u>	<u>77,480</u>
Excess Revenues Over (Under)				
Expenditures	<u>(75,513)</u>	<u>(275,513)</u>	<u>263,505</u>	<u>539,018</u>
Other Financing Sources (Uses)				
Transfers In	56,493	56,493	56,493	-
Net Change in Fund Balances	(19,020)	(219,020)	319,998	<u>\$ 539,018</u>
Fund Balances, Beginning of year	<u>1,265,307</u>	<u>1,265,307</u>	<u>1,409,585</u>	
Fund Balances, End of year	<u>\$ 1,246,287</u>	<u>\$ 1,046,287</u>	<u>\$ 1,729,583</u>	

Otero County, Colorado
 Budgetary Comparison Schedule
 AAA Services Fund
 For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues				
Intergovernmental	\$ 1,456,150	\$ 1,745,804	\$ 1,306,723	\$ (439,081)
Other	2,000	2,000	940	(1,060)
Total Revenues	1,458,150	1,747,804	1,307,663	(440,141)
Expenditures				
Current				
Health and Welfare	1,479,782	1,769,436	1,299,115	470,321
Total Expenditures	1,479,782	1,769,436	1,299,115	470,321
Excess Revenues Over (Under) Expenditures	(21,632)	(21,632)	8,548	30,180
Net Change in Fund Balances	(21,632)	(21,632)	8,548	\$ <u>30,180</u>
Fund Balances, Beginning of year	17,379	17,379	94,565	
Fund Balances, End of year	\$ (4,253)	\$ (4,253)	\$ 103,113	

Otero County, Colorado
 Budgetary Comparison Schedule
 Land Trust Fund
 For the Year Ended December 31, 2020

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Investment Income	\$ 100	\$ 1,111	\$ 1,011
Total Revenues	100	1,111	1,011
Expenditures			
Conservation	2,100	1,517	583
Total Expenditures	2,100	1,517	583
Excess Revenues Over (Under)			
Expenditures	(2,000)	(406)	1,594
Net Change in Fund Balances	(2,000)	(406)	\$ 1,594
Fund Balances, Beginning of year	68,931	65,462	
Fund Balances, End of year	\$ 66,931	\$ 65,056	

Otero County, Colorado
 Budgetary Comparison Schedule
 Contingent Fund *(included as Part of the General Fund)*
 For the Year Ended December 31, 2020

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Property Tax	\$ -	\$ 2	\$ 2
Other Revenues	-	2,000	2,000
	-	2,002	2,002
Total Revenues	-	2,002	2,002
Expenditures			
General Government	295,000	19	294,981
	295,000	19	294,981
Total Expenditures	295,000	19	294,981
Excess Revenues Over (Under)			
Expenditures	(295,000)	1,983	296,983
	(295,000)	1,983	\$ 296,983
Net Change in Fund Balances	(295,000)	1,983	\$ 296,983
Fund Balances, Beginning of year	296,166	296,166	
Fund Balances, End of year	\$ 1,166	\$ 298,149	

Otero County, Colorado
 Budgetary Comparison Schedule
 Proprietary Fund
 Internal Service Fund
 For the Year Ended December 31, 2020

	Original and Final Budget	Actual	Variance Positive (Negative)
Operating revenues			
Charges for Services	\$ 176,423	\$ 176,895	\$ 472
Total operating revenues	176,423	176,895	472
Operating expenses			
General government	141,000	39,379	101,621
Capital outlay	177,700	-	177,700
Total operating expenses	318,700	39,379	279,321
Operating income (loss)	(142,277)	137,516	279,793
Non operating revenues			
Gain on sale of assets	2,000	6,350	4,350
Total non-operating revenues	2,000	6,350	4,350
Excess of revenues and other financing sources over expenditures	\$ (140,277)	143,866	\$ 284,143
Reconciliation of Revenue and Expenses - GAAP Basis to Budgetary Basis			
Change in net position per statement of revenues:		10,508	
Expenses and changes in net position			
Expenditures for budgetary purposes:			
Depreciation		133,358	
Excess of revenues over expenditures		\$ 143,866	

Otero County, Colorado
 Budgetary Comparison Schedule
 Proprietary Fund
 Medical Trust Fund
 For the Year Ended December 31, 2020

