

Fremont County, Colorado

Financial Statements

December 31, 2021

Board of County Commissioners

Debbie Bell

Kevin Grantham

Dwayne McFall

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FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

Board of County Commissioners
Fremont County
Canon City, Colorado

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Fremont County, Colorado (the "County") as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Fremont County, Colorado as of December 31, 2021, and the respective changes in financial position for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Fremont County, Colorado, and to meet our ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures of the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages M1 – M9, and the budgetary comparison schedules on pages 30 – 33 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the GASB who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual fund schedules, the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and local highway finance report, as listed in the table of contents, are presented for purposes of additional analysis and are 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 other 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 such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund schedules, the schedule of expenditures of federal awards, and the local highway finance report are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have issued our report dated January 9, 2023, on our consideration of Fremont County, Colorado's internal control over financial reporting and on our test of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Fremont County, Colorado's internal control over financial reporting and compliance.

Logan and Associates, LLC

Aurora, Colorado
January 9, 2023

Fremont County, Colorado
Management's Discussion and Analysis
For the Year Ended December 31, 2021

Management of Fremont County provides readers this narrative overview and analysis of the financial activities for Fremont County as of December 31, 2021. In compliance with Governmental Accounting Standards Board Number 34, also known as GASB 34, the Management Discussion and Analysis (MD&A) is designed to provide an easy-to-read discussion of the County's financial condition and operating results and to disclose to the reader important financial activities and issues related to the County's basic operations. The MD&A should be read in conjunction with the County's basic financial statements.

The County has one financial category - government-type activities. Within the government type activities, the Board of County Commissioners has designated a General Fund and several Special Revenue Funds. The government type activities are funded primarily through the County's ad-valorem property tax, sales and use taxes, specific ownership taxes, grants and contributions, and charges for services.

Financial Highlights

As of December 31, 2021, Fremont County's government-wide net position totaled \$41,715,038.

- Total net position for the County increased by \$6,672,864. The total assets increased by \$12,071,550 and the total liabilities increased by \$3,981,324 compared to 2020.
- The net position includes \$16,020,123 of the net investment in capital assets, \$8,210,484 in restricted funds, and \$17,484,431 in unrestricted.
- Fremont County's general sources of revenue are made up of ad-valorem property tax, sales and use taxes and specific ownership taxes totaling \$24,725,207. Intergovernmental revenues totaled \$15,462,478, charges for services totaled \$3,065,461, and other revenues totaled \$1,927,278.
- Total revenues increased by \$2,814,163 from 2020.
- The General Fund Reserve Balance, which includes the Sheriff, Fair Board, Livestock Sale Committee, Capital Expenditures, Payment in Lieu of Taxes, Waste Disposal, and Public Building and Maintenance Funds, increased to \$13,307,361 at the end of 2021, an increase of \$3,868,155 for the year. Total General Fund Balance is approximately 55% of 2021 General Fund spending of \$24,414,011.
- The Department of Transportation Fund Reserve Balance increased to \$2,395,226 at the end of 2021, a decrease of \$619,305 for the year. The total Transportation Fund Reserve Balance is approximately 61% of 2021 Transportation Fund spending of \$3,903,215.
- The Statement of Activities reports that the County had \$38,507,560, related to Governmental Activities in 2021.

Using This Annual Report

This annual report consists of three required parts – management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the County:

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the County's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the County government, reporting the County's operations in more detail than the government-wide statements.

The basic financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information (RSI) that further explains and supports the information in the financial statements. Following the RSI are additional statements that are required by oversight agencies but are not a required part of the financial statement under generally accepted accounting principles.

Government-Wide Financial Statements

The government-wide financial statements consist of the Statement of Net Position and the Statement of Activities. These statements report information about the County as a whole and include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the County's net position and changes in net position. The County's net position – the difference between assets and liabilities – is one way to measure the County's financial health, or financial position. Over time, increases and decreases in the County's net position are one indicator of whether its financial health is improving or deteriorating. Other non-financial factors, however, such as changes in the County's property tax base are needed to assess the overall health of the County.

Fund Financial Statements

The fund financial statements provide more detailed information about the County's funds, focusing on its most significant funds – not the County as a whole.

Governmental fund – All of the County's activity is reported in governmental funds, which focuses on how money flows into and out of each of the funds and the balances left at year-end that are available for use in future years. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all of other financial assets that can readily be converted to cash. The governmental fund statement provides a detailed short-term view of the County's general governmental operations and the basic services it provides. Governmental fund

information helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs.

Analysis of Net Position

The focus of this financial analysis is on comparisons of the activities for the current year, 2021, with those of the prior year, 2020, and comparison of balances at year-end, December 31st, for the same two years.

The net position may serve over time as a useful indicator of the government's financial position. In the case of Fremont County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$41,715,038 as of December 31, 2021.

The County's net position can be separated into three primary categories: 1) Net investment in capital assets 2) Restricted net position and 3) Unrestricted net position.

The largest portion of the County's net position reflects its investment of \$16,020,123 in Net investment in capital assets (e.g., land, buildings, improvements, equipment, and infrastructure); less any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Analysis of Changes in Net Position

The County's net position increased by \$6,672,864 from 2020 to 2021.

STATEMENTS OF NET POSITION

The perspective of the statements of net position is of the County as a whole. The following is a summary of the County's net assets for the last two years:

	GOVERNMENTAL ACTIVITIES	
	2021	2020
ASSETS		
Cash and Investments	\$ 27,728,237	\$ 16,680,925
Restricted Cash and Investments	3,952,156	2,865,800
Receivables		
Property Taxes	6,835,410	5,927,269
Accounts Receivable	3,913,787	4,668,192
Prepaid Expenses	176,813	1,244,528
Inventory	276,411	231,111
Capital Assets, Not Depreciated	4,979,275	1,877,279
Capital Assets, Depreciated		
Net of Accumulated Depreciation	31,678,117	33,973,552
TOTAL ASSETS	79,540,206	67,468,656
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Amounts on Refunding	-	104,445
LIABILITIES		
Accounts Payable	647,428	743,796
Accrued Expenses	1,038,097	1,005,990
Accrued Interest Payable	122,492	41,506
Due to Others	698,092	782,308
Accrued Compensated Absences	979,580	1,072,499
Unearned Revenues	6,462,024	1,856,699
Noncurrent Liabilities		
Due within One Year	1,410,000	1,675,000
Due in More Than One Year	19,227,269	19,425,860
TOTAL LIABILITIES	30,584,982	26,603,658
DEFERRED INFLOW OF RESOURCES		
Deferred Amounts on Refunding	404,776	-
Deferred Property Tax Revenue	6,835,410	5,927,269
TOTAL DEFERRED INFLOWS OF RESOURCES	7,240,186	5,927,269
NET POSITION		
Net Investment in Capital Assets	16,020,123	14,749,971
Restricted	8,210,484	7,825,293
Unrestricted, Unreserved	17,484,431	12,466,910
NET POSITION	\$ 41,715,038	\$ 35,042,174

STATEMENTS OF ACTIVITIES

The perspective of the statements of activities is of the County as a whole. The following table reflects the change in net position for the last two years:

FUNCTIONS/PROGRAMS	Expenses	Charges for Services	Program Revenues		Net (Expense) Revenue and Change In Net Position	
			Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	
					Totals	
					2021	2020
PRIMARY GOVERNMENT						
Governmental Activities						
General Government	\$ 8,815,456	\$ 2,637,108	\$ 2,569,661	\$ -	\$ (3,608,687)	\$ (4,829,335)
Public Safety	12,905,957	434,564	282,407	-	(12,188,986)	(11,562,746)
Airport	956,129	429,475	51,366	-	(475,288)	245,587
Health and Welfare	8,717,788	185,874	7,729,546	-	(802,368)	(1,333,090)
Highways and Streets	5,227,461	401,271	3,021,013	-	(1,805,177)	(1,742,193)
Culture and Recreation	151,603	-	-	222,894	71,291	32,365
Intergovernmental	34,275	-	-	-	(34,275)	(34,163)
Debt Issue Cost	317,561	-	-	-	(317,561)	-
Interest on Long Term Debt	1,381,330	-	-	-	(1,381,330)	(845,714)
Total Governmental Activities	\$ 38,507,560	\$ 4,088,292	\$ 13,653,993	\$ 222,894	\$ (20,542,381)	\$ (20,069,289)
GENERAL REVENUES						
			Property Taxes		5,947,935	5,919,114
			Specific Ownership Taxes		955,515	903,939
			Sales and Use Taxes		17,449,673	14,304,544
			Other Taxes		1,957,675	1,833,254
			Interest Income		97,500	132,713
			Other		806,947	378,195
			TOTAL GENERAL REVENUES		27,215,245	23,471,759
			CHANGE IN NET POSITION		6,672,864	3,402,470
			NET POSITION, Beginning		35,042,174	31,639,704
			NET POSITION, Ending		\$ 41,715,038	\$ 35,042,174

CAPITAL ASSETS AND DEBT ADMINISTRATION – COUNTY WIDE

The following table summarizes the County's capital assets:

Description	Balance, Beginning of Year	Additions	Deletions	Balance, End of Year
Governmental Activities				
Capital Assets, Not Being Depreciated				
Land	\$ 1,352,862	\$ -	\$ -	\$ 1,352,862
Construction in Progress	524,417	3,626,413	(524,417)	3,626,413
Total Capital Assets, Not Being Depreciated	1,877,279	3,626,413	(524,417)	4,979,275
Capital Assets, Being Depreciated				
Buildings and Improvements	47,055,262	645,701	-	47,700,963
Equipment and Furniture	9,466,359	319,553	(100,016)	9,685,896
Infrastructure	88,809,558	530,515	-	89,340,073
Total Capital Assets, Being Depreciated	145,331,179	1,495,769	(100,016)	146,726,932
Less Accumulated Depreciation for				
Buildings and Improvements	(26,745,797)	(2,079,281)	-	(28,825,078)
Equipment and Furniture	(8,509,902)	(453,679)	92,145	(8,871,436)
Infrastructure	(76,101,928)	(1,250,373)	-	(77,352,301)
Total Accumulated Depreciation	(111,357,627)	(3,783,333)	92,145	(115,048,815)
Total Capital Assets, Being Depreciated, Net	33,973,552	(2,287,564)	(7,871)	31,678,117
Governmental Activities Capital Assets, Net	35,850,831	1,338,849	(532,288)	36,657,392

DEBT OUTSTANDING

The County's long-term debt consists of the following:

Description	Beginning Balance	Additions	Payments	Ending Balance	Due Within One Year
Series 2013 COPS (US Bank)	9,205,000	-	9,205,000	-	-
Series 2013 COPS (US Bank) Discount	(124,141)	-	(124,141)	-	-
Series 2013 COPS (UMB)	4,100,000	-	4,100,000	-	-
Series 2013 COPS (UMB) Premium	155,001	-	155,001	-	-
Series 2016 COPS (UMB-Sheriff)	2,265,000	-	740,000	1,525,000	755,000
Series 2019 COPS	5,500,000	-	275,000	5,225,000	280,000
Series 2021 COPS		11,680,000		11,680,000	375,000
Series 2021 COPS Premium		2,207,269		2,207,269	
Compensated Absences	1,072,499	-	92,919	979,580	-
 Total Governmental Activities	 22,173,359	 13,887,269	 14,443,779	 21,616,849	 1,410,000

Certificates of Participation

Certificates of Participation Series 2013A in the principal amount of \$10,680,000 dated October 24, 2014 and maturing each December 15 from 2014 through 2021 and 2032 through 2038 were issued for the purpose to refund and pay off the Certificates of Participation Series 2003. Interest rates vary from 1.1% to 5.75%. During the year ending December 31, 2021, these certificates of Participation were refinanced with the issuance of the Series 2021 Refunding and Improvement Certificates of Participation.

Certificates of Participation Series 2013B in the principal amount of \$7,145,000 dated October 24, 2014 and maturing each December 15 beginning 2014 through 2032 were issued for the purpose to refund and pay off the Certificates of Participation Series 2010, acquire and equip an additional building for County purposes, abate asbestos in the County's Administration Building, and acquire vehicles for County departments. Interest rates vary from 3% to 5%. During the year ending December 31, 2021, these certificates of Participation were refinanced with the issuance of the Series 2021 Refunding and Improvement Certificates of Participation.

Certificates of Participation Series 2016 in the principal amount of \$5,105,000 dated June 3, 2016 and maturing each June 3 and December 3 from 2017 through 2023 were issued for the purpose of acquiring and equipping certain improvements and upgrades to the County jail, including the kitchen facilities, laundry facilities and security system. Interest rate 1.710%.