	Original and Final Budget	Actual	Variance Positive (Negative)
Operating revenues			
Charges for Services	\$ 2,258,000	\$ 2,307,957	\$ 49,957
Total operating revenues	<u>2,258,000</u>	<u>2,307,957</u>	<u>49,957</u>
Operating expenses			
General government	651,726	795,876	(144,150)
Claims	<u>1,800,000</u>	<u>1,590,651</u>	<u>209,349</u>
Total operating expenses	<u>2,451,726</u>	<u>2,386,527</u>	<u>65,199</u>
Non operating revenues			
Treasurer's collection fees	<u>200</u>	<u>5,806</u>	<u>5,606</u>
Total non-operating revenues	<u>200</u>	<u>5,806</u>	<u>5,606</u>
Change in net position	(193,526)	(72,764)	\$ <u>120,762</u>
Net position, Beginning of year	<u>1,495,990</u>	<u>1,964,739</u>	
Net position, End of year	<u>\$ 1,302,464</u>	<u>\$ 1,891,975</u>	

Otero County, Colorado
 Budgetary Comparison Schedule
 Component Unit
 Small Business Development Fund
 For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Operating revenues				
Intergovernmental	\$ 290,000	\$ 996,528	\$ 747,128	\$ (249,400)
Charges for Services	8,000	8,000	915	(7,085)
Miscellaneous	100,000	100,000	11,048	(88,952)
Total operating revenues	398,000	1,104,528	759,091	(345,437)
Operating expenses				
Economic Development	369,350	1,075,878	706,528	369,350
Total operating expenses	369,350	1,075,878	706,528	369,350
Operating income (loss)	\$ 28,650	\$ 28,650	52,563	\$ 23,913
Reconciliation of Revenue and Expenses - GAAP Basis to Budgetary Basis				
Change in net position per statement of revenues:			52,563	
Expenses and changes in net position				
Excess of revenues over expenditures			\$ 52,563	

Otero County, Colorado
 Budgetary Comparison Schedule
 Component Unit
 E911 Fund
 For the Year Ended December 31, 2020

	Original and Final Budget	Actual	Variance <i>Positive</i> <i>(Negative)</i>
Operating revenues			
Charges for Services	\$ 135,000	\$ 153,241	\$ 18,241
Miscellaneous	350	143	(207)
	135,350	153,384	18,034
Operating expenses			
Public Safety	247,491	114,121	133,370
Debt Service	90,581	12,152	78,429
Capital Outlay	25,000	-	25,000
	363,072	126,273	236,799
Total operating expenses			
Operating income (loss)	\$ (227,722)	27,111	\$ 254,833
Reconciliation of Revenue and Expenses - GAAP Basis to Budgetary Basis			
Change in net position per statement of revenues:		(61,687)	
Expenses and changes in net position			
Depreciation		88,798	
Excess of revenues over expenditures		\$ 27,111	

Otero County, Colorado
Combining Statement of Changes in Assets and Liabilities
Agency Fund
For the Year Ended December 31, 2020

	Balance 12/31/19	Additions	Deductions	Balance 12/31/20
Treasurer				
<i>Assets</i>				
Cash and Investments	\$ <u>325,317</u>	\$ <u>23,018,870</u>	\$ <u>(22,939,130)</u>	\$ <u>405,057</u>
<i>Liabilities</i>				
Due to other governmental entities	<u>325,317</u>	<u>23,018,870</u>	<u>(22,939,130)</u>	<u>405,057</u>
Clerk				
<i>Assets</i>				
Cash and Investments	<u>353,528</u>	<u>5,017,797</u>	<u>(5,077,667)</u>	<u>293,658</u>
<i>Liabilities</i>				
Due to other governmental entities	<u>353,528</u>	<u>5,017,797</u>	<u>(5,077,667)</u>	<u>293,658</u>
Total				
<i>Assets</i>				
Cash and Investments	<u>678,845</u>	<u>28,036,667</u>	<u>(28,016,797)</u>	<u>698,715</u>
<i>Liabilities</i>				
Due to other governmental entities	\$ <u>678,845</u>	\$ <u>28,036,667</u>	\$ <u>(28,016,797)</u>	\$ <u>698,715</u>

Compliance Section



**HINKLE &
COMPANY**
Strategic PC
Business Advisors

**Independent Auditors' Report on Internal Control over
Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed
in Accordance with *Government Auditing Standards***

Board of County Commissioners
Otero County, Colorado
La Junta, 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, each major fund, and the aggregate remaining fund information of Otero County as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the basic financial statements of Otero County, and have issued our report thereon dated July 29, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Otero County's internal control over financial reporting 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 Otero County's internal control. Accordingly, we do not express an opinion on the effectiveness of Otero County's internal control over financial reporting.

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 Otero County's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or 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 Otero County's internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

Purpose of this Report

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

Hick & Company, PC

Greenwood Village, Colorado
July 29, 2021





**Independent Auditors' Report on Compliance for Each
Major Federal Program, Internal Control over Compliance,
and the Schedule of Expenditures of Federal Awards
Required by the Uniform Guidance**

Board of County Commissioners
Otero County, Colorado
La Junta, Colorado

Report on Compliance for Each Major Federal Program

We have audited Otero County's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of Otero County's major federal programs for the year ended December 31, 2020. Otero County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of federal awards applicable to its federal programs.

Auditors' Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, Otero 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, 2020.

Report on Internal Control Over Compliance

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or 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 Otero County's 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Otero County as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the basic financial statements of Otero County. We issued our report thereon dated July 29, 2021, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Otero County's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling the information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Hick & Company, PC

Greenwood Village, Colorado
July 29, 2021



Otero County, Colorado
 Schedule of Findings and Questioned Costs
 For the Year Ended December 31, 2020

Section I: Summary of Auditors' Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with accounting principles generally accepted in the United States of America (GAAP): Unmodified

Internal control over financial reporting:

- Material weaknesses identified? Yes No
- Significant deficiencies identified? Yes None Reported

Noncompliance material to the financial statements noted? Yes No

Federal Awards

Internal control over major federal programs:

- Material weaknesses identified? Yes No
- Significant deficiencies identified? Yes None Reported

Type of auditors' report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? Yes No

Identification of major federal programs:

<u>CFDA Number</u>	<u>Name of Federal Cluster/Program</u>
93.558	TANF Cluster
21.019	CARES Act Funding

Dollar threshold used to distinguish
 Between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? Yes No

Otero County, Colorado
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2020
(Continued)

Section II: Financial Statement Findings

No current year findings or questioned costs were reported.

Section III: Federal Awards Findings and Questioned Costs

No current year findings or questioned costs were reported.