Certificates of Participation Series 2019 in the principal amount of \$5,765,000 dated December 27, 2019 and maturing each June 3 and December 3 from 2020 to 2031 were issued for the purpose to refund and pay off the Certificates of Participation Series 2012. Interest rate 2.330%. This refunding resulted in a net present value savings of interest in the amount of \$428,908.

Refunding and Improvement Certificates of Participation Series 2021 in the principal amount of \$11,680,000 dated October 12, 2021, and premium of \$2,207,269, maturing annually on December 15, from 2022 to 2038 were issued for the purpose to refund and pay off the Certificates of Participation Series 2013A and B and provide funding for construction projects. Interest rates ranging from 4.0% to 5.0%. This refinancing resulted in a net present value savings of interest in the amount of \$3,537,680.

Budgetary Highlights

Fremont County adopted a supplemental appropriation in order to allow for previously unforeseen events. Every attempt is made to relate the budget to both the short- and long-term priorities of the Board of County Commissioners.

For 2021 the original adopted budget totaled \$49,511,831. A Budget Amendment was adopted in the amount of \$899,000, for a final budget amount of \$50,410,831.

Economic and Other Factors

Fremont County Issue 1A was passed favorably by voters in November 2014. The issue allows the county to retain and spend all revenues received by the county from the current property tax mill levy rate at the level of 12.294 mills, which was the mill levy rate in 1992 when TABOR was passed by Colorado voters (Taxpayers Bill of Rights; Amendment 1; Article X, Section 20). The approval exempted the property tax revenue and sales and use tax increase from the TABOR limitation of growth and inflation as defined in the Amendment. This was effective beginning January 1, 2015.

In November 2013 Fremont County Voters passed Fremont County Ballot Issue 1A, which increased the sales tax rate from 1.5% to 2.5%, and allocates the collections of the additional 1% to go to the Sheriff's Department to be used for operations and capital expenditures. The revenue collected in 2021 was \$6,978,209.

Sales and use tax revenues increased in 2021 by \$3,145,129 from 2020. Seventy-five percent of sales and use tax revenues are designated for deposit into the General Fund. The remaining twenty-five percent is earmarked for the Sales & Use Tax Capital Improvement Fund.

The Assessed Valuation for tax year 2021 collected in 2022 increased by \$75,976,476. The current assessed value is \$563,145,925, which totals \$6,835,410 in property tax revenues. This amount is assessed in 2021 and collected in 2022.

In November 2000, Colorado voters approved Amendment 20, which allows the use and sale of medical marijuana. Fremont County adopted regulations in 2015, which licensed and regulated Medical Marijuana Facilities and collected fees for these facilities. The total collections in 2021 were \$82,600.

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a “Public Health Emergency of International Concern” and on March 10, 2020, declared it to be a pandemic. The coronavirus and actions taken by government and public health officials to mitigate it have had and are expected to continue to have an adverse impact on the economies and financial markets in many countries, including the geographical area in which the County is located. It is unknown how long these conditions will last and what the complete financial impact will be to the County.

CONTACTING THE COUNTY’S FINANCIAL MANAGEMENT

This financial report is designed to provide the general public with a general overview of the County’s finances and to reflect the County’s accountability for the revenues it receives. If you have any questions regarding this report or need additional financial information, please contact:

Fremont County, Colorado
Budget and Finance Officer
615 Macon Avenue, Room 101
Cañon City, CO 81212
Tel: (719) 276-7353
Fax: (719) 276-7412

BASIC FINANCIAL STATEMENTS

FREMONT COUNTY, COLORADO

STATEMENTS OF NET POSITION

As of December 31, 2021

	GOVERNMENTAL ACTIVITIES	
	2021	2020
ASSETS		
Cash and Investments	\$ 27,728,237	\$ 16,680,925
Restricted Cash and Investments	3,952,156	2,865,800
Receivables		
Property Taxes	6,835,410	5,927,269
Accounts Receivable	3,913,787	4,668,192
Prepaid Expenses	176,813	1,244,528
Inventory	276,411	231,111
Capital Assets, Not Depreciated	4,979,275	1,877,279
Capital Assets, Depreciated		
Net of Accumulated Depreciation	31,678,117	33,973,552
TOTAL ASSETS	79,540,206	67,468,656
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Amounts on Refunding	-	104,445
LIABILITIES		
Accounts Payable	647,428	743,796
Accrued Expenses	1,038,097	1,005,990
Accrued Interest Payable	122,492	41,506
Due to Others	698,092	782,308
Accrued Compensated Absences	979,580	1,072,499
Unearned Revenues	6,462,024	1,856,699
Noncurrent Liabilities		
Due within One Year	1,410,000	1,675,000
Due in More Than One Year	19,227,269	19,425,860
TOTAL LIABILITIES	30,584,982	26,603,658
DEFERRED INFLOWS OF RESOURCES		
Deferred Amounts on Refunding	404,776	-
Deferred Property Tax Revenue	6,835,410	5,927,269
TOTAL DEFERRED INFLOWS OF RESOURCES	7,240,186	5,927,269
NET POSITION		
Net Investment in Capital Assets	16,020,123	14,749,971
Restricted	8,210,484	7,825,293
Unrestricted, Unreserved	17,484,431	12,466,910
NET POSITION	\$ 41,715,038	\$ 35,042,174

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

FREMONT COUNTY, COLORADO

STATEMENTS OF ACTIVITIES
Year Ended December 31, 2021

FUNCTIONS/PROGRAMS	Expenses	Program Revenues			Net (Expense) Revenue and Change In Net Position Governmental Activities	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Totals	
PRIMARY GOVERNMENT					2021	2020
Governmental Activities						
General Government	\$ 8,815,456	\$ 2,637,108	\$ 2,569,661	\$ -	\$ (3,608,687)	\$ (4,829,335)
Public Safety	12,905,957	434,564	282,407	-	(12,188,986)	(11,562,746)
Airport	956,129	429,475	51,366	-	(475,288)	245,587
Health and Welfare	8,717,788	185,874	7,729,546	-	(802,368)	(1,333,090)
Highways and Streets	5,227,461	401,271	3,021,013	-	(1,805,177)	(1,742,193)
Culture and Recreation	151,603	-	-	222,894	71,291	32,365
Intergovernmental	34,275	-	-	-	(34,275)	(34,163)
Debt Issue Costs	317,561	-	-	-	(317,561)	-
Interest on Long Term Debt	1,381,330	-	-	-	(1,381,330)	(845,714)
Total Governmental Activities	\$ 38,507,560	\$ 4,088,292	\$ 13,653,993	\$ 222,894	\$ (20,542,381)	\$ (20,069,289)
			GENERAL REVENUES			
			Property Taxes		5,947,935	5,919,114
			Specific Ownership Taxes		955,515	903,939
			Sales and Use Taxes		17,449,673	14,304,544
			Other Taxes		1,957,675	1,833,254
			Interest Income		97,500	132,713
			Other		806,947	378,195
			TOTAL GENERAL REVENUES		27,215,245	23,471,759
			CHANGE IN NET POSITION		6,672,864	3,402,470
			NET POSITION, Beginning		35,042,174	31,639,704
			NET POSITION, Ending		\$ 41,715,038	\$ 35,042,174

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

FREMONT COUNTY, COLORADO

BALANCE SHEETS
GOVERNMENTAL FUNDS
As of December 31, 2021

	GENERAL FUND	TRANSPORATION FUND	HUMAN SERVICES FUND
ASSETS			
Cash and Investments	\$ 17,000,360	\$ 1,946,775	\$ 4,031,107
Restricted Cash and Investments	-	-	70,203
Due From Other Funds	120,681	175,466	-
Property Taxes Receivable	4,754,641	377,401	1,522,598
Accounts Receivable	2,526,442	229,078	327,039
Inventory	-	191,211	-
Prepaid Expenses	160,016	14,724	-
TOTAL ASSETS	\$ 24,562,140	\$ 2,934,655	\$ 5,950,947
LIABILITIES, DEFERRED INFLOWS, AND FUND EQUITY			
LIABILITIES			
Accounts Payable	\$ 559,298	\$ 64,755	\$ 1,040
Accrued Expenses	610,604	97,051	287,587
Due To Others	695,864	-	2,228
Due To Other Funds	238,580	222	75,216
Unearned Revenue	4,395,792	-	1,881,892
TOTAL LIABILITIES	6,500,138	162,028	2,247,963
DEFERRED INFLOWS OF RESOURCES			
Deferred Property Tax Revenue	4,754,641	377,401	1,522,598
FUND EQUITY			
Fund Balance			
Nonspendable	160,016	205,935	-
Restricted	980,000	-	-
Committed	-	-	-
Assigned	-	2,189,291	2,180,386
Unassigned	12,167,345	-	-
TOTAL FUND EQUITY	13,307,361	2,395,226	2,180,386
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND EQUITY	\$ 24,562,140	\$ 2,934,655	\$ 5,950,947

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.

Long-term liabilities are not due and payable in the current period and are not reported in the funds.

This is the amount of COP payable **(\$18,430,000)**, debt premium **(\$2,207,269)**, accrued interest payable **(\$122,492)**, deferred charges **\$(404,776)**, and the balance of accrued compensated absences **(\$979,580)** for the year.

Net position of governmental activities

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

SALES AND USE FUND	OTHER GOVERNMENTAL FUNDS	TOTALS	
		2021	2020
\$ 1,912,602	\$ 2,837,393	\$ 27,728,237	\$ 16,680,925
3,881,953	-	3,952,156	2,865,800
22,564	61,799	380,510	454,583
-	180,770	6,835,410	5,927,269
353,142	478,086	3,913,787	4,668,192
-	85,200	276,411	231,111
-	2,073	176,813	1,244,528
<u>\$ 6,170,261</u>	<u>\$ 3,645,321</u>	<u>\$ 43,263,324</u>	<u>\$ 32,072,408</u>

\$ 152	\$ 22,183	\$ 647,428	\$ 743,796
-	42,855	1,038,097	1,005,990
-	-	698,092	782,308
-	66,492	380,510	454,583
-	184,340	6,462,024	1,856,699
<u>152</u>	<u>315,870</u>	<u>9,226,151</u>	<u>4,843,376</u>

-	180,770	6,835,410	5,927,269
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-	87,273	453,224	1,475,639
6,170,109	1,060,375	8,210,484	7,825,293
-	818,928	818,928	945,787
-	1,182,105	5,551,782	3,711,860
-	-	12,167,345	7,343,184
<u>6,170,109</u>	<u>3,148,681</u>	<u>27,201,763</u>	<u>21,301,763</u>

<u>\$ 6,170,261</u>	<u>\$ 3,645,321</u>
---------------------	---------------------

36,657,392 35,850,831

(22,144,117) (22,110,420)

\$ 41,715,038 \$ 35,042,174

FREMONT COUNTY, COLORADO

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
Year Ended December 31, 2021

	GENERAL FUND	TRANSPORATION FUND	HUMAN SERVICES FUND	SALES AND USE FUND
REVENUES				
Taxes	\$ 19,634,063	\$ 383,510	\$ 1,533,220	\$ 2,617,361
Insurance Premiums	-	-	-	-
Intergovernmental	4,032,191	3,096,906	6,438,212	-
Licenses and Permits	843,476	-	-	-
Charges for Services	2,097,479	401,271	-	-
Interest Income	18,478	-	-	78,732
Miscellaneous	700,610	90,724	-	39
TOTAL REVENUES	<u>27,326,297</u>	<u>3,972,411</u>	<u>7,971,432</u>	<u>2,696,132</u>
EXPENDITURES				
Current				
General Government	7,767,730	-	-	21,917
Public Safety	11,334,404	-	-	-
Airport	-	-	-	-
Health and Welfare	66,356	-	7,450,895	-
Highways and Streets	-	3,806,944	-	-
Culture and Recreation	-	-	-	-
Intergovernmental	34,275	-	-	-
Capital Outlay	4,435,645	96,271	-	-
Debt Service				
Principal	740,000	-	-	275,000
Interest	35,601	-	-	455,191
TOTAL EXPENDITURES	<u>24,414,011</u>	<u>3,903,215</u>	<u>7,450,895</u>	<u>752,108</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>2,912,286</u>	<u>69,196</u>	<u>520,537</u>	<u>1,944,024</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from Issuance of Debt	-	-	-	11,680,000
Payment to Refunding Escrow	-	-	-	(13,636,191)
Debt Issuance Costs	-	-	-	(317,561)
Bond Premium/Discount	-	-	-	2,207,269
Transfers In	1,894,011	554,902	-	288,750
Transfers Out	(938,142)	(4,793)	(17,186)	(1,181,711)
TOTAL OTHER FINANCING	<u>955,869</u>	<u>550,109</u>	<u>(17,186)</u>	<u>(959,444)</u>
NET CHANGE IN FUND BALANCES	3,868,155	619,305	503,351	984,580
FUND BALANCES, Beginning	<u>9,439,206</u>	<u>1,775,921</u>	<u>1,677,035</u>	<u>5,185,529</u>
FUND BALANCES, Ending	<u>\$ 13,307,361</u>	<u>\$ 2,395,226</u>	<u>\$ 2,180,386</u>	<u>\$ 6,170,109</u>

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

OTHER GOVERNMENTAL FUNDS	TOTALS	
	2021	2020
\$ 557,053	\$ 24,725,207	\$ 21,357,538
1,068	1,068	992,445
1,895,169	15,462,478	15,897,268
54,608	898,084	780,114
566,711	3,065,461	2,739,322
290	97,500	132,713
139,253	930,626	466,861
<u>3,214,152</u>	<u>45,180,424</u>	<u>42,366,261</u>
822,340	8,611,987	10,707,161
241,032	11,575,436	10,883,740
488,382	488,382	444,442
979,741	8,496,992	8,846,283
-	3,806,944	3,750,791
87,673	87,673	93,686
-	34,275	34,163
74,544	4,606,460	2,485,183
-	1,015,000	1,560,000
-	490,792	846,976
<u>2,693,712</u>	<u>39,213,941</u>	<u>39,652,425</u>
<u>520,440</u>	<u>5,966,483</u>	<u>2,713,836</u>
-	11,680,000	-
-	(13,636,191)	-
-	(317,561)	-
-	2,207,269	-
125,986	2,863,649	621,982
<u>(721,817)</u>	<u>(2,863,649)</u>	<u>(621,982)</u>
<u>(595,831)</u>	<u>(66,483)</u>	<u>-</u>
(75,391)	5,900,000	2,713,836
<u>3,224,072</u>	<u>21,301,763</u>	<u>18,587,927</u>
<u>\$ 3,148,681</u>	<u>\$ 27,201,763</u>	<u>\$ 21,301,763</u>

FREMONT COUNTY, COLORADO

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
Year Ended December 31, 2021

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

Net Changes in Fund Balances - Total Governmental Funds	\$ 5,900,000
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay \$4,597,765 exceeded depreciation expense (\$3,783,333) and gain on disposal (\$7,871) in the current period.	806,561
Debt proceeds are reported as financing sources in the governmental funds and increase fund balance. In the government-wide statements, however, issuing debt increases long-term liabilities in the statement of net position and does not effect the statement of activities. This includes bond proceeds (\$11,680,000) , bond premium (\$2,207,269) and payment to refunding escrow \$13,636,191 .	(251,078)
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This includes debt principal payments \$1,015,000 , change in compensated absences \$92,919 , write-off bond discount (\$124,141) , write-off bond premium \$155,001 , write-off deferred charges (\$104,445) , interest adjustment (\$331,191) deferred amount on refunding (\$404,776) and the change in accrued interest payable (\$80,986) .	<u>217,381</u>
Change in Net Position of Governmental Activities	<u><u>\$ 6,672,864</u></u>

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

FREMONT COUNTY, COLORADO

STATEMENT OF NET POSITION
FIDUCIARY FUNDS
December 31, 2021

	TOTAL CUSTODIAL FUNDS
ASSETS	
Cash and Investments	<u>\$ 965,916</u>
LIABILITIES	
Due to Public Trustee	\$ 347,288
Due to Inmates	130,817
Due to Others	2,165
Due to Other Governments	<u>485,646</u>
TOTAL LIABILITIES	<u>\$ 965,916</u>

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

FREMONT COUNTY, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of Fremont County, Colorado (the “County”) is presented to assist in the understanding of the County’s basic financial statements. The financial statements and notes are representations of the County’s management, which is responsible for their integrity and objectivity. These accounting policies conform to the generally accepted accounting principles (GAAP) as applied to government units and have been consistently applied in preparation of the financial statements. The Government Accounting Standards Board (GASB) is the standard-setting body that establishes governmental accounting and financial reporting principles. The following is a summary of the County’s significant policies.

Organization

The County operates under the regulations pursuant to the Colorado Revised Statutes that designates a Board of County Commissioners to act as the governing authority. The County provides the following services: public safety (sheriff), highways and streets, sanitation, health and social services, parks and recreation, public improvements, planning and zoning, and general administrative services.

Reporting Entity

In accordance with governmental accounting standards, the County has considered the possibility of inclusion of additional entities in its basic financial statements.

The definition of the reporting entity is based primarily on financial accountability. The County is financially accountable for organizations that make up its legal entity. It is also financially accountable for legally separate organizations if County officials appoint a voting majority of the organization’s governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the County. The County may also be financially accountable for governmental organizations that are fiscally dependent upon it.

Based on these considerations, the following entities have been included in the County financial statements:

Elected Officials

All financial transactions of the offices of elected officials of Fremont County (Assessor, Clerk and Recorder, Coroner, District Attorney, Sheriff, and Treasurer) are recorded in the General Fund. The Board of County Commissioners has budgetary authority over elected officials and is accountable for all fiscal matters.

FREMONT COUNTY, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES(CONTINUED)

Fremont County Public Trustee

Title 38, Article 37 of the 1976 Colorado Revised Statutes (CRS), as amended, governs the Fremont County Public Trustee. Amounts in excess of required reserves are paid to the County. Under Title 29-1, Section 602, Subpart 5 of CRS, effective January 1, 1990, the Office of the Public Trustee was deemed a part of the County for financial reporting purposes. The Fremont County Public Trustee is reported as a blended component unit and is recorded as an agency fund in the County's basic financial statements.

Fremont County Finance Corporation (FCFC)

The Fremont County Finance Corporation was formed in 1985 as a not-for-profit corporation under Section 501(C)(4) of the Internal Revenue Code and exists solely to finance the construction of various County facilities including the criminal justice facility and the social services building. FCFC is reported as a blended component unit in the County's general-purpose financial statements. The underlying notes of participation are reported in the government-wide statement of net position and payments made on the debt, and investments used to service the debt, are reflected in the County's Sales and Use Tax Capital Improvements Fund. The fixed assets of FCFC are also reported in the County's government-wide statement of net position.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e. the Statement of Net Position and the Statement of Activities) present financial information of the County as a whole. The reporting information includes all of the non-fiduciary activities of the County. For the most part, the effect of inter-fund activity has been removed from these statements. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental activities normally are supported by taxes and intergovernmental revenues.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include fees and charges paid by recipients of goods or services offered by programs, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program.

FREMONT COUNTY, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES(CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

Revenues that are not classified as program revenues are presented as general revenues. The effects of inter-fund activity have been eliminated from the government-wide financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

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

Property taxes, specific ownership taxes, grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Grants and similar items are recorded as revenues when all eligibility requirements are met, including any time requirements. Expenditure driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met. All other revenue items are considered to be measurable and available only when cash is received by the County.

Fund Financial Statements

The fund financial statements provide information about the County's funds, including its fiduciary funds. Separate statements for each fund category – governmental and fiduciary – are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as non-major funds. The fiduciary funds are presented separately.

FREMONT COUNTY, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES(CONTINUED)

The County reports the following major governmental funds:

General Fund – This fund is the general operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund. This fund includes the activities of funds that are maintained separately by the County for internal purposes but are combined in these financial statements for reporting purposes because the expenditures and/or revenues for those separate funds are dependent upon transfers to or from the general fund. These separate funds include the following: sheriff, clerk & recorder, capital expenditures, payment in lieu of taxes, waste disposal, and public building and maintenance funds.

Human Services – accounts for intergovernmental and grants received for public assistance programs.

Department of Transportation – accounts for the construction and maintenance of the County’s roads and bridges.

Sales and Use Tax – accounts for a portion of revenues from sales and use taxes that are restricted to capital outlay. This fund is also used to account for the activities related to the repayment of the certificates of participation. This fund also includes the Fremont County Finance Corporation’s revenues, expenses, and fund balance.

Additionally, the County reports the following fund type:

Agency Fund – accounts for assets held by the County in a trustee capacity or as an agent for individuals, private organizations and other governments. The County holds all assets in a purely custodial capacity.

Cash and Investments

Cash equivalents include investments with original maturities of three months or less. Investments are recorded at fair value.

Inter-Fund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds. The resulting receivables and payable are classified on the balance sheet as “due from other funds” and “due to other funds”, because they are short-term in nature.

FREMONT COUNTY, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES(CONTINUED)

Noncurrent portions of long-term inter-fund loan receivables are reported as advances and are offset equally by a fund balance reserve account which indicates that they do not constitute expendable available financial resources and therefore are not available for appropriation.

Inventory

Inventory of the County consists of consumable supplies in the Road and Bridge, Airport, Public Health and Weed Control funds. Inventory is stated at the lower of cost or fair value using the first-in, first-out method. Inventory purchases are recorded as expenditures at the time the individual inventory items are purchased and adjusted to inventory at year-end based on a physical count. Reported inventories are equally offset by a fund balance reserve that indicates that they do not constitute “available spendable resources: even though they are a component of net current assets.

Capital Assets

Capital assets, which include property, equipment, and infrastructure, are reported in the government-wide financial statements. All capital assets are valued at historical cost. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized.

Buildings, improvements and equipment assets are capitalized if they have an original cost of \$5,000 or more and more than a one-year useful life. Infrastructure assets are capitalized if the cost is greater than \$25,000. Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

Buildings	20 - 50 years
Improvements	5 – 30 years
Equipment	3 - 10 years
Infrastructure	7 - 50 years

Accrued Compensated Absences

Employees may earn up to a maximum of twenty-six days accrued vacation. At termination, employees are paid for any accumulated vacation leave, up to 240 hours. These compensated absences are recognized when due in the governmental fund types. The total accrued liability for compensated absences has been recorded in the government-wide statement of net position. Employees are paid for unused vacation time accumulated prior to termination, provided that the unused annual leave does not exceed 240 hours. The County does not pay for any accumulated sick leave.

FREMONT COUNTY, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Net Position

The government-wide financial statements, utilize a net position presentation. Net position is categorized as investment in capital assets, restricted, and unrestricted.

Net Investment in Capital Assets includes the County's capital assets (net of accumulated depreciation) reduced by the outstanding balances of bonds that are attributable to the acquisition, construction, or improvement of those assets.

Restricted Net Position includes assets that have third-party (statutory, bond covenant, or granting agency) limitations on their use. The County typically uses restricted assets first, as appropriate opportunities arise, but reserves the right to selectively defer the use until a future project.

Unrestricted Net Position typically includes unrestricted liquid assets. The Board has the authority to revisit or alter this designation.

Fund Balances

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The County reports the following fund balance classifications:

FREMONT COUNTY, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES(CONTINUED)

Fund Balances (Continued)

- *Non-Spendable* – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The County has classified Inventories, and Prepaid Items as being Non-Spendable as these items are not expected to be converted to cash or are not expected to be converted to cash within the next year.

General Fund – Prepaid Expenses	\$160,016
Department of Transportation – Prepaid Expenses	14,724
Department of Transportation Fund – Inventory	191,211
Airport – Prepaid Expenses	13
Airport – Inventory	36,676
Marijuana Enforcement – Prepaid Expenses	36
Department of Health – Prepaid Expenses	(1,278)
Department of Health – Inventory	34,512
Restricted Fund – Prepaid Expenses	3,300
Weed Fund – Prepaid Expenses	2
Weed Fund – Inventory	<u>14,012</u>
 Total Non-Spendable Funds	 <u><u>\$453,224</u></u>

- *Restricted* – This classification includes amounts restricted for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

General Fund – Emergency Reserves (TABOR)	\$ 980,000
Sales & Use Tax Fund – Debt Reserve and Capital Outlay	6,170,109
Conservation Trust Fund – Parks and Recreation	427,462
Restricted Fund – Capital Expenses	<u>632,913</u>
 Total Restricted Funds	 <u><u>\$ 8,210,484</u></u>

FREMONT COUNTY, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES(CONTINUED)

Fund Balances (Continued)

- *Committed* – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of County Commissioners. These amounts cannot be used for any other purpose unless the Board of County Commissioners removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

Lodging Tax Fund – Advertising	\$ 302,177
Airport Fund - Airport	424,805
Weed Control Fund – Weed Department	<u>91,946</u>

Total Committed Funds \$ 818,928

- *Assigned* - This classification includes amounts that are constrained by the County’s intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of County Commissioners or through the Board of County Commissioners delegating this responsibility to another individual through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.