Otero County, Colorado
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2020

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Pass-Through to Subrecipients	Amount Expended
U.S. DEPARTMENT OF AGRICULTURE:				
Passed-through the State of Colorado Department of Human Services -				
Supplemental Nutrition Assistance Program - Federal Incentives	10.551	N/A	\$ -	\$ 3,974
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	N/A	\$ -	\$ 370,863
Passed-through the State of Colorado Department of Public Health -				
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	08-FLA 00475	\$ -	\$ 602,005
Total U.S. Department of Agriculture			\$ -	\$ 976,842
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Passed-through the State of Colorado Department of Human Services -				
Public Health Crisis Response Awards	93.354	fhja 2020001698	\$ -	\$ 78,909
Aging - Cluster				
Passed-through the State of Colorado Department of Human Services -				
Special Programs For The Aging Title III Part B - Grants For Supportive Services and Senior Centers	93.044	20 IHEA 141938, 21 IHEA 160185	\$ 78,306	\$ 100,912
Special Programs For The Aging Title III - Administration	93.044	20 IHEA 141938, 21 IHEA 160185	\$ -	\$ 27,816
Special Programs For The Aging Title III Part C - Nutrition Services	93.045	20 IHEA 141938, 21 IHEA 160185	\$ 267,409	\$ 267,409
Nutrition Services Incentive Program	93.053	20 IHEA 141938, 21 IHEA 160185	\$ 80,306	\$ 80,306
Total Aging - Cluster			\$ 426,021	\$ 476,443
CCDF - Cluster				
Passed-through the State of Colorado Department of Human Services -				
Child Care and Development Block Grant	93.575	N/A	\$ -	\$ 162,209
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	N/A	\$ -	\$ 71,353
Total CCDF - Cluster			\$ -	\$ 233,562
Other Programs				
Passed-through the State of Colorado Department of Local Affairs -				
Community Services Block Grant	93.569	CMS # 106921, O.L. CMS # 161474		\$ 125,199
Passed-through the State of Colorado Department of Human Services -				
Special Programs For The Aging Title VII Chapter 3 - Programs for the Prevention of Elder Abuse, Neglect & Exploitation	93.041	20 IHEA 141938, 21 IHEA 160185	\$ -	\$ 1,133
Special Programs For The Aging Title VII Chapter 2 - Long Term Care Ombudsman Services for Older Individuals	93.042	20 IHEA 141938, 21 IHEA 160185	\$ -	\$ 8,168
Special Programs For The Aging Title III Part D - Disease Prevention & Health Promotion Services	93.043	20 IHEA 141938, 21 IHEA 160185	\$ 7,896	\$ 7,896
Special Programs for the Aging Title IV and Title III Discretionary Projects	93.048	20-139143, PO IHEA 202100002742	\$ -	\$ 45,466
National Family Caregiver Support Title III Part E	93.052	20 IHEA 141938, 21 IHEA 160185	\$ 31,254	\$ 31,254
Guardianship Assistance	93.090	N/A	\$ -	\$ 30,228
Temporary Assistance For Needy Families	93.558	N/A	\$ -	\$ 879,786
Low Income Home Energy Assistance	93.568	N/A	\$ -	\$ 849,777
Child Support Enforcement	93.563	N/A	\$ -	\$ 212,328
Stephanie Tubbs Jones Child Welfare Services Program	93.645	N/A	\$ -	\$ 8,262
Foster Care - Title IV-E	93.658	N/A	\$ -	\$ 229,683
Adoption Assistance	93.659	N/A	\$ -	\$ 120,105
Social Services Block Grant	93.667	N/A	\$ -	\$ 53,167
Injury Prevention and Control Research and State and Community Based Program	93.136	N/A	\$ -	\$ 39,124
Passed-through the State of Colorado Department of Public Health and Environment -				
Public Health Emergency Preparedness	93.074	CT 2020*266	\$ -	\$ 183,674
Immunization Cooperative Agreements	93.268	19 FHHA 108898	\$ -	\$ 65,871
Epidemiology and Laboratory Capacity	93.323	fhja 20200013626	\$ -	\$ 98,648

Otero County, Colorado
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2020

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Pass-Through to Subrecipients	Amount Expended
<i>(Continued)</i>				
Passed-through the State of Colorado Department of Public Health Care Policy and Financing -				
Children's Health Insurance Program	93.767	0	\$ -	\$ -
Medical Assistance Program	93.778	19-110371A1; 20-GAE1002	\$ 20,541	\$ 855,019
Adjustment per State	93.xxx	N/A	\$ -	\$ -
Passed-through the Centers for Medicare and Medicaid Services				
ACA - State Innovation Models	93.624	N/A	\$ -	\$ 6,656
Passed-through the Administration for Children and Families				
Promoting Safe and Stable Families	93.556	N/A	\$ -	\$ 33,338
Total Other Programs			<u>\$ 59,691</u>	<u>\$ 3,884,782</u>
Total U.S. Department of Health and Human Services			<u>\$ 485,712</u>	<u>\$ 4,673,696</u>
UNITED STATES DEPARTMENT OF THE TREASURY				
Passed-through the Colorado Department of Local Affairs				
CARES Act Funding	21.019	CVRF CM-042	\$ 962,422	\$ 1,440,746
Passed-through the Colorado Department of Health and Human Services				
CARES Act Funding	21.019	N/A	\$ -	\$ 283,756
Total U.S. Department of the Treasury			<u>\$ 962,422</u>	<u>\$ 1,724,502</u>
Passed-through the Association of Food and Drug Officials				
Research and Development - Food and Drug Administration Research	93.103	G-MP-1910-08072	\$ -	\$ 7,825
DEPARTMENT OF HOMELAND SECURITY FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA)				
Passed-through Colorado Department of Public Safety				
Emergency Management Performance Grant	97.042	20EM-21-40	\$ -	\$ 7,500
Total U.S. Department of Homeland Security FEMA			<u>\$ -</u>	<u>\$ 7,500</u>
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Passed-through Colorado Department of Local Affairs				
Community Development Block Grant	14.228		\$ -	\$ 40,600
Total U.S. Department of Housing and Urban Development			<u>\$ -</u>	<u>\$ 40,600</u>
UNITED STATES DEPARTMENT OF AGRICULTURE				
Direct Assistance -				
Schools and Roads - Grants to Counties	10.666	N/A	\$ -	\$ 6,209
Total United States Department of Agriculture			<u>\$ -</u>	<u>\$ 6,209</u>
U.S. DEPARTMENT OF VETERANS AFFAIRS				
Direct Assistance -				
VHA Home Care	64.044	N/A	\$ 321,201	\$ 346,435
Total U.S. Department of Veterans Affairs			<u>\$ 321,201</u>	<u>\$ 346,435</u>
Total Expenditures of Federal Awards			<u>\$ 1,769,335</u>	<u>\$ 7,783,609</u>