Department of Transportation	\$2,189,291
Department of Human Services	2,180,386
Marijuana Enforcement	(36)
Department of Health Fund	<u>1,182,141</u>

Total Assigned Funds \$5,551,782

FREMONT COUNTY, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES(CONTINUED)

Fund Balances (Continued)

- *Unassigned* - This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

General Fund	<u>\$12,167,345</u>
Total Unassigned Funds	<u>\$12,167,345</u>

The County would typically use restricted fund balances first, followed by Committed resources, and then Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position and balance sheets will sometimes report a separate section for deferred outflows or resources. This separate financial statement element, *deferred outflow of resources*, represents a consumption of net position and fund balance that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has no deferred outflows of resources reported in the statement of net position at December 31, 2021.

In addition to liabilities, the statement of financial position and balance sheets will sometimes report a separate section for deferred inflows or resources. This separate financial statement element, *deferred inflow of resources*, represents an acquisition of net position and 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 County has items related to deferred charges from debt refunding, and property taxes levied in the current year to be collected in the following year reported in the balance sheet – governmental funds and statement of net position at December 31, 2021.

FREMONT COUNTY, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES(CONTINUED)

Comparative Data

Comparative total data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the County's financial position and operations. However, comparative data has not been presented in all statements because such inclusion would make certain statements unduly complex and difficult to understand. Also, certain amounts presented in the prior year data have been reclassified to be consistent with current year's presentation.

Property Tax Revenue Recognition

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied December 15 and are due and payable in full by April 30 or in two equal installments due February 28 and June 15 of the ensuing year. Since these taxes are not normally available to the County until 2022, a receivable and related deferred inflow of resources is recorded at December 31, 2021.

NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgets and Budgetary Accounting

The budgets of the County have been prepared in conformity with generally accepted accounting principles similar to that basis on which the governmental fund statements have been prepared.

The County adheres to the following procedures in establishing budgeting data reflected in the financial statements:

1. Budgets are required pursuant to Colorado Revised Statutes (CRS) for all funds. During September, the County Budget and Finance Officer assembles the prospective budgets for the ensuing year from each elected official and department head.
2. Prior to October 15, the Budget and Finance Officer submits a proposed budget for ensuing year to the Board of County Commissioners.
3. Public hearings are held to obtain taxpayer comment.
4. Prior to December 20, the budget is adopted by formal resolution.

FREMONT COUNTY, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

5. Expenditures may not legally exceed appropriations for funds. However, the Board of County Commissioners may amend the budget through use of a supplemental appropriation process pursuant to CRS.

Budget

During the year the County amended the budgets of the various funds as follows:

Fund	Original Budget	Budget Amendment	Amended Budget
General Fund	\$ 24,856,347	\$ 725,000	\$ 25,581,347
Conservation Trust Fund	774,582	25,000	799,582
Sales & Use Tax Fund	2,825,956	125,000	2,950,956
Marijuana Enforcement Fund	80,010	24,000	104,010

NOTE 3: DEPOSITS AND INVESTMENTS

A summary of deposits and investments as of December 31, 2021 follows:

Petty Cash	4,664
Deposits	17,066,312
Investments	<u>15,575,333</u>
Total	<u><u>32,646,309</u></u>
Reported in Governmental Activities:	
Unrestricted	27,728,237
Restricted	3,952,156
Reported in Agency Fund	<u>965,916</u>
Total	<u><u>32,646,309</u></u>

FREMONT COUNTY, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

NOTE 3: DEPOSITS AND INVESTMENTS (CONTINUED)

Deposits

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government’s deposits may not be returned to it. 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 regulations. At December 31, 2021, State regulatory commissioners have indicated that all financial institutions holding deposits for the County are eligible public depositories. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution, or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits.

The County has no policy regarding custodial credit risk for deposits.

At December 31, 2021, the County had deposits with financial institutions with a carrying amount of \$17,066,312. The bank balances with the financial institutions were \$17,393,603. Of these balances, \$500,000 was covered by federal depository insurance and \$16,893,603 was covered by collateral held by authorized escrow agents in the financial institutions name (PDPA).

Investments

At December 31, 2021, the County had the following investments:

<u>Investment Type</u>	<u>Standard & Poors/ Fitch Rating</u>	<u>Maturity (in Years) 1 or Less</u>
ColoTrust	AAAm	\$ 2,091,170
CSafe	AAAmmf	11,109,972
US Treasury Bill	N/A	1,513,273
First American Treasury Obligation Fund	AAAm	<u>860,918</u>
		<u>\$15,575,333</u>

FREMONT COUNTY, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

NOTE 3: DEPOSITS AND INVESTMENTS (CONTINUED)

Investments (Continued)

Investment Interest Rate Risk

The County has no formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Investment Credit Risk

The County has no investment policy that limits its investment choices other than the limitation of state law as follows:

1. Direct obligations of the U.S. Government, its agencies, and instrumentalities to which the full faith and credit of the U.S. Government is pledged or obligations to the payment of which the full faith and credit of the State is pledged;
2. Certificates of deposit or savings accounts that are either insured or secured with acceptable collateral with in-state financial institutions, and fully insured certificates of deposit or savings accounts in out of state financial institutions;
3. With certain limitation, negotiable certificates of deposit, prime bankers acceptances, prime commercial paper, and repurchase agreements with certain limitations;
4. Town, municipal, or school district tax supported debt obligations; bond or revenue anticipation notes; money; or bond or revenue anticipation notes of public trusts whose beneficiary is a town, municipality, or school district;
5. Notes or bonds secured by a mortgage or trust deed insured by the Federal Housing Administrator and debentures issued by the Federal Housing Administrator, and obligations of the National Mortgage Association; and
6. Money market funds regulated by the Securities and Exchange Commission in which investments consist of the investments in 1, 2, 3, and 4 above.

Concentrations of Investment Credit Risk

The County places no limit on the amount it may invest in any one issuer. The County invests excess funds under the prudent investor rule. Criteria for selection of investments and their order of priority are: 1) safety; 2) liquidity; and 3) yield.

The County's investment policy controls credit risk by limiting its investments to those allowed by Colorado statutes. Historically, however, the County has only invested in US Treasuries. As of December 31, 2021, the County had investments in First American Treasury Obligation Fund, which is rated AAAM by Standard and Poor's and Aaa-mf by Moody's Investor Services.

FREMONT COUNTY, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

NOTE 3: DEPOSITS AND INVESTMENTS (CONTINUED)

Investments (Continued)

<u>Investment Type</u>	<u>Percentage to Total Investments</u>
First American Treasury Obligation Fund	6%
US Treasury Bill	10%

COLOTRUST

The County had invested \$2,091,170 in the Colorado Government Liquid Asset Trust (ColoTrust) which has a credit rating of AAAM by Standard and Poor's. ColoTrust is an investment vehicle established for local government entities in Colorado to pool surplus funds and is regulated by the State Securities Commissioner. It operates similarly to a money market fund and each share is equal in value to \$1.00. Investments consist of U.S. Treasury and U.S. Agency securities, and repurchase agreements collateralized by U.S. Treasury and U.S. Agency securities. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. Substantially all securities owned are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by the entities.

ColoTrust is not a 2a7-like external investment pool. The unit of account is each share held, and the value of the position would be the fair value of the pool's share price multiplied by the number of shares held. The government-investor does not "look through" the pool to report a pro rata share of the pool's investments, receivables, and payables. The County reports its investment in ColoTrust using the net asset value method.

CSAFE

The County had invested \$11,109,972 in the Colorado Surplus Asset Fund (CSAFE), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing CSAFE. CSAFE is similar to a money market fund, with each share valued at \$1.00. CSAFE may invest in U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain money market funds, and highest rate commercial paper. A designated custodial bank serves as custodian for CSAFE's investment portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for CSAFE's investment portfolio and provides services as a depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by CSAFE. CSAFE is rated AAAM by Standard & Poor's. CSAFE records its investments at amortized cost and the Town records its investments in CSAFE using the amortized cost method. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

FREMONT COUNTY, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

NOTE 3: DEPOSITS AND INVESTMENTS (CONTINUED)

Fair Value

The County categorizes its fair value measurements 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 asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant observable inputs.

<u>Investment by Fair Value</u>	<u>Fair Value</u>	<u>Fair Value Measurements</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
US Treasury Bill	\$ 1,513,273	\$ 1,513,273	---	---
First American Treasury Obligation Fund	860,918	<u>860,918</u>	---	---
		<u>\$ 2,374,191</u>	<u>\$ ---</u>	<u>\$ ---</u>

At December 31, 2021, the County held investments in First American Treasury Obligation Fund, Class D in the amount of \$860,918, which is a money market fund that is valued at fair value based on quoted market prices, with maturity dates of less than one and four years. Given the low risk of this type of investment, the County has not established a policy limiting the amount of investments in this type of security and deems it unnecessary at this time. This investment is valued with Level 1 inputs.

Restricted Cash and Investments

Cash and investments have been restricted in the Sales and Use Tax Fund for the repayment of debt in the amount of \$3,881,953, and the Department of Human Services Fund for future grant expenditures in the amount of \$70,203.

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FREMONT COUNTY, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

NOTE 4: INTERFUND BALANCES AND TRANSFERS

Inter-fund transfers for the year ended December 31, 2021, were comprised of the following:

<u>Transfer In</u>	<u>Transfer Out</u>	<u>Amount</u>
General Fund	County Lodging Tax Fund	2,300
General Fund	Airport Fund	10,000
General Fund	Sales and Use Tax Fund	1,181,711
General Fund	Conservation Trust Fund	700,000
Transportation Fund	General Fund	554,902
Sales and Use Tax Fund	General Fund	265,254
Sales and Use Tax Fund	Transportation Fund	4,793
Sales and Use Tax Fund	Airport Fund	1,517
Sales and Use Tax Fund	Human Services Fund	17,186
Department of Health Fund	General Fund	85,486
Weed Control Fund	General Fund	30,000
Weed Control Fund	Marijuana Enforcement Fund	8,000
Restricted Funds	General Fund	<u>2,500</u>
Total		<u>\$ 2,863,649</u>

The transfers are for reimbursements of costs that were paid on behalf of other funds and for annual payments to other funds to offset expenses incurred by those funds.

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FREMONT COUNTY, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

NOTE 4: INTERFUND BALANCES AND TRANSFERS (CONTINUED)

Inter-fund balances for the year ended December 31, 2021, were comprised of the following:

<u>Due From Other Funds</u>	<u>Due To Other Funds</u>	<u>Amount</u>
General Fund	Human Services Fund	\$ 75,216
General Fund	Conservation Trust Fund	40,566
General Fund	Transportation Fund	78
General Fund	Airport Fund	2,904
General Fund	Marijuana Enforcement Fund	1,917
Transportation Fund	Department of Health Fund	273
Transportation Fund	Weed Control Fund	4,152
Transportation Fund	Conservation Trust Fund	11,982
Transportation Fund	Airport Fund	4,390
Transportation Fund	General Fund	154,669
Marijuana Enforcement Fund	General Fund	51,227
Restricted Fund	General Fund	4,153
Conservation Trust Fund	General Fund	759
Conservation Trust Fund	Restricted Fund	10
Airport Fund	General Fund	4,910
Airport Fund	Transportation Fund	144
Weed Control Fund	General Fund	298
Weed Control Fund	Airport Fund	298
Sales & Use Tax Fund	General Fund	<u>22,564</u>
Total		<u>\$ 380,510</u>

At December 31, 2021, these amounts are owed between funds due to timing differences related to receipts and disbursements into and out of the funds and not being transferred from the funds in the same accounting period the underlying revenue or expenditure was recorded.

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FREMONT COUNTY, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

NOTE 5: CAPITAL ASSETS

Capital assets activity for the year ended December 31, 2021 is summarized below:

Description	Balance, Beginning of Year	Additions	Deletions	Balance, End of Year
Governmental Activities				
Capital Assets, Not Being Depreciated				
Land	\$ 1,352,862	\$ -	\$ -	\$ 1,352,862
Construction in Progress	524,417	3,626,413	(524,417)	3,626,413
Total Capital Assets, Not Being Depreciated	1,877,279	3,626,413	(524,417)	4,979,275
Capital Assets, Being Depreciated				
Buildings and Improvements	47,055,262	645,701	-	47,700,963
Equipment and Furniture	9,466,359	319,553	(100,016)	9,685,896
Infrastructure	88,809,558	530,515	-	89,340,073
Total Capital Assets, Being Depreciated	145,331,179	1,495,769	(100,016)	146,726,932
Less Accumulated Depreciation for				
Buildings and Improvements	(26,745,797)	(2,079,281)	-	(28,825,078)
Equipment and Furniture	(8,509,902)	(453,679)	92,145	(8,871,436)
Infrastructure	(76,101,928)	(1,250,373)	-	(77,352,301)
Total Accumulated Depreciation	(111,357,627)	(3,783,333)	92,145	(115,048,815)
Total Capital Assets, Being Depreciated, Net	33,973,552	(2,287,564)	(7,871)	31,678,117
Governmental Activities Capital Assets, Net	35,850,831	1,338,849	(532,288)	36,657,392

The following schedule summarizes depreciation expense by function:

Description	Amount
Highways & Roads	\$ 1,403,951
General Government	296,388
Airport	467,747
Sheriff	1,008,003
Other Public Safety	322,518
Culture & Recreation	63,930
Health & Welfare	220,796
Total	\$ 3,783,333

FREMONT COUNTY, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

NOTE 6: LONG-TERM DEBT

Changes in Long-term Debt

The following is a summary of changes in general long-term debt for the year ended December 31, 2021:

Description	Beginning Balance	Additions	Payments	Ending Balance	Due Within One Year
Series 2013 COPS (US Bank)	9,205,000	-	9,205,000	-	-
Series 2013 COPS (US Bank) Discount	(124,141)	-	(124,141)	-	-
Series 2013 COPS (UMB)	4,100,000	-	4,100,000	-	-
Series 2013 COPS (UMB) Premium	155,001	-	155,001	-	-
Series 2016 COPS (UMB-Sheriff)	2,265,000	-	740,000	1,525,000	755,000
Series 2019 COPS	5,500,000	-	275,000	5,225,000	280,000
Series 2021 COPS	-	11,680,000	-	11,680,000	375,000
Series 2021 COPS Premium	-	2,207,269	-	2,207,269	-
Compensated Absences	1,072,499	-	92,919	979,580	-
Total Governmental Activities	22,173,359	13,887,269	14,443,779	21,616,849	1,410,000

Certificates of Participation

Certificates of Participation Series 2013A in the principal amount of \$10,680,000 dated October 24, 2014 and maturing each December 15 from 2014 through 2021 and 2032 through 2038 were issued for the purpose to refund and pay off the Certificates of Participation Series 2003. Interest rates vary from 1.1% to 5.75%. During the year ended December 31, 2021, these Certificates of Participation were refinanced with the issuance of the Series 2021 Refunding and Improvement Certificates of Participation.

Certificates of Participation Series 2013B in the principal amount of \$7,145,000 dated October 24, 2014 and maturing each December 15 beginning 2014 through 2032 were issued for the purpose to refund and pay off the Certificates of Participation Series 2010, acquire and equip an additional building for County purposes, abate asbestos in the County's Administration Building, and acquire vehicles for County departments. Interest rates vary from 3% to 5%. During the year ended December 31, 2021, these Certificates of Participation were refinanced with the issuance of the Series 2021 Refunding and Improvement Certificates of Participation.

FREMONT COUNTY, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

NOTE 6: LONG-TERM DEBT (CONTINUED)

Certificates of Participation Series 2016 in the principal amount of \$5,105,000 dated June 3, 2016 and maturing each June 3 and December 3 from 2017 through 2023 were issued for the purpose of acquiring and equipping certain improvements and upgrades to the County jail, including the kitchen facilities, laundry facilities and security system. Interest rate 1.710%.

Certificates of Participation Series 2019 in the principal amount of \$5,765,000 dated December 27, 2019 and maturing each June 3 and December 3 from 2020 to 2031 were issued for the purpose to refund and pay off the Certificates of Participation Series 2012. Interest rate 2.330%. This refunding resulted in a net present value savings of interest in the amount of \$428,908.

Refunding and Improvement Certificates of Participation Series 2021 in the principal amount of \$11,680,000 dated October 12, 2021 and premium of \$2,207,269, maturing annually on December 15, from 2022 to 2038 were issued for the purpose to refund and pay off the Certificates of Participation Series 2013A and B and provide funding for construction projects. Interest rates ranging from 4.0% to 5.0%. This refinancing resulted in a net present value savings of interest in the amount of \$3,537,680.

Principal and payments to maturity on the certificates of participation are as follows:

<u>Year Ended</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	1,410,000	734,346	2,144,346
2023	1,540,000	608,287	2,148,287
2024	800,000	567,478	1,367,478
2025	835,000	535,301	1,370,301
2026	865,000	501,615	1,366,615
2027-2031	4,770,000	2,065,802	6,835,802
2032-2036	5,630,000	1,209,200	6,839,200
2037-2038	2,580,000	155,800	2,735,800
	<u> </u>	<u> </u>	<u> </u>
Total	<u>\$ 18,430,000</u>	<u>\$ 6,377,829</u>	<u>\$24,807,829</u>

FREMONT COUNTY, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

NOTE 7: EMPLOYEE BENEFITS

Deferred Compensation Plan

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

Retirement Plan

County employees are members of the Colorado Retirement Association (CRA), formerly Colorado Counties Officials and Employee Retirement Association (CCOERA). The CRA administers a multiple-employer defined contribution plan. The Plan's purpose is to provide benefits to its members and their dependents at retirement. Employees' rights vest in employer contributions and in the earnings, losses, and changes in fair market value of the Plan assets after 5 years of service credit.

In 2021 the County matched 3% of eligible payroll. Employee contributions must match employer contributions and are funded on a current basis. Total payroll for the County was \$15,418,980 of which \$13,794,801 was eligible. Total contributions to the plan by the County in 2021 were each \$413,844. For the year ended December 31, 2021, the Plan reported forfeitures in the amount of \$25,415, which were used to reduce the County's contributions.

Net earnings or losses are allocated quarterly to the Plan participants. The allocation is based on each participant's balance as of the beginning of that quarter. Participants receiving benefit payments upon retirement or termination, are allocated earnings through the date of the distribution.

As of December 31, 2021, the Plan's assets did not include any Fremont County securities or loans.

Health Insurance

In April 2020 the County went from a self-insured plan to a partially self-insured plan provided by Colorado Employers Benefits Trust. The County offers a health insurance program consisting of medical, dental, and vision coverage for all regular employees. The County contributes between 75% and 100% of the cost for regular full-time employees, depending on which plan the employee signs up for.

FREMONT COUNTY, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

NOTE 7: EMPLOYEE BENEFITS (CONTINUED)

During the year ended December 2021, the County used the remaining funds from the self-insurance plan of \$519,593 to pay insurance premiums.

Life Insurance

The County funds the total cost of a life insurance program through two different providers that insures each regular County employee for \$30,000. One of the program also provides spousal coverage of \$5,000, and dependent coverage of \$1,000 for dependents between the age of 14 days and 26 years old.

NOTE 8: RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. In order to obtain insurance coverage at a cost which it considered to be economically justifiable, the County became a member of Colorado Counties, Inc. which had previously served as the administrator of the following self-funded public entity insurance pools:

Colorado Counties Casualty and Property Pool (CCCPP)

CCCPP was formed on July 1, 1986 by an intergovernmental agreement among member counties of Colorado Counties, Inc. The purpose of the pool is to provide a risk management fund for defined property and casualty coverage of the member counties. The County pays an annual contribution to CAPP for its property and casualty insurance coverage. The intergovernmental agreement of formation of CAPP provides that the pool will be financially self-sustaining through member contributions and additional assessments, if necessary, and that the Pool will purchase insurance through commercial companies for members' claims in excess of a specified self-insured retention, which is determined each policy year.

County Workers' Compensation Pool (CWCP)

CWCP was formed on January 1, 1985 by an intergovernmental agreement among member counties of Colorado Counties, Inc. The purpose of the joint venture is to provide a joint workers' compensation pool for employees of the member counties. The County pays an annual contribution to CWCP for its workers' compensation insurance coverage. The intergovernmental agreement of formation of CWCP provides that the pool will be financially self-sustaining through member contributions and additional assessments, if necessary, and that the Pool will purchase insurance through commercial companies for members' claims in excess of specified self-insured retention, which is determined each policy year.

FREMONT COUNTY, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

NOTE 9: COMMITMENTS AND CONTINGENCIES

Emergency Telephone Service Authority (ETSA – 911)

ETSA – 911 was established in 1989 to provide and administer emergency telephone service to Canon City, Florence, and all surrounding communities within the County. It was determined that the ETSA is a joint venture for the following reasons: (1) It was organized by an intergovernmental agreement between the County, City of Canon City, and City of Florence; and (2) the County retains an ongoing financial interest and financial responsibilities. The County is financially responsible for certain operating costs incurred by ETSA; however, it does not have an equity interest at this time. ETSA prepared separate financial statements which are available through the County's Finance Office. The ETSA is not reported in the County's financial statements.

TABOR Amendment

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations including revenue raising, spending abilities and other specific requirements of state and local governments. The amendment is complex and subject to judicial interpretation.

The County believes it is in compliance with the amendment. However, the County has made certain interpretations of the amendment's language in order to determine its compliance.

The County has established an emergency reserve, representing 3% of qualifying expenditures, as required by the Amendment. At December 31, 2021, the emergency reserve of \$980,000 was recorded in the General Fund.

Litigation

In the course of its operations the County becomes party to various legal proceedings. The County does not believe that any of the current legal proceedings, or potential proceedings which the County is aware of will have a material adverse impact on the County's financial statements.

NOTE 10: UNCERTAINTY – CORONAVIRUS PANDEMIC

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a "Public Health Emergency of International Concern" and on March 10, 2020, declared it to be a pandemic. The coronavirus and actions taken by government and public health officials to mitigate it have had and are expected to continue to have an adverse impact on the economies and financial markets in many countries, including the geographical area in which the County is located. It is unknown how long these conditions will last and what the complete financial impact will be to the County.

REQUIRED SUPPLEMENTARY INFORMATION

FREMONT COUNTY, COLORADO

GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE
 Year Ended December 31, 2021

	2021			VARIANCE	2020
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	Positive (Negative)	Actual
REVENUES					
Taxes	\$ 16,292,882	\$ 16,292,882	\$ 19,634,063	\$ 3,341,181	\$ 16,875,519
Licenses and Permits	577,520	577,520	843,476	265,956	718,843
Intergovernmental	3,504,392	3,504,392	4,032,191	527,799	4,386,531
Charges for Services	1,688,400	1,688,400	2,097,479	409,079	1,879,573
Interest Income	57,927	57,927	18,478	(39,449)	71,861
Miscellaneous	126,590	291,590	700,610	409,020	248,003
TOTAL REVENUES	<u>22,247,711</u>	<u>22,412,711</u>	<u>27,326,297</u>	<u>4,913,586</u>	<u>24,180,330</u>
EXPENDITURES					
Current					
General Government	7,694,820	7,859,820	7,767,730	92,090	9,436,040
Public Safety	11,815,523	11,815,523	11,334,404	481,119	10,677,222
Health and Welfare	126,617	126,617	66,356	60,261	54,328
Intergovernmental	34,275	34,275	34,275	-	34,163
Capital Outlay	4,409,501	4,969,501	4,435,645	533,856	877,968
Debt Service					
Principal	740,000	740,000	740,000	-	730,000
Interest	35,611	35,611	35,601	10	48,094
TOTAL EXPENDITURES	<u>24,856,347</u>	<u>25,581,347</u>	<u>24,414,011</u>	<u>1,167,336</u>	<u>21,857,815</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(2,608,636)</u>	<u>(3,168,636)</u>	<u>2,912,286</u>	<u>6,080,922</u>	<u>2,322,515</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	1,787,500	1,891,711	1,894,011	2,300	11,702
Transfers Out	<u>(991,229)</u>	<u>(991,229)</u>	<u>(938,142)</u>	<u>53,087</u>	<u>(586,784)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>796,271</u>	<u>900,482</u>	<u>955,869</u>	<u>55,387</u>	<u>(575,082)</u>
NET CHANGE IN FUND BALANCE	(1,812,365)	(2,268,154)	3,868,155	6,136,309	1,747,433
FUND BALANCE, Beginning	<u>8,135,087</u>	<u>9,439,206</u>	<u>9,439,206</u>	<u>-</u>	<u>7,691,773</u>
FUND BALANCE, Ending	<u>\$ 6,322,722</u>	<u>\$ 7,171,052</u>	<u>\$ 13,307,361</u>	<u>\$ 6,136,309</u>	<u>\$ 9,439,206</u>

See the accompanying independent auditor's report.