Otero County, Colorado
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2020

Note 1: Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Otero County, Colorado under programs of the federal government for the year ended December 31, 2020. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Administrative Requirements for Federal Awards (the Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Otero County, Colorado, it is not intended to and does not present the financial position, changes in financial position, or cash flows of Otero County, Colorado.

Note 2: Summary of Significant Accounting Policies

Expenditures reported on the Schedule are generally reported using the cash basis of accounting. Such expenditures are recognized following, as applicable, either the Cost Principles in Office of Management and Budget Circular A-87, Cost Principles for State, Local and Indian Tribal Governments or the cost principles contained in the Uniform Guidance. As such, certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3: Indirect Cost Rate

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

State Compliance

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

LOCAL HIGHWAY FINANCE REPORT

City or County:
OTERO COUNTY
YEAR ENDING :
December 2020

This Information From The Records of the County of Otero: Prepared By: TINA MASCARENAS
Phone: 719-383-3005

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway disbursements:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	2,662,073
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	132,860
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	26,675
2. General fund appropriations		b. Snow and ice removal	
3. Other local imposts (from page 2)	788,335	c. Other	158,109
4. Miscellaneous local receipts (from page 2)	97,877	d. Total (a. through c.)	184,784
5. Transfers from toll facilities		4. General administration & miscellaneous	69,839
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	
a. Bonds - Original Issues		6. Total (1 through 5)	3,049,556
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	
7. Total (1 through 6)	886,212	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	1,638,271	2. Notes:	
D. Receipts from Federal Government (from page 2)	7,634	a. Interest	
E. Total receipts (A.7 + B + C + D)	2,532,117	b. Redemption	
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	0
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	
			3,049,556

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

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

V. LOCAL ROAD AND STREET FUND BALANCE

A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
2,586,293	2,532,117	3,049,556	2,068,854	0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT		STATE: Colorado	
		YEAR ENDING (mm/yy): December 2020	
II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments	641,558	a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	38,606
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	146,777	g. Other Misc. Receipts	59,271
6. Total (1. through 5.)	146,777	h. Other	
c. Total (a. + b.)	788,335	i. Total (a. through h.)	97,877
	(Carry forward to page 1)		(Carry forward to page 1)
III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	1,600,241	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	38,030	d. Federal Transit Admin	
d. Other - Waste Tire Grant	0	e. U.S. Corps of Engineers	
e. Other (Specify) -	0	f. Other Federal	7,634
f. Total (a. through e.)	38,030	g. Total (a. through f.)	7,634
4. Total (1. + 2. + 3.f)	1,638,271	3. Total (1. + 2.g)	
			(Carry forward to page 1)
		ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)
		TOTAL (c)	
A.1. Capital outlay:			
a. Right-Of-Way Costs			0
b. Engineering Costs		63,390	63,390
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements		538,940	538,940
(3). System Preservation		1,616,821	1,616,821
(4). System Enhancement & Operation		442,922	442,922
(5). Total Construction (1) + (2) + (3) + (4)	0	2,598,683	2,598,683
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	2,662,073	2,662,073
			(Carry forward to page 1)
Notes and Comments:			