FREMONT COUNTY, COLORADO

TRANSPORTATION FUND
 BUDGETARY COMPARISON SCHEDULE
 Year Ended December 31, 2021

	2021			VARIANCE Positive (Negative)	2020 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL		
REVENUES					
Taxes	\$ 380,250	\$ 380,250	\$ 383,510	\$ 3,260	\$ 375,070
Charges for Services	419,341	419,341	401,271	(18,070)	414,735
Intergovernmental	2,703,885	2,703,885	3,096,906	393,021	2,607,322
Miscellaneous	11,500	11,500	90,724	79,224	82,810
TOTAL REVENUES	<u>3,514,976</u>	<u>3,514,976</u>	<u>3,972,411</u>	<u>457,435</u>	<u>3,479,937</u>
EXPENDITURES					
Highways and Streets	4,193,604	4,193,604	3,806,944	386,660	3,750,791
Capital Outlay	20,000	20,000	96,271	(76,271)	274,541
TOTAL EXPENDITURES	<u>4,213,604</u>	<u>4,213,604</u>	<u>3,903,215</u>	<u>310,389</u>	<u>4,025,332</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(698,628)</u>	<u>(698,628)</u>	<u>69,196</u>	<u>767,824</u>	<u>(545,395)</u>
OTHER FINANCING SOURCES					
Transfers In	603,306	603,306	554,902	(48,404)	269,993
Transfers Out	(4,793)	(4,793)	(4,793)	-	(4,793)
TOTAL OTHER FINANCING SOURCES	<u>598,513</u>	<u>598,513</u>	<u>550,109</u>	<u>(48,404)</u>	<u>265,200</u>
NET CHANGE IN FUND BALANCES	(100,115)	(100,115)	619,305	719,420	(280,195)
FUND BALANCES, Beginning	<u>1,418,060</u>	<u>1,775,921</u>	<u>1,775,921</u>	<u>-</u>	<u>2,056,116</u>
FUND BALANCES, Ending	<u>\$ 1,317,945</u>	<u>\$ 1,675,806</u>	<u>\$ 2,395,226</u>	<u>\$ 719,420</u>	<u>\$ 1,775,921</u>

See the accompanying independent auditor's report.

FREMONT COUNTY, COLORADO

HUMAN SERVICES FUND
 BUDGETARY COMPARISON SCHEDULE
 Year Ended December 31, 2021

	2021				2020 ACTUAL
	ORIGINAL BUDGET	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	
REVENUES					
Taxes	\$ 1,315,777	\$ 1,315,777	\$ 1,533,220	\$ 217,443	\$ 1,550,455
Intergovernmental	6,950,181	6,950,181	6,438,212	(511,969)	6,600,004
TOTAL REVENUES	<u>8,265,958</u>	<u>8,265,958</u>	<u>7,971,432</u>	<u>(294,526)</u>	<u>8,150,459</u>
EXPENDITURES					
Health and Welfare	8,399,192	8,399,192	7,450,895	948,297	7,803,336
Capital Outlay	-	-	-	-	-
TOTAL EXPENDITURES	<u>8,399,192</u>	<u>8,399,192</u>	<u>7,450,895</u>	<u>948,297</u>	<u>7,803,336</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(133,234)</u>	<u>(133,234)</u>	<u>520,537</u>	<u>653,771</u>	<u>347,123</u>
OTHER FINANCING SOURCES					
Transfers Out	<u>(17,186)</u>	<u>(17,186)</u>	<u>(17,186)</u>	<u>-</u>	<u>(17,186)</u>
NET CHANGE IN FUND BALANCE	<u>(150,420)</u>	<u>(150,420)</u>	<u>503,351</u>	<u>653,771</u>	<u>329,937</u>
FUND BALANCE, Beginning	<u>1,463,339</u>	<u>1,677,035</u>	<u>1,677,035</u>	<u>-</u>	<u>1,347,098</u>
FUND BALANCE, Ending	<u>\$ 1,312,919</u>	<u>\$ 1,526,615</u>	<u>\$ 2,180,386</u>	<u>\$ 653,771</u>	<u>\$ 1,677,035</u>

See the accompanying independent auditor's report.

FREMONT COUNTY, COLORADO

SALES AND USE TAX FUND
 BUDGETARY COMPARISON SCHEDULE
 Year Ended December 31, 2021

	2021			VARIANCE Positive (Negative)	2020 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL		
REVENUES					
Taxes	\$ 1,982,449	\$ 1,982,449	\$ 2,617,361	\$ 634,912	\$ 2,145,943
Interest	70,000	70,000	78,732	8,732	56,720
Miscellaneous	-	-	39	39	93
TOTAL REVENUES	<u>2,052,449</u>	<u>2,052,449</u>	<u>2,696,132</u>	<u>643,683</u>	<u>2,202,756</u>
EXPENDITURES					
General Government	22,925	22,925	21,917	1,008	18,773
Capital Outlay	-	-	-	-	562,090
Debt Service					
Principal	935,000	935,000	275,000	660,000	830,000
Interest	790,531	790,531	455,191	335,340	798,882
TOTAL EXPENDITURES	<u>1,748,456</u>	<u>1,748,456</u>	<u>752,108</u>	<u>996,348</u>	<u>2,209,745</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>303,993</u>	<u>303,993</u>	<u>1,944,024</u>	<u>1,640,031</u>	<u>(6,989)</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	288,750	288,750	288,750	-	223,750
Transfers Out	(1,077,500)	(1,077,500)	(1,181,711)	(104,211)	-
Proceeds from Issuance of Debt	-	-	11,680,000	11,680,000	-
Payment to Refunding Escrow	-	-	(13,636,191)	(13,636,191)	-
Debt Issue Costs	-	(125,000)	(317,561)	(192,561)	-
Bond Premium/Discount	-	-	2,207,269	2,207,269	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(788,750)</u>	<u>(913,750)</u>	<u>(959,444)</u>	<u>(45,694)</u>	<u>223,750</u>
NET CHANGE IN FUND BALANCE	<u>(484,757)</u>	<u>(609,757)</u>	<u>984,580</u>	<u>1,594,337</u>	<u>216,761</u>
FUND BALANCE, Beginning	<u>5,078,971</u>	<u>5,185,529</u>	<u>5,185,529</u>	<u>-</u>	<u>4,968,768</u>
FUND BALANCE, Ending	<u>\$ 4,594,214</u>	<u>\$ 4,575,772</u>	<u>\$ 6,170,109</u>	<u>\$ 1,594,337</u>	<u>\$ 5,185,529</u>

See the accompanying independent auditor's report.

COMBINING AND INDIVIDUAL FUND SCHEDULES

FREMONT COUNTY, COLORADO

NON MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEETS
December 31, 2021

	COUNTY	AIRPORT	MARIJUANA	WEED	CONSERVATION	DEPARTMENT	SELF FUNDED	RESTRICTED	TOTALS	
	LODGING TAX		FUND	ENFORCEMENT	CONTROL	TRUST	OF HEALTH	INSURANCE	FUNDS	2021
	FUND	FUND	FUND	FUND	FUND	FUND	FUND	FUND		
ASSETS										
Cash and Investments	\$ 217,520	\$ 423,730	\$ (44,042)	\$ 84,857	\$ 479,539	\$ 893,254	\$ -	\$ 782,535	\$ 2,837,393	\$ 3,314,366
Due From Other Funds	-	5,054	51,227	596	769	-	-	4,153	61,799	44,604
Property Taxes Receivable	-	180,770	-	-	-	-	-	-	180,770	156,383
Accounts Receivable	84,657	12,883	-	14,769	-	365,498	-	279	478,086	276,544
Inventory	-	36,676	-	14,012	-	34,512	-	-	85,200	36,443
Prepaid Expenses	-	13	36	2	-	(1,278)	-	3,300	2,073	42,408
TOTAL ASSETS	\$ 302,177	\$ 659,126	\$ 7,221	\$ 114,236	\$ 480,308	\$ 1,291,986	\$ -	\$ 790,267	\$ 3,645,321	\$ 3,870,748
LIABILITIES, DEFERRED INFLOWS, AND FUND EQUITY										
LIABILITIES										
Accounts Payable	\$ -	\$ 239	\$ 464	\$ 134	\$ 298	\$ 16,252	\$ -	\$ 4,796	\$ 22,183	\$ 147,648
Accrued Expenses	-	9,031	3,568	3,990	-	26,266	-	-	42,855	51,796
Due To Other Funds	-	7,592	1,917	4,152	52,548	273	-	10	66,492	47,119
Unearned Revenue	-	-	1,272	-	-	33,820	-	149,248	184,340	243,730
TOTAL LIABILITIES	-	16,862	7,221	8,276	52,846	76,611	-	154,054	315,870	490,293
DEFERRED INFLOW OF RESOURCES										
Deferred Property Tax Revenue	-	180,770	-	-	-	-	-	-	180,770	156,383
FUND EQUITY										
Fund Balance										
Nonspendable	-	36,689	36	14,014	-	33,234	-	3,300	87,273	78,851
Restricted	-	-	-	-	427,462	-	-	632,913	1,060,375	1,584,764
Committed	302,177	424,805	-	91,946	-	-	-	-	818,928	945,787
Assigned	-	-	(36)	-	-	1,182,141	-	-	1,182,105	614,670
TOTAL FUND EQUITY	302,177	461,494	-	105,960	427,462	1,215,375	-	636,213	3,148,681	3,224,072
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND EQUITY	\$ 302,177	\$ 659,126	\$ 7,221	\$ 114,236	\$ 480,308	\$ 1,291,986	\$ -	\$ 790,267	\$ 3,645,321	\$ 3,870,748

See the accompanying independent auditor's report.

FREMONT COUNTY, COLORADO

NONMAJOR GOVERNMENTAL FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 Year Ended December 31, 2021

	COUNTY	AIRPORT	MARIJUANA	WEED	CONSERVATION	DEPARTMENT	SELF FUNDED	RESTRICTED	TOTALS	
	LODGING TAX		ENFORCEMENT	CONTROL	TRUST	OF HEALTH	INSURANCE	FUNDS	2021	2020
	FUND		FUND	FUND	FUND	FUND	FUND	FUND	FUND	
REVENUES										
Taxes	\$ 371,686	\$ 185,367	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 557,053	\$ 410,551
Insurance Premiums	-	-	-	-	-	-	1,068	-	1,068	992,445
Licenses and Permits	-	-	-	-	-	54,608	-	-	54,608	61,271
Intergovernmental	-	51,366	102,392	131,413	222,894	1,291,334	-	95,770	1,895,169	2,303,411
Charges for Services	-	429,475	-	5,970	-	131,266	-	-	566,711	445,014
Interest Income	-	-	-	-	228	-	62	-	290	4,132
Miscellaneous	-	9,421	-	5,277	-	876	-	123,679	139,253	135,955
TOTAL REVENUES	<u>371,686</u>	<u>675,629</u>	<u>102,392</u>	<u>142,660</u>	<u>223,122</u>	<u>1,478,084</u>	<u>1,130</u>	<u>219,449</u>	<u>3,214,152</u>	<u>4,352,779</u>
EXPENDITURES										
Current										
General Government	203,502	-	-	-	-	-	520,723	98,115	822,340	1,252,348
Public Safety	-	-	29,236	134,212	-	-	-	77,584	241,032	206,518
Airport	-	488,382	-	-	-	-	-	-	488,382	444,442
Health and Welfare	-	-	-	-	-	979,741	-	-	979,741	988,619
Culture and Recreation	-	-	-	-	87,673	-	-	-	87,673	93,686
Capital Outlay	-	-	65,156	-	9,388	-	-	-	74,544	770,584
TOTAL EXPENDITURES	<u>203,502</u>	<u>488,382</u>	<u>94,392</u>	<u>134,212</u>	<u>97,061</u>	<u>979,741</u>	<u>520,723</u>	<u>175,699</u>	<u>2,693,712</u>	<u>3,756,197</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>168,184</u>	<u>187,247</u>	<u>8,000</u>	<u>8,448</u>	<u>126,061</u>	<u>498,343</u>	<u>(519,593)</u>	<u>43,750</u>	<u>520,440</u>	<u>596,582</u>
OTHER FINANCING SOURCES (USES)										
Transfers In	-	-	-	38,000	-	85,486	-	2,500	125,986	116,537
Transfers Out	(2,300)	(11,517)	(8,000)	-	(700,000)	-	-	-	(721,817)	(13,219)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(2,300)</u>	<u>(11,517)</u>	<u>(8,000)</u>	<u>38,000</u>	<u>(700,000)</u>	<u>85,486</u>	<u>-</u>	<u>2,500</u>	<u>(595,831)</u>	<u>103,318</u>
NET CHANGE IN FUND BALANCES	165,884	175,730	-	46,448	(573,939)	583,829	(519,593)	46,250	(75,391)	699,900
FUND BALANCES, Beginning	<u>136,293</u>	<u>285,764</u>	<u>-</u>	<u>59,512</u>	<u>1,001,401</u>	<u>631,546</u>	<u>519,593</u>	<u>589,963</u>	<u>3,224,072</u>	<u>2,524,172</u>
FUND BALANCES, Ending	<u>\$ 302,177</u>	<u>\$ 461,494</u>	<u>\$ -</u>	<u>\$ 105,960</u>	<u>\$ 427,462</u>	<u>\$ 1,215,375</u>	<u>\$ -</u>	<u>\$ 636,213</u>	<u>\$ 3,148,681</u>	<u>\$ 3,224,072</u>

See the accompanying independent auditor's report.

FREMONT COUNTY, COLORADO

COUNTY LODGING TAX FUND
 BUDGETARY COMPARISON SCHEDULE
 Year Ended December 31, 2021

	2021			VARIANCE Positive (Negative)	2020 TOTAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL		
REVENUES					
Taxes	\$ 210,000	\$ 210,000	\$ 371,686	\$ 161,686	\$ 229,551
Intergovernmental	-	-	-	-	31,000
TOTAL REVENUES	<u>210,000</u>	<u>210,000</u>	<u>371,686</u>	<u>161,686</u>	<u>260,551</u>
EXPENDITURES					
General Government	<u>208,765</u>	<u>208,765</u>	<u>203,502</u>	<u>5,263</u>	<u>229,939</u>
TOTAL EXPENDITURES	<u>208,765</u>	<u>208,765</u>	<u>203,502</u>	<u>5,263</u>	<u>229,939</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>1,235</u>	<u>1,235</u>	<u>168,184</u>	<u>166,949</u>	<u>30,612</u>
OTHER FINANCING SOURCES					
Transfers Out	<u>(2,300)</u>	<u>(2,300)</u>	<u>(2,300)</u>	<u>-</u>	<u>(1,702)</u>
NET CHANGE IN FUND BALANCES	<u>(1,065)</u>	<u>(1,065)</u>	<u>165,884</u>	<u>166,949</u>	<u>28,910</u>
FUND BALANCES, Beginning	<u>69,351</u>	<u>136,293</u>	<u>136,293</u>	<u>-</u>	<u>107,383</u>
FUND BALANCES, Ending	<u>\$ 68,286</u>	<u>\$ 135,228</u>	<u>\$ 302,177</u>	<u>\$ 166,949</u>	<u>\$ 136,293</u>

See the accompanying independent auditor's report.

FREMONT COUNTY, COLORADO

AIRPORT FUND
 BUDGETARY COMPARISON SCHEDULE
 Year Ended December 31, 2021

	2021			VARIANCE	2020 TOTAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	Positive (Negative)	
REVENUES					
Taxes	\$ 180,527	\$ 180,527	\$ 185,367	\$ 4,840	\$ 181,000
Intergovernmental	5,000	5,000	51,366	46,366	704,095
Charges for Services	383,652	383,652	429,475	45,823	379,172
Miscellaneous	2,700	2,700	9,421	6,721	13,160
TOTAL REVENUES	<u>571,879</u>	<u>571,879</u>	<u>675,629</u>	<u>103,750</u>	<u>1,277,427</u>
EXPENDITURES					
Airport	506,415	506,415	488,382	18,033	444,442
Capital Outlay	55,000	55,000	-	55,000	686,506
TOTAL EXPENDITURES	<u>561,415</u>	<u>561,415</u>	<u>488,382</u>	<u>73,033</u>	<u>1,130,948</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>10,464</u>	<u>10,464</u>	<u>187,247</u>	<u>176,783</u>	<u>146,479</u>
OTHER FINANCING SOURCES (USES)					
Transfers Out	<u>(11,517)</u>	<u>(11,517)</u>	<u>(11,517)</u>	<u>-</u>	<u>(11,517)</u>
NET CHANGE IN FUND BALANCES	(1,053)	(1,053)	175,730	176,783	134,962
FUND BALANCES, Beginning	<u>128,141</u>	<u>285,764</u>	<u>285,764</u>	<u>-</u>	<u>150,802</u>
FUND BALANCES, Ending	<u>\$ 127,088</u>	<u>\$ 284,711</u>	<u>\$ 461,494</u>	<u>\$ 176,783</u>	<u>\$ 285,764</u>

See the accompanying independent auditor's report.

FREMONT COUNTY, COLORADO

MARIJUANA ENFORCEMENT FUND
 BUDGETARY COMPARISON SCHEDULE
 Year Ended December 31, 2021

	2021			VARIANCE Positive (Negative)	2020 TOTAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL		
REVENUES					
Intergovernmental	80,010	104,010	102,392	(1,618)	115,625
TOTAL REVENUES	80,010	104,010	102,392	(1,618)	115,625
EXPENDITURES					
Public Safety	78,010	78,010	29,236	48,774	45,102
Capital Outlay	2,000	26,000	65,156	(39,156)	70,523
TOTAL EXPENDITURES	80,010	104,010	94,392	9,618	115,625
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	8,000	8,000	-
OTHER FINANCING SOURCES (USES)					
Transfers Out	-	-	(8,000)	(8,000)	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	(8,000)	(8,000)	-
NET CHANGE IN FUND BALANCES	-	-	-	-	-
FUND BALANCES, Beginning	-	-	-	-	-
FUND BALANCES, Ending	\$ -	\$ -	\$ -	\$ -	\$ -

See the accompanying independent auditor's report.

FREMONT COUNTY, COLORADO

WEED CONTROL FUND
 BUDGETARY COMPARISON SCHEDULE
 Year Ended December 31, 2021

	2021			VARIANCE Positive (Negative)	2020 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL		
REVENUES					
Intergovernmental	\$ 120,000	\$ 120,000	\$ 131,413	\$ 11,413	\$ 119,689
Charges for Services	10,000	10,000	5,970	(4,030)	5,351
Miscellaneous Income	13,000	13,000	5,277	(7,723)	2,886
TOTAL REVENUES	143,000	143,000	142,660	(340)	127,926
EXPENDITURES					
Public Safety	152,753	152,753	134,212	18,541	134,007
Capital Outlay	14,000	14,000	-	14,000	13,555
TOTAL EXPENDITURES	166,753	166,753	134,212	32,541	147,562
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(23,753)	(23,753)	8,448	32,201	(19,636)
OTHER FINANCING SOURCES					
Transfers In	30,000	30,000	38,000	8,000	30,000
NET CHANGE IN FUND BALANCES	6,247	6,247	46,448	40,201	10,364
FUND BALANCES, Beginning	42,936	59,512	59,512	-	49,148
FUND BALANCES, Ending	\$ 49,183	\$ 65,759	\$ 105,960	\$ 40,201	\$ 59,512

See the accompanying independent auditor's report.

FREMONT COUNTY, COLORADO

CONSERVATION TRUST FUND
 BUDGETARY COMPARISON SCHEDULE
 Year Ended December 31, 2021

	2021			VARIANCE	2020 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	Positive (Negative)	
REVENUES					
Intergovernmental	\$ 185,000	\$ 185,000	\$ 222,894	\$ 37,894	\$ 188,269
Interest Income	5,000	5,000	228	(4,772)	3,967
TOTAL REVENUES	190,000	190,000	223,122	33,122	192,236
EXPENDITURES					
Culture and Recreation	74,582	99,582	87,673	11,909	93,686
Capital Outlay		-	9,388	(9,388)	-
TOTAL EXPENDITURES	74,582	99,582	97,061	2,521	93,686
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	115,418	90,418	126,061	35,643	98,550
OTHER FINANCING SOURCES					
Transfers Out	(700,000)	(700,000)	(700,000)	-	-
TOTAL OTHER FINANCING SOURCES	(700,000)	(700,000)	(700,000)	-	-
NET CHANGE IN FUND BALANCE	115,418	(609,582)	(573,939)	35,643	98,550
FUND BALANCE, Beginning	980,061	1,001,401	1,001,401	-	902,851
FUND BALANCE, Ending	\$ 1,095,479	\$ 391,819	\$ 427,462	\$ 35,643	\$ 1,001,401

See the accompanying independent auditor's report.

FREMONT COUNTY, COLORADO

DEPARTMENT OF HEALTH FUND
 BUDGETARY COMPARISON SCHEDULE
 Year Ended December 31, 2021

	2021			VARIANCE	2020 TOTAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	Positive (Negative)	
REVENUES					
Licenses and Permits	\$ 58,050	\$ 58,050	\$ 54,608	\$ (3,442)	\$ 61,271
Intergovernmental	1,354,224	1,354,224	1,291,334	(62,890)	1,001,874
Charges for Services	75,250	75,250	131,266	56,016	60,491
Miscellaneous	-	-	876	876	31,243
TOTAL REVENUES	<u>1,487,524</u>	<u>1,487,524</u>	<u>1,478,084</u>	<u>(9,440)</u>	<u>1,154,879</u>
EXPENDITURES					
Health and Welfare	<u>1,260,515</u>	<u>1,260,515</u>	<u>979,741</u>	<u>280,774</u>	<u>988,619</u>
TOTAL EXPENDITURES	<u>1,260,515</u>	<u>1,260,515</u>	<u>979,741</u>	<u>280,774</u>	<u>988,619</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>227,009</u>	<u>227,009</u>	<u>498,343</u>	<u>271,334</u>	<u>166,260</u>
OTHER FINANCING SOURCES					
Transfers In	<u>85,486</u>	<u>85,486</u>	<u>85,486</u>	<u>-</u>	<u>84,037</u>
NET CHANGE IN FUND BALANCES	312,495	312,495	583,829	271,334	250,297
FUND BALANCES, Beginning	<u>564,686</u>	<u>631,546</u>	<u>631,546</u>	<u>-</u>	<u>381,249</u>
FUND BALANCES, Ending	<u>\$ 877,181</u>	<u>\$ 944,041</u>	<u>\$ 1,215,375</u>	<u>\$ 271,334</u>	<u>\$ 631,546</u>

See the accompanying independent auditor's report.

FREMONT COUNTY, COLORADO

SELF FUNDED GROUP INSURANCE FUND
 BUDGETARY COMPARISON SCHEDULE
 Year Ended December 31, 2021

	2021			VARIANCE Positive (Negative)	2020 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL		
REVENUES					
Insurance Premiums	\$ -	\$ -	\$ 1,068	\$ 1,068	\$ 992,445
Interest	-	-	62	62	165
TOTAL REVENUES	-	-	1,130	1,130	992,610
EXPENDITURES					
General Government	519,516	519,516	520,723	(1,207)	885,759
TOTAL EXPENDITURES	519,516	519,516	520,723	(1,207)	885,759
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(519,516)	(519,516)	(519,593)	(77)	106,851
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-
NET CHANGE IN FUND BALANCE	(519,516)	(519,516)	(519,593)	(77)	106,851
FUND BALANCE, Beginning	519,516	519,516	519,593	77	412,742
FUND BALANCE, Ending	\$ -	\$ -	\$ -	\$ -	\$ 519,593

See the accompanying independent auditor's report.

FREMONT COUNTY, COLORADO

RESTRICTED FUNDS FUND
 BUDGETARY COMPARISON SCHEDULE
 Year Ended December 31, 2021

	2021			VARIANCE	2020 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	Positive (Negative)	
REVENUES					
Intergovernmental	\$ 115,000	\$ 115,000	\$ 95,770	\$ (19,230)	\$ 142,859
Miscellaneous	111,600	111,600	123,679	12,079	88,666
TOTAL REVENUES	<u>226,600</u>	<u>226,600</u>	<u>219,449</u>	<u>(7,151)</u>	<u>231,525</u>
EXPENDITURES					
General Government	136,500	136,500	98,115	38,385	136,650
Public Safety	90,000	90,000	77,584	12,416	27,409
TOTAL EXPENDITURES	<u>226,500</u>	<u>226,500</u>	<u>175,699</u>	<u>50,801</u>	<u>164,059</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>100</u>	<u>100</u>	<u>43,750</u>	<u>43,650</u>	<u>67,466</u>
OTHER FINANCING SOURCES					
Transfers In	<u>2,500</u>	<u>2,500</u>	<u>2,500</u>	<u>-</u>	<u>2,500</u>
NET CHANGE IN FUND BALANCE	2,600	2,600	46,250	43,650	69,966
FUND BALANCE, Beginning	<u>459,912</u>	<u>589,963</u>	<u>589,963</u>	<u>-</u>	<u>519,997</u>
FUND BALANCE, Ending	<u>\$ 462,512</u>	<u>\$ 592,563</u>	<u>\$ 636,213</u>	<u>\$ 43,650</u>	<u>\$ 589,963</u>

See the accompanying independent auditor's report.

FREMONT COUNTY, COLORADO

COMBINING STATEMENT OF NET POSITION
 FIDUCIARY FUNDS
 CUSTODIAL FUNDS
 Year Ended December 31, 2021

	PUBLIC TRUSTEE	INMATES	OTHERS	TREASURER	TOTAL CUSTODIAL FUNDS
ASSETS					
Cash and Investments	\$ 347,288	\$ 130,817	\$ 2,165	\$ 485,646	\$ 965,916
TOTAL ASSETS	<u>\$ 347,288</u>	<u>\$ 130,817</u>	<u>\$ 2,165</u>	<u>\$ 485,646</u>	<u>\$ 965,916</u>
LIABILITIES					
Due to Public Trustee	\$ 347,288	\$ -	\$ -	\$ -	\$ 347,288
Due to Inmates	-	130,817	-	-	130,817
Due to Others	-	-	2,165	-	2,165
Due to Other Governments	-	-	-	485,646	485,646
TOTAL LIABILITIES	<u>\$ 347,288</u>	<u>\$ 130,817</u>	<u>\$ 2,165</u>	<u>\$ 485,646</u>	<u>\$ 965,916</u>

See the accompanying independent auditor's report.

FREMONT COUNTY, COLORADO

COMBINING STATEMENT OF CHANGES IN
NET POSITION - FIDUCIARY FUNDS
CUSTODIAL FUNDS
Year Ended December 31, 2021

	PUBLIC TRUSTEE	INMATES	OTHERS	TREASURER	TOTAL CUSTODIAL FUNDS
ADDITIONS					
Collections for Other Governments	\$ -	\$ -	\$ -	\$ 32,712,584	\$ 32,712,584
Collections for Others	-	393,945	20,437	-	414,382
Public Trustee Foreclosure Collections	1,578,403	-	-	-	1,578,403
TOTAL ADDITIONS	1,578,403	393,945	20,437	32,712,584	34,705,369
DEDUCTIONS					
Disbursements to Other Governments	-	-	-	32,636,318	32,636,318
Disbursements to Others	-	411,007	18,962	-	429,969
Public Trustee Foreclosure Disbursements	1,303,049	-	-	-	1,303,049
TOTAL DEDUCTIONS	1,303,049	411,007	18,962	32,636,318	34,369,336
CHANGES IN NET POSITION	275,354	(17,062)	1,475	76,266	336,033
NET POSITION, Beginning of Year, As Restated	71,934	147,879	690	409,380	629,883
NET POSITION, End of Year	\$ 347,288	\$ 130,817	\$ 2,165	\$ 485,646	\$ 965,916

See the accompanying independent auditor's report.

COMPLIANCE

SINGLE AUDIT



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

Board of County Commissioners
Fremont County
Canon City, Colorado

We have audited, in accordance with the auditing standards generally accepted in the United States of America and 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 Fremont County, Colorado (the "County") as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated January 9, 2023.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Logan and Associates, LLC

Aurora, Colorado
January 9, 2023



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Board of County Commissioners
Fremont County
Canon City, Colorado

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Fremont County, Colorado's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Fremont County, Colorado's major federal programs for the year ended December 31, 2021. Fremont County, Colorado's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Fremont County, Colorado 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, 2021.

Basis for Opinion on Each Major Federal Program

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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibility for the Audit of Compliance section of our report.

We are required to be independent of Fremont County, Colorado, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on compliance for each major federal program. Our audit does not provide a legal determination of Fremont County, Colorado's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Fremont County, Colorado's federal programs.

Auditor's Responsibility for Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements to above occurred, whether due to fraud or error, and express an opinion on Fremont County, Colorado's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Fremont County, Colorado's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Fremont County, Colorado's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Fremont County, Colorado's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Fremont County, Colorado's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal

control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. 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.

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

Logan and Associates, LLC

Aurora, Colorado

January 9, 2023

FREMONT COUNTY, COLORADO

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2021

Summary of Auditor's Results

Financial Statements

Type of auditors' report issued: unmodified

Internal control over financial reporting:

- Material weaknesses identified? _____yes no
- Significant deficiencies identified that are not considered to be material weaknesses? _____yes none reported

Noncompliance material to financial statements noted?

_____yes no

Federal Awards

Internal control over major programs:

- Material weaknesses identified? _____yes no
- Significant deficiencies identified that are not considered to be material weaknesses? _____yes none reported

Type of auditor's report issued on compliance for major programs: unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

_____yes no

Identification of major programs:

- 93.558 Temporary Aid for Needy Families
- 93.658 Title IV-E Foster Care

Dollar threshold to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee. yes _____no

Financial Statement Findings

The audit of the financial statements did not disclose significant deficiencies in internal control that would be considered material weaknesses, and did not disclose fraud, illegal acts, violations of provisions of contracts and grant agreements, or abuse that were material to those financial statements.

Federal Awards Findings and Questioned Costs

The audit of federal awards did not disclose significant deficiencies in internal control that would be considered material weaknesses, and did not disclose instance of noncompliance or abuse that were material to those federal awards.

FREMONT COUNTY, COLORADO

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the Year Ended December 31, 2021

No Prior Audit Findings Reported.

FREMONT COUNTY, COLORADO

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2021

	Major Program ?	Assistance Listing/ CFDA #	ID # From Pass-Through	Total Expenditures
U.S. Department of Health and Human Services				
Passed through the Colorado Department of Health and Human Services				
Low Income Home Energy Assistance	No	93.568	2001COLIEA	\$ 31,221
Temporary Aid for Needy Families	Yes	93.558	1901COTANF	1,467,358
Child Support Enforcement	No	93.563	2001COCSSES	482,083
Child Care and Development Block Grant	No	93.575	1901COCCDF & 2001COCCDF	215,162
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	No	93.596	2001COCCDF	360,040
Stephanie Tubbs Jones Child Welfare Services Program	No	93.645	1901COCCWSS	49,275
Title IV-E Foster Care	Yes	93.658	1901COFOST & 2001COFOST	858,610
Adoption Assistance	No	93.659	1901COADPT & 2001COADPT	250,363
Guardianship Assistance	No	93.090	1901COGARD & 2001COGARD	17,861
Social Services Block Grant	No	93.667	1901COSOSR & 2001COSOSR	211,403
MaryLee Allen Promoting Safe and Stable Families Program	No	93.556	G1901COFPSS	20,122
Block Grants for Prevention and Treatment of Substance Abuse	No	93.959	23 FAA 00019 2021	190,018
Passed through the Colorado Department Of Public Health and Environment				
Immunization Cooperative Agreements	No	93.268	19 FHHA 108879	176,875
Public Health Emergency Preparedness	No	93.069	2022*0098 AMDEN. #3	36,007
Epidemiology & Laboratory Capacity for Infectious Diseases (ELC)	No	93.323	PO FHJA 2020000013530	177,554
Injury Prevention and Control Research and State and Community Based Programs	No	93.136	CT FHHA 2020*3605	80,691
Maternal and Child Health Services Block Grant to the States	No	93.994	19 FHHA 108879	46,662
Passed through the Colorado Department of Health Care Policy and Financing				
Medical Assistance Program	No	93.778	5H79TI080241-02	705,880
Passed through the Association of Food and Drug Officials				
Food and Drug Administration Research	No	93.103	G-T-2010-08939	511
Total U.S. Department of Health and Human Services				\$ 5,377,696
U.S. Department of Agriculture				
Passed through the Colorado Department of Health and Human Services				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	No	10.561	203CO401S2514	498,687
Supplemental Nutrition Assistance Program	No	10.551	N/A	5,962
Passed through the Colorado Department of Treasury				
Roads and Schools - Grants to States	No	10.665	ASR-10-03	95,770
Total U.S. Department of Agriculture				\$ 600,419
U.S. Department of Homeland Security				
Passed through the Colorado Division of Emergency Management				
Homeland Security Grant Program	No	97.067	21SHS22SR	\$ 51,761
Passed through the Colorado Department of Public Safety				
Emergency Management Performance Grants	No	97.042	21EM-22-19	34,000
Total U.S. Department of Homeland Security				\$ 85,761
U.S. Department of Transportation				
Passed through the Federal Aviation Administration				
Airport Improvement Program	No	20.106	3-08-0009-021-2021	\$ 45,000
Passed through Colorado Department of Transportation				
Highway Planning & Construction	No	20.205	19-HA2ZH-00105	58,412
Passed through National Highway Traffic Safety Administration				
Occupant Protection Incentive Grants	No	20.602	N/A	135
Total U.S. Department of Transportation				\$ 103,547
U.S. Department of the Interior				
Minerals Leasing Act				
Passed through Colorado Department of Transportation	No	15.437	N/A	\$ 63,526
Invasive and Noxious Plant Management	No	15.230	411024779	38,677
Total U.S. Department of the Interior				\$ 102,203
U.S. Department of the Treasury				
State and Local Fiscal Recovery Fund				
Passed through the Colorado Department of Health and Human Services	No	21.027	SLT-5037	\$ 286,399
Coronavirus Relief Fund	No	21.019	N/A	326
Total U.S. Department of the Treasury				\$ 286,725

(Continued)

See the accompanying independent auditors' report.

FREMONT COUNTY, COLORADO

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended December 31, 2021

(Continued)

	<u>Major Program ?</u>	<u>Assistance Listing/ CFDA #</u>	<u>ID # From Pass-Through</u>	<u>Total Expenditures</u>
U.S. Department of Housing and Urban Development				
Passed through the Colorado Department of Local Affairs				
Community Development Block Grant	No	14.228	H1CDB21004	<u>\$ 102,689</u>
U.S. Department of Justice				
Passed through the Colorado Division of Criminal Justice				
Crime Victim Assistance	No	16.575	2020-VA-21-542-11	<u>\$ 34,163</u>
U.S. Department of Environmental Protection Agency				
Passed through the Environmental Protection Agency, Region 8				
EPA Brownfields Assessment & Cleanup	No	66.818	96879601	<u>27,876</u>
Total Federal Financial Assistance				<u>\$ 6,721,079</u>

(Continued)

FREMONT COUNTY, COLORADO

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended December 31, 2021

(Continued)

1. Basis of Presentation

The Schedule of Expenditures of Federal Awards includes the federal grant activity of the County and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of 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)*. Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the basic financial statements.

2. Sub-recipients

For the year ended December 31, 2021, the County passed-through federal awards to subrecipients as follows:

Program	CFDA #	Subrecipient	Amount
Roads and Schools - Grants to States	10.665	Fremont RE-1 School District - Canon City	\$ 56,975
		Fremont RE-2 School District - Florence	20,465
		Fremont RE-3 School District - Cotopaxi	3,102
		Fremont R-32-J School District - Salida	863
			<u>\$ 81,405</u>
Community Development Block Grant	14.228	Upper Arkansas Area Council of Governments	<u>\$ 102,689</u>

3. De minimus Cost Rate

The County did not use the 10% de minimus cost rate.

See the accompanying independent auditors' report.

LOCAL HIGHWAY FINANCE REPORT

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

LOCAL HIGHWAY FINANCE REPORT	City or County: Fremont County
	YEAR ENDING : December 2021

This Information From The Records Of (example - City of _ or County of _)	Prepared By: Charis Hall
	Phone: 719-276-7350

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)	694,512
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	2,929,713
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	
2. General fund appropriations		b. Snow and ice removal	70,962
3. Other local imposts (from page 2)	383,510	c. Other	
4. Miscellaneous local receipts (from page 2)	922,405	d. Total (a. through c.)	70,962
5. Transfers from toll facilities		4. General administration & miscellaneous	289,719
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	
a. Bonds - Original Issues		6. Total (1 through 5)	3,984,906
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	
7. Total (1 through 6)	1,305,915	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	3,145,570	2. Notes:	
D. Receipts from Federal Government (from page 2)	75,894	a. Interest	
E. Total receipts (A.7 + B + C + D)	4,527,378	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)	3,984,906

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
	1,775,921	4,527,378	3,984,906	2,318,394	(0)

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT	STATE:
	Colorado
	YEAR ENDING (mm/yy): December 2021

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	330,515	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	32,644
4. Licenses		f. Charges for Services	189,397
5. Specific Ownership &/or Other	52,995	g. Other Misc. Receipts	58,146
6. Total (1. through 5.)	52,995	h. Other	642,219
c. Total (a. + b.)	383,510	i. Total (a. through h.)	922,405
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	3,021,013	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	75,894
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	124,557	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	124,557	g. Total (a. through f.)	75,894
4. Total (1. + 2. + 3.f)	3,145,570	3. Total (1. + 2.g)	
			(Carry forward to page 1)

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			0
b. Engineering Costs			0
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements		4,250	4,250
(3). System Preservation		577,849	577,849
(4). System Enhancement & Operation		112,413	112,413
(5). Total Construction (1) + (2) + (3) + (4)	0	694,512	694,512
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	694,512	694,512
			(Carry forward to page 1)

Notes and Comments: