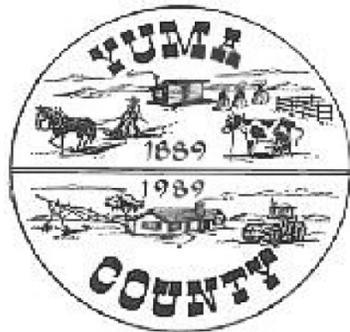


Yuma County, Colorado

Financial Report

December 31, 2010



**Yuma County, Colorado
Financial Report
December 31, 2010**

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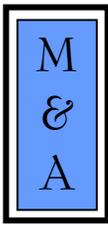
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INDEPENDENT AUDITOR'S REPORT

**Board of County Commissioners
Yuma County
Wray, Colorado**

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Yuma County, Colorado, (the "County"), as of and for the year ended December 31, 2010, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the management of the County. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above presently fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County as of December 31, 2010, and the respective changes in financial position, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 21, 2011, on our consideration of the County's internal controls over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Member: American Institute of Certified Public Accountants

D. JERRY McMAHAN, C.P.A.
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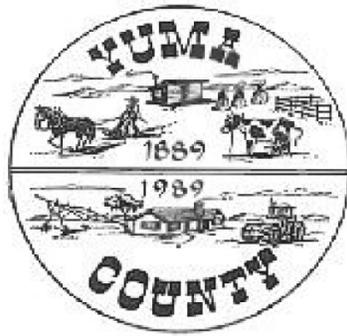
U.S. generally accepted accounting principles require that the Management's Discussion and Analysis in Section B be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with U.S. generally accepted auditing standards, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The budgetary schedules in Section E are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. This budgetary fund information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

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 non-major fund financial statements, the non-major fund budgetary schedules, and the Annual Schedule of Revenues and Expenditures for Roads, Bridges and Streets in Section F are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards in Section G is presented for the purpose of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements. The combining non-major fund financial statements, the non-major fund budgetary schedules, the Annual Schedule of Revenues and Expenditures for Roads, Bridges and Streets, and the Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with U.S. generally accepted auditing standards. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

McMahan and Associates, L.L.C.
September 21, 2011

MANAGEMENT'S DISCUSSION AND ANALYSIS



Yuma County, Colorado

Management's Discussion and Analysis

December 31, 2010

As management of Yuma County, Colorado (the "County"), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2010.

Financial Highlights

- The assets of Yuma County exceeded its liabilities at the close of the most recent fiscal year by \$32,931,824 (net assets). Of this amount, \$11,187,954 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net assets increased by \$5,523,587. A large portion of this is due to increases in property tax revenue and grants and contributions.
- As of the close of the current fiscal year, the County governmental funds reported combined ending fund balances of \$16,677,945, an increase of \$3,560,745. Approximately \$15,872,774 is available for spending at the government's discretion (unreserved fund balance).
- At the end of the current year, unreserved fund balance for the General Fund was \$8,351,919, or 147% of total General Fund expenditures and transfers.

Overview of the Financial Statements

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

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

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

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

The government-wide financial statements include not only the County itself (known as the primary government), but also two legally separate districts for which the County is financially accountable. The Yuma County Water Authority Public Improvement District is reported as a blended component unit of the County (as a special revenue fund) and the Yuma County Water Authority is reported as a discretely presented component unit. Financial information for the Yuma County Water Authority is reported separately from the financial information presented for the County.

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

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

Overview of the Financial Statements (continued)

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

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

General Fund: Administration of general County operations is accomplished through various departments within the General Fund. At the beginning of 2010, the fund balance was \$5,727,917; at the end of 2010, the fund balance was \$8,351,919. The following is a listing of the General Fund departments listed by function.

Administrative Operations:

- The Commissioners' Office coordinates County operations, financial reporting and accounting, budget preparation, and GIS mapping.
- The Commissioners' Attorney works under direction of the Commissioners.
- The Planning and Zoning Office monitors the change of land use within the County.
- The Assessor's Office appraises and assesses taxes for all property within the County.
- The Treasurer's Office collects taxes, fees and handles all County banking needs.
- The Clerk & Recorder's Office operates motor vehicle, recordings, runs all elections, and operates the driver's license department.
- The custodial staff under direction of the County Administrator oversees maintenance of the Courthouse and of the Health and Human Services building.

Judicial:

- The District Attorney's Office provides judicial services jointly with other counties within the district.

Public Safety:

- The Sheriff's Department, County Jail, Coroner's Office, Emergency Communication Center, and the Emergency Preparedness provide public safety.

Health

Health service agencies are:

- Wray, Yuma, Idalia, and South Y-W are the four ambulance services within the county licensed by the Board of County Commissioners. The Yuma Ambulance Agency is operating on its own revenue. When needed the county assists with purchases and maintains the ambulances for three agencies: Wray, Idalia and South Y-W. The agencies provide personnel, supplies and general operating costs for their ambulance agency.
- NE Colorado Health Department (NCHD) provides health care in Yuma County and five other regional counties.
- Centennial Mental Health Center Incorporated provides mental health counseling and services to Yuma County and nine other counties.

Overview of the Financial Statements (continued)

Governmental Funds (continued):

General Fund (continued):

Community Auxiliary Services:

- Yuma County Fair is held during the month of August each year, under direction of the County Commissioners through the Yuma County Fair Board.
- The County is providing financial assistance to the Irrigation Research Foundation to support agriculture research.
- Economic Development provides assistance to retain current businesses and assists in attracting new business into the County.
- The Veterans' Office assists veterans living in the County.
- W-Y Communications (in Fund 1) is used to handle charges for communications towers and phone lines necessary for fire and ambulance communications.
- Yuma County provides funding to the Eastern Colorado Developmentally Disabled, Inc., which in turn provides services for developmentally disabled individuals in Yuma County and nine other counties.
- The Yuma County Water Authority Public Improvement District, which is reported as a blended component unit of the County, was created to address an imminent threat to the economic viability of a significant area within Yuma County and to assist in the State of Colorado's compliance with its obligations under a compact by purchasing surface water rights in the North Fork of the Republican River basin.

Intergovernmental Co-Operations:

- The County, in partnership with other counties of the region, supports the Extension Service, NE Colorado Association of Local Governments, NE Colorado Bookmobile, and NE Colorado Transportation Authority.
- The W-Y Communications Center dispatches E911 calls from Yuma and Washington Counties. Its operational revenues come from Washington County, Yuma County, and the Authority Board, which handles the telephone surcharge.

The County supports the Landfill along with the City of Yuma, City of Wray, and the Town of Eckley.

Governmental Funds - Special Revenue Funds: The County's special revenue funds account for specific revenues that are legally restricted to expenditures for particular purposes. The County's special revenue funds include the Road and Bridge Fund, Landfill Fund, Landfill Closure Fund, Human Services Fund, Contingent Fund, Recreation Fund, Conservation Trust Fund, Self Insurance Fund, Capital Acquisition Fund, Useful Public Service Fund, Sheriff's Victim Assistance and Grant Fund, Grant Fund, Water Authority Public Improvement District Fund, TASK Force Fund, Separation of Employment Fund, Emergency Reserve Fund and Gravel Fund.

Fiduciary Funds - Agency Funds: The County has assets held as an agent for other governments and/or other funds. The County Treasurer holds agency funds on behalf of other governments. The County Clerk is holding funds for the State of Colorado and others. The Employees' Section 125 Plan, Sheriff's funds, Public Trustee and Payroll Clearing Funds also had funds at year end. Sheriff's funds consist of the Sheriff's Inmate and Commissary and Reserve Training and Equipment accounts. Information regarding the agency funds is available on page C7.

Schedules and Notes to the Financial Statements:

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

Overview of the Financial Statements (continued)

Governmental Funds (continued)

Financial Analysis:

Schedules:

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

The County uses fund accounting to ensure compliance with finance-related legal requirements. The County adopts annual appropriated budgets for all its funds in accordance with the requirements of the State of Colorado Budget Law. Budgetary comparison schedules have been provided to demonstrate compliance and can be found in sections E and F of this report.

Government-wide Financial Analysis:

As previously mentioned, the government-wide financial statements are designed to provide readers with a broad overview and long-term analysis of the County's finances, in a manner similar to a private-sector business. The following graph shows the County's net assets for 2010 and 2009:

Yuma County's Net Assets:

	Governmental Activities	
	2010	2009
Assets:		
Current and other assets	\$ 23,428,255	23,162,140
Capital assets, net	36,103,906	35,028,002
Total Assets	59,532,161	58,190,142
Liabilities:		
Other liabilities	11,042,743	14,568,148
Long-term liabilities	15,547,282	16,203,445
Total Liabilities	26,590,025	30,771,593
Net Assets:		
Invested in capital assets, net of related debt	21,195,182	19,405,681
Restricted for emergencies	559,000	390,000
Unrestricted	11,187,954	7,622,868
Total Net Assets	\$ 32,942,136	27,418,549

Traditionally, the largest portion of any county investments is in its capital assets: land, water rights, buildings and improvements, equipment, machinery, and specialized tools necessary to deliver and/or provide services to the residents. Capital assets of the County account for 61% of its total assets; these assets are not an available source of payment of future spending.

The County's net assets increased \$5,523,587 during the current fiscal year. This increase is mostly attributable to increased property taxes and grant and contribution revenues over prior year.

Overview of the Financial Statements (continued)

Government-wide Financial Analysis (continued)

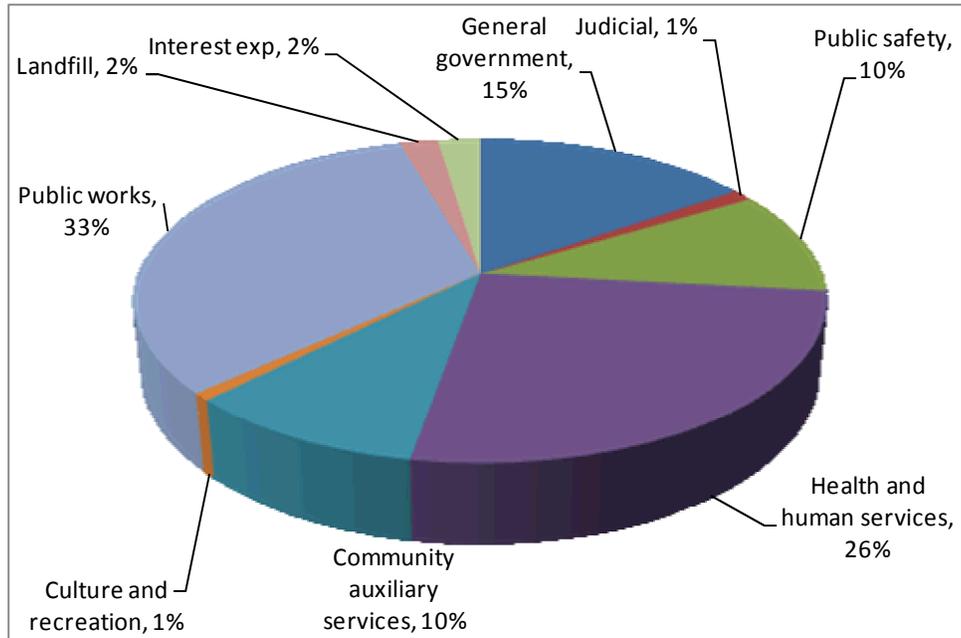
Yuma County's Governmental Activities

	Governmental Activities	
	2010	2009
Revenues:		
Program revenues:		
Charges for services	\$ 1,599,579	1,402,388
Grants and contributions	6,011,799	4,015,335
General revenues:		
Property taxes	10,824,265	6,450,025
Specific ownership taxes	602,228	621,476
Highway users tax	2,726,792	2,372,913
Interest & other revenue	330,858	1,196,776
Total Revenues	22,095,521	16,058,913
Expenses:		
General government	3,372,829	2,234,768
Judicial	196,299	176,547
Public safety	1,829,415	1,615,138
Health and human services	4,261,166	4,070,685
Community auxiliary services	992,800	1,514,961
Culture and recreation	211,827	118,489
Public works	5,106,899	5,064,126
Landfill	366,947	328,230
Interest expense	233,752	367,057
Total Expenses	16,571,934	15,490,001
Change in Net Assets	5,523,587	568,912
Net Assets - Beginning of Year	27,418,549	26,849,637
Net Assets - End of Year	\$ 32,942,136	27,418,549

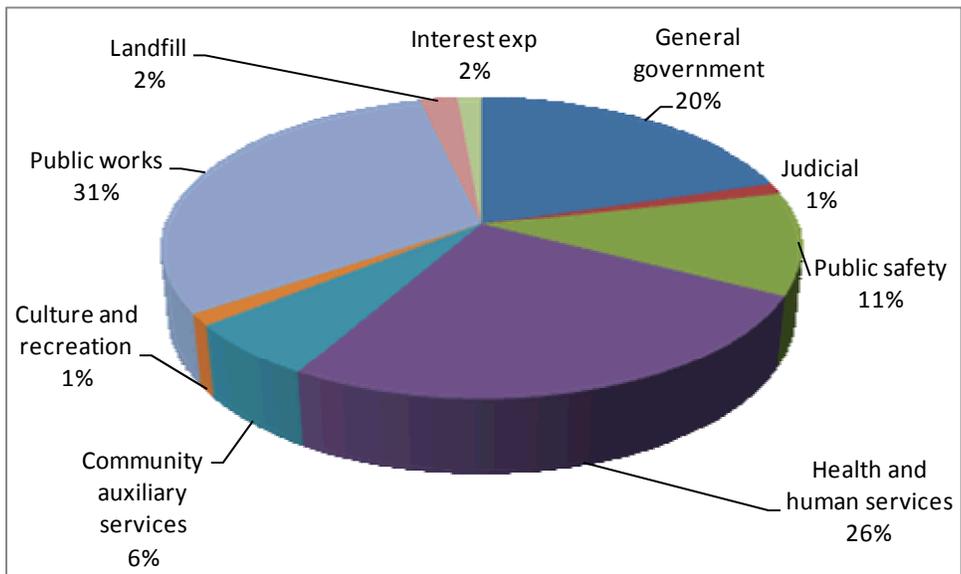
For 2010, the County increased funding to allow for the purchase of supplies, equipment, vehicles, manpower, and capital outlay to various departments of the governmental activities to enhance quality services.

Overview of the Financial Statements (continued)

The following graph depicts the County's 2009 expenses:



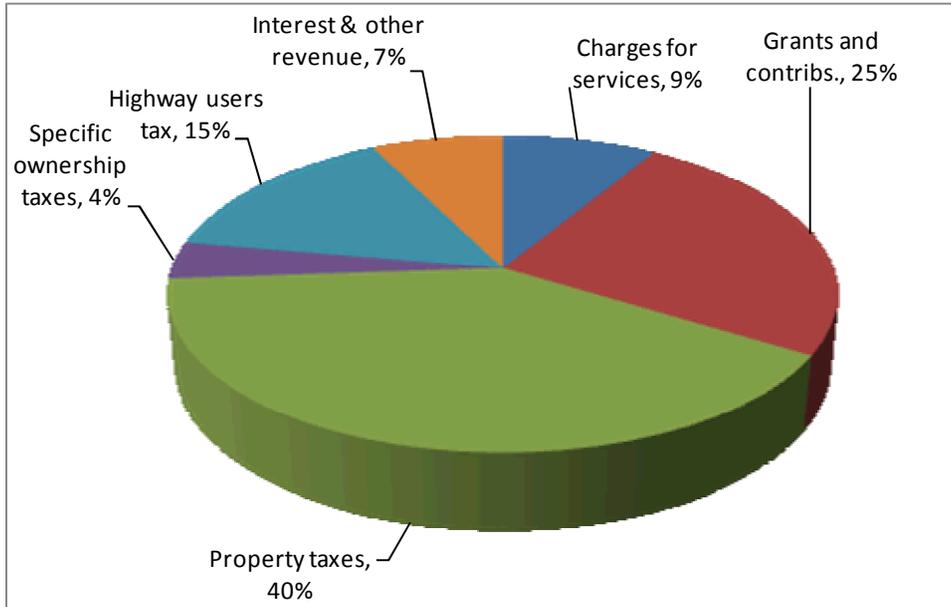
The following graph depicts the County's 2010 expenses:



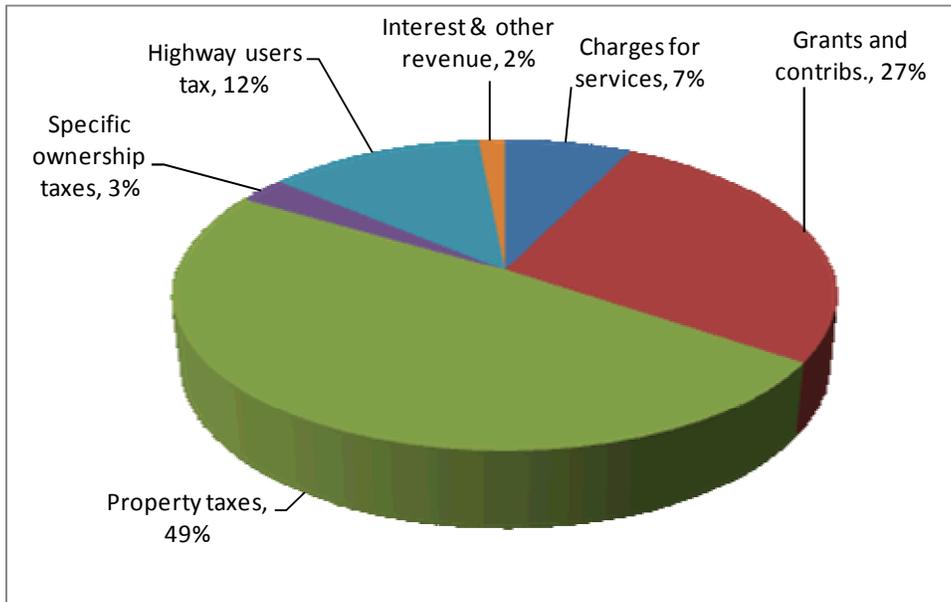
Overview of the Financial Statements (continued)

Government-wide Financial Analysis (continued)

The following graph shows the County's 2009 revenue sources:

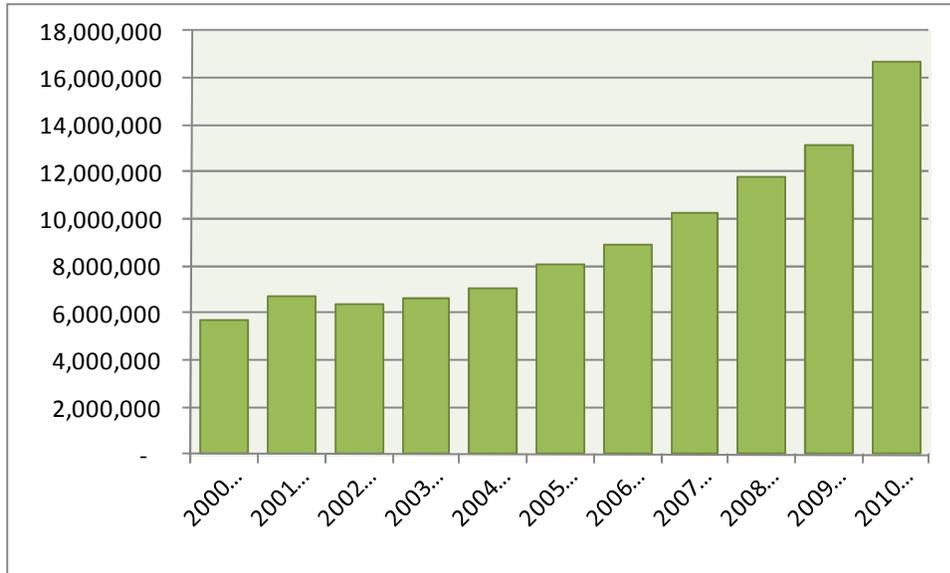


The following graph shows the County's 2010 revenue sources:



Fund Financial Analysis:

The graph below shows the County's total actual combined fund balances for fiscal years 2000 through 2010.



Next Year's Budget and Rates:

The County's General Fund balance at the end of fiscal year 2010 was \$8,351,919. A reserve is necessary to start the year and provide basic services to the residents and visitors of the County. An adequate reserve at the year-end on which to operate a minimum of three months or 25% is considered necessary, for the majority of the property tax revenue is received in April of each year. The County had a General Fund balance of 147% of the 2010 actual expenditures.

Budget Variances:

The County was required to amend the budgets of various funds for the current fiscal year. General Fund departments received a budgetary increase totaling \$204,500 to cover general operating expenditures over the original budgeted amounts. Departments receiving budgetary increases were County Fair and transfers out to other funds.

The details of the individual departments of the General Fund and other fund budgets can be found in Sections E and F of this report.

Capital Assets and Debt Administration:

During the current fiscal year, the County purchased multiple graders and tractors, built a Fair concession building, and made courthouse improvements. A detailed description of this and other capital assets additions, capital asset disposals, and depreciation expense is included in the Notes to the Financial Statements. During 2010, capital assets of the County increased by a net of \$1,065,592.

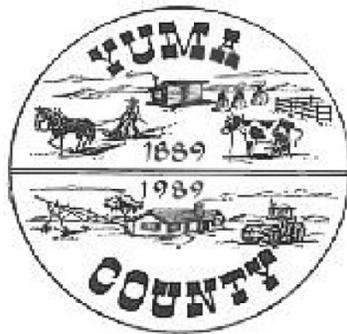
As of the end of the current fiscal year, the County's total long-term liabilities decreased by \$656,163; this decrease was mainly the result of principal payments on General Obligation debt and a note payable. A detailed description of the County's long-term liabilities is included in the Notes to the Financial Statements.

Next Year's Budget

During the current fiscal year, unreserved fund balance in the General Fund and the special revenue funds increased to \$7,792,919 and \$8,079,885, respectively. The County anticipates that the General Fund balance will decrease \$1,105,345 during 2011. The County has appropriated \$2,010,798 of special revenue fund balances for spending in the 2011 fiscal year budget. In 2011 the County anticipates the Road and Bridge Fund will use \$83,444, the Human Services Fund will use \$37,085, the Self Insurance Fund will use \$56,484, the Recreation Fund will use \$74,209, the Grant Fund will use \$113,193, the Landfill Fund will use \$92,150, the Drug Task Force Fund will use \$55,422, the Capital Acquisition Fund will use \$764,086, the Landfill Closure Fund will use \$60,000, the Separation of Employment Fund will use \$53,000, the Contingent and Emergency Reserve Funds have budgeted \$300,000 to fund unforeseen emergencies, and the Water Authority Public Improvement District will use \$322,639. The County anticipates increased or no change in fund balances for the remaining special revenue funds.

Request for Information: This financial report is designed to provide a general overview of the County's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Yuma County Administrative Office, 310 Ash Street, Suite A, Wray, Colorado 80758.

GOVERNMENT-WIDE FINANCIAL STATEMENTS



Yuma County, Colorado
Statement of Net Assets
December 31, 2010

	Primary Government	Component Unit
	Governmental Activities	Yuma County Water Authority
Assets:		
Cash and investments	15,858,807	67,854
Receivables, net:		
Taxes	5,978,411	-
Accounts	57,173	-
Due from other governments	939,886	-
Inventory	246,171	-
Debt issue costs, net	347,807	-
Capital assets not being depreciated:		
Land	520,061	739,564
Water rights	20,139,000	-
Depreciable capital assets	31,378,402	-
Accumulated depreciation	(15,933,557)	-
Total Assets	59,532,161	807,418
Liabilities:		
Accounts payable	186,180	80
Accrued interest payable	140,237	-
Deferred revenue	4,737,915	-
Deferred property taxes not collectible until subsequent year	5,978,411	-
Compensated absences:		
Due in more than one year	457,224	-
Notes payable:		
Due within one year	399,950	-
Due in more than one year	8,802,979	-
Bonds payable:		
Due in more than one year	345,000	-
Due in more than one year	5,360,795	-
Landfill post closure liability	181,334	-
Total Liabilities	26,590,025	80
Net Assets:		
Invested in capital assets, net of related debt	21,195,182	739,564
Restricted for emergencies	559,000	4,000
Unrestricted	11,187,954	63,774
Total Net Assets	32,942,136	807,338

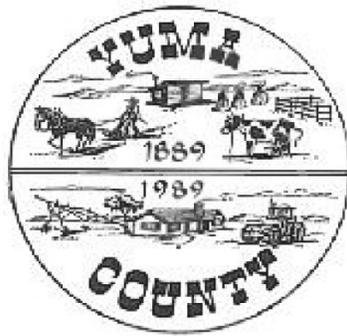
The accompanying notes are an integral part of these financial statements.

Yuma County, Colorado
Statement of Activities
For the Year Ended December 31, 2010

	Primary Government				Net (Expense)	Component
					Revenue and	Units
	Expenses	Charges for	Program Revenues		Changes in	Yuma County
	Services	Operating	Capital	Governmental	Net Assets	Water Authority
		Grants and	Grants and	Activities		
		Contributions	Contributions			
Functions/Programs:						
Governmental activities:						
General government	3,372,829	1,012,194	473,819	-	(1,886,816)	
Judicial	196,299	-	61,498	-	(134,801)	
Public safety	1,829,415	33,587	603,031	796,066	(396,731)	
Health and human services	4,261,166	-	3,404,184	-	(856,982)	
Community auxiliary services	992,800	250,000	-	-	(742,800)	
Culture and recreation	211,827	-	134,976	2,000	(74,851)	
Public works	5,106,899	43,017	110,192	426,033	(4,527,657)	
Landfill	366,947	260,781	-	-	(106,166)	
Interest expense	233,752	-	-	-	(233,752)	
Total Primary Government	16,571,934	1,599,579	4,787,700	1,224,099	(8,960,556)	
Component Units:						
Yuma County Water Authority	54,049	29,413	90,715	-		66,079
Total Component Units	54,049	29,413	90,715	-		66,079
General Revenues:						
Taxes:						
Property tax, levied for general purposes					9,142,178	-
Property tax, levied for debt service					1,682,087	-
Specific ownership tax					602,228	-
Highway user tax					2,726,792	-
Other taxes					230,360	-
Investment earnings					58,357	-
Gain (loss) on sale of assets					5,630	-
Grants and contributions not restricted by programs					36,511	-
Total General Revenues					14,484,143	-
Change in Net Assets					5,523,587	66,079
Net Assets - Beginning of Year					27,418,549	741,259
Net Assets - End of Year					32,942,136	807,338

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

FUND FINANCIAL STATEMENTS



Yuma County, Colorado
Balance Sheets
Governmental Funds
December 31, 2010

	<u>General</u>	<u>Road and Bridge</u>	<u>Human Services</u>	<u>Grant</u>	<u>Water Authority Public Imp. District</u>	<u>Non-major Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets:							
Cash and investments	8,346,662	2,767,307	702,797	124,644	470,504	3,446,894	15,858,808
Taxes receivable	4,597,743	694,315	274,541	-	-	411,812	5,978,411
Accounts receivable	56,707	-	-	-	-	466	57,173
Due from other governments	-	609,480	112,402	140,860	8,150	68,994	939,886
Due from other funds	-	-	-	-	-	-	-
Inventory	-	246,171	-	-	-	-	246,171
Total Assets	<u>13,001,112</u>	<u>4,317,273</u>	<u>1,089,740</u>	<u>265,504</u>	<u>478,654</u>	<u>3,928,166</u>	<u>23,080,449</u>
Liabilities and Fund Equity:							
Liabilities:							
Accounts payable	51,450	120,528	4,744	-	-	6,956	183,678
Due to other funds	-	-	-	-	-	-	-
Deferred revenues	-	-	201,622	38,793	-	-	240,415
Deferred property taxes not collectible until subsequent year	4,597,743	694,315	274,541	-	-	411,812	5,978,411
Total Liabilities	<u>4,649,193</u>	<u>814,843</u>	<u>480,907</u>	<u>38,793</u>	<u>-</u>	<u>418,768</u>	<u>6,402,504</u>
Fund Balances:							
Reserved for inventory	-	246,171	-	-	-	-	246,171
Reserved for emergencies	559,000	-	-	-	-	-	559,000
Unreserved, reported in:							
General Fund	7,792,919	-	-	-	-	-	7,792,919
Special revenue funds	-	3,256,259	608,833	226,711	478,654	3,509,398	8,079,855
Total Fund Balances	<u>8,351,919</u>	<u>3,502,430</u>	<u>608,833</u>	<u>226,711</u>	<u>478,654</u>	<u>3,509,398</u>	<u>16,677,945</u>
Total Liabilities and Fund Balances	<u>13,001,112</u>	<u>4,317,273</u>	<u>1,089,740</u>	<u>265,504</u>	<u>478,654</u>	<u>3,928,166</u>	<u>23,080,449</u>

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

Yuma County, Colorado
Reconciliation of Fund Balance to Statement of Net Assets
Governmental Funds
December 31, 2010

Amounts reported for governmental activities in the Statement of Net Assets are different because:

Total Fund Balance on Governmental Funds	16,677,945
Other long term assets, such as debt issue costs, are not available to pay for current year expenditures and therefore, are not reported in the funds.	347,807
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds. This represents the County capital assets at cost.	52,037,463
Accumulated depreciation on capital assets are recorded on the government wide financial statements to charge the cost off the asset over its estimated useful life.	(15,933,557)
Rent revenue for governmental funds is recognized when measurable and available. However, in the Statement of Activities, rent revenue is recognized over the term of the lease. This represents the amount of unearned water rights lease revenue.	(4,500,000)
Long-term liabilities are not due and payable in the current period and therefore, are not reported in the funds. This represents the County's compensated absences at year end.	(457,227)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. This represents the County's accrued interest at year end.	(140,237)
Long-term liabilities are not due and payable in the current period and therefore, are not reported in the funds. This represents the County's notes payable at year end.	(9,202,929)
Long-term liabilities are not due and payable in the current period and therefore, are not reported in the funds. This represents the County's bonds payable at year end.	(5,705,795)
Long-term liabilities are not due and payable in the current period and therefore, are not reported in the funds. This represents the County's landfill closure and post closure liability at year end.	(181,334)
Net Assets of Governmental Activities	<u><u>32,942,136</u></u>

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

Yuma County, Colorado
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
December 31, 2010

	<u>General</u>	<u>Road and Bridge</u>	<u>Human Services</u>	<u>Grant</u>	<u>Water Authority Public Imp. District</u>	<u>Non-major Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:							
Taxes	7,027,033	1,665,851	420,665	-	1,785,566	630,856	11,529,971
Permits and licenses	5,815	500	-	-	-	-	6,315
Intergovernmental revenue	58,312	3,385,731	3,389,079	1,781,518	-	264,480	8,879,120
Charges for services	1,096,784	30,006	-	-	-	278,546	1,405,336
Investment income	57,558	-	-	-	-	800	58,358
Miscellaneous	53,997	-	-	2,245	198	45,406	101,846
Total Revenues	<u>8,299,499</u>	<u>5,082,088</u>	<u>3,809,744</u>	<u>1,783,763</u>	<u>1,785,764</u>	<u>1,220,088</u>	<u>21,980,946</u>
Expenditures:							
General government	1,996,852	-	-	836,352	-	557,491	3,390,695
Judicial	172,555	-	-	61,353	-	-	233,908
Public safety	1,744,988	-	-	806,728	-	219,776	2,771,492
Culture and recreation	-	-	-	79,938	-	586,136	666,074
Public works	-	4,454,589	-	-	-	933,224	5,387,813
Health and human services	160,025	-	3,631,855	-	-	-	3,791,880
Community auxiliary services	682,876	-	-	-	50,860	-	733,736
Landfill	-	-	-	-	-	328,238	328,238
Debt service:							
Principal	-	-	-	-	716,128	-	716,128
Interest	-	-	-	-	452,525	-	452,525
Total Expenditures	<u>4,757,296</u>	<u>4,454,589</u>	<u>3,631,855</u>	<u>1,784,371</u>	<u>1,219,513</u>	<u>2,624,865</u>	<u>18,472,489</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>3,542,203</u>	<u>627,499</u>	<u>177,889</u>	<u>(608)</u>	<u>566,251</u>	<u>(1,404,777)</u>	<u>3,508,457</u>
Other Financing Sources (Uses):							
Transfers in	6,000	-	-	200,000	-	737,363	943,363
Transfers (out)	(926,363)	-	-	-	-	(17,000)	(943,363)
Insurance recoveries	-	13,012	-	-	-	13,146	26,158
Sale of assets	2,162	23,968	-	-	-	-	26,130
Total Other Financing Sources (Uses)	<u>(918,201)</u>	<u>36,980</u>	<u>-</u>	<u>200,000</u>	<u>-</u>	<u>733,509</u>	<u>52,288</u>
Net Change in Fund Balance	2,624,002	664,479	177,889	199,392	566,251	(671,268)	3,560,745
Fund Balances - Beginning of Year	<u>5,727,917</u>	<u>2,837,951</u>	<u>430,944</u>	<u>27,319</u>	<u>(87,597)</u>	<u>4,180,666</u>	<u>13,117,200</u>
Fund Balances - End of Year	<u>8,351,919</u>	<u>3,502,430</u>	<u>608,833</u>	<u>226,711</u>	<u>478,654</u>	<u>3,509,398</u>	<u>16,677,945</u>

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

Yuma County, Colorado
Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
December 31, 2010

Net Change in Fund Balances of Governmental Funds		3,560,745
Amounts reported for governmental activities in the Statement of Activities are different because:		
<p>Governmental funds report the effect of issuance costs, premiums, and discounts when the debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. The following amounts represent the net effect of these differences in the treatment of long-term debt and related items:</p>		
Premium on bonds issued	3,933	
Debt issue costs	(24,638)	(20,705)
<p>Rent revenue for governmental funds is recognized when measurable and available. However, in the Statement of Activities, rent revenue is recognized over the term of the lease. This represents the net effect of the difference in the treatment of this lease revenue.</p>		
		250,000
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.</p>		
Capital outlay	3,019,178	
Depreciation expense	(1,922,774)	1,096,404
<p>Governmental funds report asset sales if proceeds are received. The government wide financial statements report the sale of capital assets at the proceeds less the book value of the assets. Thus, the change in net assets differs from the change in fund balance by the cost of the capital assets sold.</p>		
		(20,500)
<p>Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore, are not reported as expenditures in governmental funds.</p>		
Change in landfill closure and post closure liability	(13,243)	
Change in accrued interest payable	5,413	
Change in unaccreted interest	(6,464)	
Change in accrued compensated absences	(44,191)	(58,485)
<p>Repayment of debt obligations are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets. This is the amount of repayments.</p>		
		716,128
Change in Net Assets of Governmental Activities		5,523,587

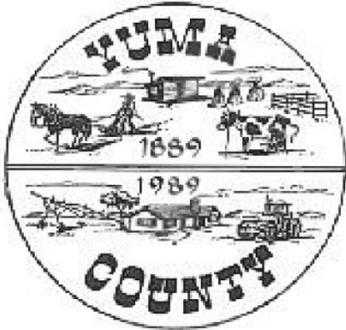
The accompanying notes are an integral part of these financial statements.

Yuma County, Colorado
Statement of Fiduciary Net Assets
Fiduciary Funds
December 31, 2010

	<u>County Treasurer</u>	<u>Public Trustee</u>	<u>Employees' Section 125 Plan</u>	<u>Sheriff's Commissary and Trust</u>	<u>Payroll Clearing</u>	<u>Total</u>
Assets:						
Cash and investments	455,876	41,521	13,287	15,917	12,100	538,701
Accounts receivable	-	-	-	-	37,909	37,909
Total Assets	<u>455,876</u>	<u>41,521</u>	<u>13,287</u>	<u>15,917</u>	<u>50,009</u>	<u>576,610</u>
Liabilities:						
Due to other governments	208,560	-	-	-	-	208,560
Due to inmates	-	-	-	15,917	-	15,917
Due to fiduciary funds	247,316	-	-	-	-	247,316
Due to others	-	41,521	13,287	-	50,009	104,817
Total Liabilities	<u>455,876</u>	<u>41,521</u>	<u>13,287</u>	<u>15,917</u>	<u>50,009</u>	<u>576,610</u>

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

NOTES TO THE FINANCIAL STATEMENTS



Yuma County, Colorado
Notes to the Financial Statements
December 31, 2010

I. Summary of Significant Accounting Policies

Yuma County (the "County") was formed in 1889 and is a statutory county located in eastern Colorado. An elected Board of Commissioners is responsible for setting policy, appointing administrative personnel and adopting an annual budget in accordance with state statutes. The County's major operations include administration, health and human services, police protection, road maintenance, and landfill operations.

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

A. Reporting Entity

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

The Yuma County Water Authority Public Improvement District (the "Water Authority Public Improvement District") serves all of the citizens of the County and is governed by a board comprised of the County Commissioners. The Water Authority Public Improvement District was created to address an imminent threat to the economic viability of a significant area within Yuma County and to assist in the State of Colorado's compliance with its obligations under a compact by purchasing surface water rights in the North Fork of the Republican River basin. The Water Authority Public Improvement District, a blended component unit, is reported as a special revenue fund.

The Yuma County Water Authority (the "Water Authority") serves all of the citizens of the County and is governed by a board appointed by member jurisdictions, which include Yuma County, the City of Wray, the City of Yuma, and the Town of Eckley. The Water Authority was created to develop water resources, systems and facilities for the benefit of member jurisdictions. The Water Authority is reported as a discretely presented component unit.

Resource flows (except those that affect the statement of net assets/balance sheet only, such as loans and repayments) between a primary government and its discretely presented component units are reported as external transactions—that is, as revenues and expenses. Resource flows between the primary government and blended component units are classified as interfund transactions in the financial statements.

During 2010, the County contributed \$50,000 to the Water Authority.

Yuma County, Colorado
Notes to the Financial Statements
December 31, 2010
(Continued)

I. Summary of Significant Accounting Policies (continued)

B. Government-wide and Fund Financial Statements

The County's basic financial statements include both government-wide (reporting the County as a whole) and fund financial statements (reporting the County's major funds and aggregate non-major funds). Government-wide financial statements (i.e., the Statement of Net Assets and the Statement of Activities) report information on all of the non-fiduciary activities of the County. Both of the government-wide financial statements categorize primary activities as either governmental or business-type. Governmental activities are normally supported by taxes and intergovernmental revenues. Business-type activities rely to a significant extent on fees and charges for support. The County does not have any business-type activities.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* included 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

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

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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

Yuma County, Colorado
Notes to the Financial Statements
December 31, 2010
(Continued)

I. Summary of Significant Accounting Policies (continued)

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

The County reports the following major governmental funds:

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

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

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

The *Grant Fund* is used to account for major grants received from state and federal sources.

The *Water Authority Public Improvement District Fund* accounts for the activities of this district, a blended component unit.

The County Reports the following additional fund type:

Fiduciary funds account for monies held on behalf of other governments in the Treasurer's and Clerk's offices; the Employee's Section 125 Plan Fund is held for County employees health and welfare reimbursements; the Sheriff's Office Funds is held for inmates; the Public Trustee is a state statutorily mandated position, whose financial transactions are independent of the County; and Payroll Reimbursements are held for other entities for which the County provides payroll services. These agency funds are combined on the fiduciary fund financial statement.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

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

Yuma County, Colorado
Notes to the Financial Statements
December 31, 2010
(Continued)

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts

1. Cash and Investments

The County Treasurer is responsible for central cash management for all funds, as well as other entities falling under its jurisdiction.

Cash and investments held by the County Treasurer may include demand deposits, short-term investments with original maturities of three months or less from the date of acquisition, certificates of deposit, and long-term investments in U.S. governments.

Investments are stated at fair value.

2. Receivables

Receivables are reported net of an allowance for uncollectible accounts.

3. Property Taxes

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

4. Inventory

All inventories are valued at cost using the first-in / first-out (FIFO) method.

5. Capital Assets

Capital assets, which include land, water rights, buildings, building improvements, equipment, vehicles, and infrastructure assets, are reported in the government-wide financial statements. Capital assets, other than infrastructure assets, are defined by the County as assets with an initial cost of \$5,000 or more and an estimated useful life in excess of two years. Infrastructure assets are capitalized when the asset has an initial cost of \$10,000 or more. Such assets are recorded at cost where historical records are available and at estimated historical costs where no historical records exist. Donated capital assets are recorded at estimated fair value at the date of donation.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Land improvements	15
Buildings, improvements & infrastructure	10-40
Machinery, equipment and software	3-10
Vehicles	5-7

6. Deferred Revenue

For governmental funds, deferred revenues arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period.

Yuma County, Colorado
Notes to the Financial Statements
December 31, 2010
(Continued)

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts (continued)

7. Interfund Receivables and Payables

Balances at year-end between funds are reported as “due to / from other funds” in the fund financial statements. Residual balances are eliminated in the government-wide financial statements.

8. Compensated Absences

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

9. Long-term Debt

In the government-wide financial statements long-term debt is reported as a liability. Bond premiums and discounts are deferred and amortized over the life of the bonds using the bonds outstanding method. Bonds payable are reported net of the applicable bond premium or discount. Issue costs for bonds and notes payable are deferred and amortized over the term of the debt using the straight-line method.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as debt issuance costs, during the current period. The face amount of the 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 are reported as debt service expenditures in fund financial statements.

10. Fund Equity

Governments report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose.

At December 31, 2010, the County and Water Authority reported \$559,000 and \$4,000, respectively, of restricted net assets, all of which was restricted for emergencies and is subsequently explained in the notes.

11. Interfund Transactions

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

Yuma County, Colorado
Notes to the Financial Statements
December 31, 2010
(Continued)

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts (continued)

12. Subsequent Events

Management has evaluated subsequent events through September 21, 2011, the date these financial statements were available to be issued.

13. Use of Estimates

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

II. Stewardship, Compliance, and Accountability

A. Budgetary Information

Budgets are adopted on a basis consistent with generally accepted accounting principles, and Colorado statutes which require that all funds of the County be budgeted. Annual appropriations are adopted for all funds. Expenditures may not legally exceed appropriations at the fund level. All appropriations lapse at year-end.

As required by Colorado Statutes, the County followed the required timetable noted below in preparing, approving, and enacting its budget for 2010.

1. For the 2010 budget year, prior to August 25, 2009, the County Assessor was to have sent to the County a certified assessed valuation of all taxable property within the County's boundaries. The County Assessor may change the assessed valuation on or before December 10, 2009 only once by a single notification.
2. On or before October 15, 2009, the County Administrator submitted to the County Commissioners a recommended budget which detailed the necessary property taxes needed along with other available revenues to meet the County's operating requirements.
3. Prior to December 15, 2009, the County computed and certified to the County Commissioners a rate of levy that derived the necessary property taxes as computed in the proposed budget.
4. After a required publication of "Notice of Proposed Budget" and a public hearing, the County adopted the proposed budget and an appropriating resolution, which legally appropriated expenditures for the upcoming year.
5. After adoption of the budget resolution, the County may make the following changes:
 - a) it may transfer appropriated money between funds;
 - b) it may approve supplemental appropriations to the extent of revenues in excess of estimated revenues in the budget;
 - c) it may approve emergency appropriations; and
 - d) it may reduce appropriations for which originally estimated revenues are insufficient.

Yuma County, Colorado
Notes to the Financial Statements
December 31, 2010
(Continued)

II. Stewardship, Compliance, and Accountability (continued)

A. Budgetary Information (continued)

Taxes levied in one year are collected in the succeeding year. Thus, taxes certified in 2009 were collected in 2010 and taxes certified in 2010 will be collected in 2011. Taxes are due on January 1st in the year of collection; however, they may be paid in either one installment (no later than May 1st) or two equal installments (not later than March 1st and June 15th) without interest or penalty. Taxes that are not paid within the prescribed time bear interest at the rate of one percent (1%) per month until paid. Unpaid amounts and the accrued interest thereon become delinquent on June 16th.

The budgetary comparison statements reflect the original budget and the final budget after legally authorized revisions were made.

B. TABOR Amendment

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

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

TABOR also requires local governments to establish an emergency reserve to be used for declared emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. These reserves are required to be 3% or more of fiscal year spending for fiscal years ending after December 31, 1995. Fiscal year spending excludes bonded debt service. The County has reserved a portion of the December 31, 2010 year-end fund balance in the General Fund for this purpose, in the amount \$559,000, which is the approximate required reserve. The Water Authority has restricted \$4,000 for this purpose at December 31, 2010.

On November 2, 2004, The County's electorate approved the following ballot question:

"Shall Yuma County be authorized to collect, retain, and spend all revenues and other funds collected from any sources, effective for taxes that are due January 1, 2005 and continuing thereafter, provided that Yuma County's property tax mill levy rate shall not be increased without voter approval; and shall the revenues be spent for County purposes as a voter approved revenue change and exception to the limits which would otherwise apply in Article X, Section 20 and including the limitations of C.R.S. 29-1-301."

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

Yuma County, Colorado
Notes to the Financial Statements
December 31, 2010
(Continued)

III. Detailed Notes on All Funds

A. Deposits and Investments

The County's deposits are entirely covered by federal depository insurance ("FDIC") or by collateral held under Colorado's Public Deposit Protection Act ("PDPA"). The FDIC insures the first \$250,000 of the County's interest-bearing deposits at each financial institution. Non-interest bearing deposit balances are fully insured by the FDIC. Interest-bearing deposit balances over \$250,000 are collateralized as required by PDPA. The County had the following deposits and investments and related maturities:

	Standard & Poors Rating	Carrying Amounts	Less than one year	Less than five years
<i>Deposits:</i>				
Cash on hand	<i>Not Rated</i>	\$ 5,269	5,269	-
Checking	<i>Not Rated</i>	308,544	308,544	-
Savings	<i>Not Rated</i>	169,825	169,825	-
Certificates of deposit	<i>Not Rated</i>	1,150,000	1,150,000	-
<i>Investments:</i>				
Pools	<i>AAAm</i>	14,369,069	14,369,069	-
Deposits held by Trustee	<i>Not Rated</i>	462,655	462,655	-
Total		\$ 16,465,362	16,465,362	-

Financial statement captions:

Cash and investments:

Governmental funds	\$ 15,858,807
Fiduciary funds	538,701
Yuma County Water Authority	67,854
Total	\$ 16,465,362

The investment pools represent investments in COLOTRUST and C-SAFE which are 2a7-like pools. The fair value of the pools is determined by the pools' share price. The County has no regulatory oversight for the pools.

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

Yuma County, Colorado
Notes to the Financial Statements
December 31, 2010
(Continued)

III. Detailed Notes on All Funds (continued)

A. Deposits and Investments (continued)

Credit Risk. State law and County policy limit investments to those authorized by State statutes including U.S. agencies and 2a7-like pools. The County's general investment policy is to apply the prudent-person rule: Investments are made as prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments

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

B. Receivables

Receivables as of year-end for the County's funds are as follows. The County considers all receivables collectible and therefore, has not provided a reserve for uncollectible accounts receivable.

	<u>General</u>	<u>Road and Bridge</u>	<u>Human Services</u>	<u>Grant</u>	<u>Public Imp. District</u>	<u>Non-Major Funds</u>
Receivables:						
Taxes	\$ 4,597,743	694,315	274,541	-	-	411,812
Accounts	56,707	-	-	-	-	466
Intergovernmental	-	609,480	112,402	140,860	8,150	68,994
Net receivables	<u>\$ 4,654,450</u>	<u>1,303,795</u>	<u>386,943</u>	<u>140,860</u>	<u>8,150</u>	<u>481,272</u>

At the end of 2010, deferred revenue is comprised of the following:

Property taxes assessed but not collectible until 2010	\$ 5,978,411
Unearned rent revenue	4,500,000
Other unearned revenue	237,915
Total	<u>\$ 10,716,326</u>

Yuma County, Colorado
Notes to the Financial Statements
December 31, 2010
(Continued)

III. Detailed Notes on All Funds (continued)

C. Capital Assets

Capital asset activity for the year ended December 31, 2010 was as follows for the County:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 429,584	90,477	-	520,061
Water rights	20,139,000	-	-	20,139,000
Total capital assets, not being depreciated	<u>20,568,584</u>	<u>90,477</u>	<u>-</u>	<u>20,659,061</u>
Capital assets, being depreciated:				
Buildings and other improvements	4,950,838	948,669	(38,280)	5,861,227
Equipment	10,899,016	1,490,018	(1,121,650)	11,267,384
Infrastructure - Roads and bridges	13,382,106	867,685	-	14,249,791
Total capital assets being depreciated	<u>29,231,960</u>	<u>3,306,372</u>	<u>(1,159,930)</u>	<u>31,378,402</u>
Less accumulated depreciation for:				
Buildings and other improvements	(1,990,337)	(157,683)	17,468	(2,130,552)
Equipment	(6,627,857)	(1,039,746)	744,291	(6,923,312)
Infrastructure - Roads and bridges	(6,154,348)	(725,345)	-	(6,879,693)
Total accumulated depreciation	<u>(14,772,542)</u>	<u>(1,922,774)</u>	<u>761,759</u>	<u>(15,933,557)</u>
Total capital assets being depreciated, net	<u>14,459,418</u>	<u>1,383,598</u>	<u>(398,171)</u>	<u>15,444,845</u>
Governmental activities capital assets, net	<u>\$ 35,028,002</u>	<u>1,474,075</u>	<u>(398,171)</u>	<u>36,103,906</u>

Capital asset activity for the past year was as follows for the Water Authority:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities - Component unit:				
Capital assets, not being depreciated:				
Water rights	\$ 739,564	-	-	739,564
Total capital assets, not being depreciated	<u>739,564</u>	<u>-</u>	<u>-</u>	<u>739,564</u>
Governmental activities capital assets - Component unit	<u>\$ 739,564</u>	<u>-</u>	<u>-</u>	<u>739,564</u>

Depreciation expense was charged to functions of the primary government as follows:

	<u>Depreciation Expense</u>
Governmental activities:	
General government	\$ 95,321
Public safety	97,150
Health and human services	38,948
Community auxiliary services	120,051
Public works	1,506,572
Landfill	64,732
Total depreciation expense - governmental activities	<u>\$ 1,922,774</u>

Yuma County, Colorado
Notes to the Financial Statements
December 31, 2010
(Continued)

III. Detailed Notes on All Funds (continued)

D. Interfund Receivables, Payables and Transfers

As of December 31, 2010, the Water Authority Public Improvement District owed the General Fund -. In 2010, the General Fund loaned this amount to the Water Authority Public Improvement District for the payment of a debt service amount owed to the Colorado Water Conservation Board. This debt obligation is subsequently explained in the financial statement notes. The Water Authority Public Improvement District will reimburse the General Fund in 2011 for this balance.

Transfers for 2010 were as follows:

<u>Transferred from</u>	<u>Transferred to</u>	<u>Amount</u>	<u>Reason</u>
General Fund	Landfill Fund	\$ 92,235	Fund landfill operations
Landfill Fund	Landfill Closure Fund	5,000	Fund closure costs
Landfill Fund	Capital Acquisition Fund	6,000	Fund lease payment
General Fund	Capital Acquisition Fund	620,327	Fund capital outlay
General Fund	Grant Fund	200,000	Fund grant costs
General Fund	Sheriff's Victim Assistance and Grant Fund	13,801	Fund grant costs
Sheriff's Victim Assistance and Grant Fund	General Fund	6,000	Transfer excess funds for concealed weapons permits
Total		<u>\$ 943,363</u>	

E. Operating Leases

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

F. Long-term Liabilities

1. General Obligation Bonds, Series 2008

The Yuma County Water Authority Public Improvement District, a blended component unit of the County, issued \$5,780,000 of general obligations bonds in 2008, the proceeds of which were used to acquire water rights. These bonds bear interest at annual rates ranging from 3.25% to 4.60%. Starting in 2010, principal payments ranging from \$100,000 to \$555,000 are due annually on December 1, through 2023. Starting in 2010, interest payments are due June 1 and December 1, through 2023.

The General Obligation Bonds, Series 2008 also bear supplemental interest for the period from the delivery of the bonds through the payment of supplemental interest registered coupons, which matured at \$225,000 on December 1, 2010.

These bonds constitute general obligations of the Water Authority Public Improvement District.

Yuma County, Colorado
Notes to the Financial Statements
December 31, 2010
(Continued)

III. Detailed Notes on All Funds (continued)

F. Long-term Liabilities (continued)

2. Colorado Water Conservation Board (“CWCB”) Note Payable

The Water Authority Public Improvement District entered into a loan agreement with the CWCB in 2008 in the amount of \$9,595,000, the proceeds of which were used to acquire water rights. This note bears interest at an annual rate of 2.25%. Starting in 2010, aggregate principal and interest payments of \$607,016 are due June 1, through 2029.

The loan constitutes a general obligation of the Water Authority Public Improvement District.

3. Compensated Absences

The County has a policy for the accumulation of personal leave payouts, subject to certain maximum limits. In accordance with GAAP, the County’s approximate liability for personal leave and compensation time pay earned by employees at December 31, 2010 has been reflected in the government-wide financial statements. This liability is generally liquidated by the Separation of Employment Fund.

4. Landfill Closure Costs – Contingent Liability

State and federal laws and regulations require that the County place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. In addition to operating expenses relating to current activities of the landfill, a liability provision is being recognized based on the future closure and post closure care. Closure and post closure care costs are recognized based on the amount of the landfill used during the year.

The estimated liability for landfill closure and post closure care costs has a balance of \$181,334 at December 31, 2010, which is based upon 25% usage (estimated percentage filled) of the landfill. It is estimated that an additional \$484,404 will be recognized as closure and post closure care expenses between the date of the balance sheet and 2080; the date the landfill is expected to be filled to capacity. The estimated total current cost of the landfill closure and post closure costs of \$665,738 is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfill were acquired as of December 31, 2010. Closure and post closure costs are estimated to be \$572,190 and \$93,548, respectively. However, the actual costs of closure and post closure may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

Yuma County, Colorado
Notes to the Financial Statements
December 31, 2010
(Continued)

III. Detailed Notes on All Funds (continued)

F. Long-term Liabilities (continued)

5. Landfill Closure Costs – Contingent Liability (continued)

The County is required by state and federal laws and regulations to provide adequate financial resources to pay for all closure and post closure care. The remaining portion of anticipated future inflation costs and additional costs that might arise from changes in post closure requirements (due to changes in technology or more rigorous environmental regulations, for example) may need to be covered by charges to future landfill users, taxpayers, or both. III.

6. Activity and Debt Service Schedules

Long-term liability activity for the year ended December 31, 2010, was as follows:

	<u>Balance January 1, 2010</u>	<u>Additions</u>	<u>(Reductions)</u>	<u>Balance December 31, 2010</u>	<u>Due Within One Year</u>
General Obligation Bonds, Series 2008	\$ 6,028,264	-	(322,469)	5,705,795	345,000
Notes payable	9,594,057	-	(391,128)	9,202,929	399,950
Accrued compensated absences	413,033	44,191	-	457,224	-
Landfill closure costs	168,091	13,243	-	181,334	-
Total	<u>\$ 16,203,445</u>	<u>57,434</u>	<u>(713,597)</u>	<u>15,547,282</u>	<u>744,950</u>

Aggregate annual debt service requirements at December 31, 2010, are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 744,950	440,454	1,185,404
2012	763,949	420,242	1,184,191
2013	793,150	398,616	1,191,766
2014	802,559	376,082	1,178,641
2015	827,179	352,400	1,179,579
2015-2019	4,592,943	1,350,836	5,943,779
2020-2024	4,198,067	568,303	4,766,370
2025-2029	2,160,132	117,889	2,278,021
	<u>14,882,929</u>	<u>4,024,822</u>	<u>18,907,751</u>
Add: Deferred amounts			
Premium on bonds	25,795		
Total Debt	<u>\$ 14,908,724</u>		

Yuma County, Colorado
Notes to the Financial Statements
December 31, 2010
(Continued)

IV. Other Information

A. Pension Plans

1. Defined Contribution Pension Plan (401a)

Under a defined contribution pension plan, the benefits a participant will receive depend solely on the amount contributed to the participant's account plus the returns earned on investments of those contributions.

Participation is mandatory for all employees after one year of employment. Eligible employees contribute 5% of their base pay, and the County contributes 5% of their base pay. The plan has a five (5) year vesting period and is distributed upon an employee's separation from service, disability, or death.

The contribution requirements of the retirement plan participants and the County are established, and may be amended, by the County Commissioners. During 2010, the County matched the employees' required employer contributions, which amounted to \$195,235. The plan is administered by the Colorado Counties Officers and Employees Retirement Association ("CCOERA").

As the County is not the trustee and does not administer the plan, the plan is not included in the financial statements. The County has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor.

2. Deferred Compensation Plan (Section 457)

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 separation from service or death.

The County has no liability for losses under the plan, does not administer the plan and is not the trustee of the plan; therefore, the plan is not included in the financial statements.

3. Cafeteria Plan

The County offers a cafeteria plan organized under Internal Revenue Code Section 125 that includes the following benefits: accident and/or term life insurance, health insurance premiums, unreimbursed health expense, orthodontia reimbursement and dependant day care reimbursement. No cost to the County is recognized, as the plan is a salary reduction plan.

B. Post Employment Health Care Benefits

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

Yuma County, Colorado
Notes to the Financial Statements
December 31, 2010
(Continued)

IV. Other Information (continued)

C. Commitments and Contingencies

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

During the normal course of business, the County incurs claims and other assertions against it from various agencies and individuals. Management of the County believes that none of these claims or assertions is significant enough that they would materially affect the fairness of the presentation of the financial statements at December 31, 2010.

D. Risk Management

The County is exposed to various risks of loss related to workers compensation; general liability; unemployment; torts; theft of, damage to, and destruction of assets; and errors and omissions. The County has acquired commercial coverage for these risks and claims, if any, are not expected to exceed the commercial insurance coverage. The County has also joined the following self-insurance pools to obtain insurance coverage. The pools are groups of other Colorado counties that have associated to obtain various types of insurance.

The County is a member of the Colorado Counties Casualty and Property Pool ("CAPP") and the County Worker's Compensation Pool ("CWCP"). CAPP and CWCP have a legal obligation for claims against its members to the extent that funds are available in their annually established loss funds; amounts are available from insurance providers under excess specific and aggregate insurance contracts. Losses incurred in excess of loss funds are direct liabilities of the participating members. CAPP and CWCP have indicated that the amount of any excess losses would be billed to members in proportion to their contributions in the year such excess occurs, although they are not legally required to do so. The ultimate liability, if any, to the County resulting from claims not covered by CAPP and CWCP is not presently determinable. Management is of the opinion that the final outcome of such claims, if any, will not have a material adverse effect on the County's financial statements.

1. County Workers' Compensation Pool

The County is exposed to various risks of loss related to injuries of employees while on the job. As previously explained, the County joined together with other counties in the State of Colorado to form the County Worker's Compensation Pool ("CWCP"), a public entity risk pool currently operating as a common risk management and insurance program for 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 the Pool will purchase excess insurance through commercial companies for members' claims in excess of a specified self-insured retention, which is determined each policy year.

Yuma County, Colorado
Notes to the Financial Statements
December 31, 2010
(Continued)

IV. Other Information (continued)

D. Risk Management (continued)

2. Colorado Counties Casualty and Property Pool

The County is exposed to various risks of loss related to property and casualty losses. The County joined together with other counties in the State of Colorado to form the Colorado Counties Casualty and Property Pool (“CAAP”), a public entity risk pool currently operating as a common risk management and insurance program for 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 the Pool will purchase excess insurance through commercial companies for members' claims in excess of a specified self-insured retention, which is determined each policy year.

E. Other Employee Benefits

The County utilizes the CTSI – County Health Pool to provide health insurance benefits. The County provides basic, major medical, life, voluntary dental and vision coverage to all full-time employees and their eligible dependents. The plan is funded by the County and employee contributions, and benefits are administered through the CTSI – County Health Pool.

F. Intergovernmental Agreements

1. W-Y Combined Communications Center

The W-Y Combined Communications Center (the “Center”) was formed by intergovernmental agreement to provide emergency and dispatch services to the public safety providers in the Washington and Yuma County area. During 2010, the following entities provided the financial support to the Center:

Yuma County	\$	400,000
Washington County		200,000
Washington-Yuma Counties E911 Authority		60,000
RETAC Coordinator		90,962
Total	\$	<u>750,962</u>

Yuma County, Colorado
Notes to the Financial Statements
December 31, 2010
(Continued)

IV. Other Information (continued)

F. Intergovernmental Agreements (continued)

1. W-Y Combined Communications Center (continued)

The following are the condensed, audited financial statements of the Center at December 31, 2010:

Balance Sheet:

Assets:

Current other assets	\$	108,656
Capital assets, net		39,347
Total Assets		148,003

Liabilities and Equity:

Liabilities:

Other liabilities		-
Long-term liabilities		47,693
Total Liabilities		47,693

Net Assets:

Invested in capital assets		39,347
Unrestricted		60,963
Total Net Assets	\$	100,310

Statement of Activities:

Revenues:

Allocation governments	\$	750,962
Other		1,308
Total Revenues		752,270

Expenditures:

Salaries and benefits		669,451
Other		138,076
Total Expenditures		807,527

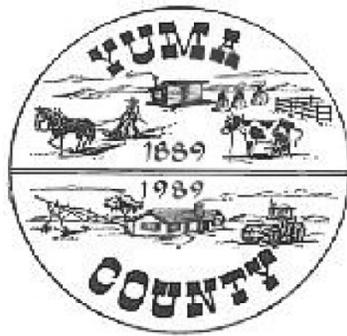
Change in Net Assets		(55,257)
Net Assets - Beginning of Year		155,567
Net Assets - End of Year	\$	100,310

Complete separate financial statements of the Center may be obtained from the County.

2. Republican River Water Conservation District

The Yuma County Water Authority Public Improvement District, a blended component unit of the County, entered into an agreement with the Republican River Water Conservation District (the "Conservation District") in 2008 whereby the Water Authority Public Improvement District is leasing certain water rights to the Conservation District for \$5,000,000. The lease term is for twenty years and expires December 31, 2028. The related revenue was received by the Water Authority Public Improvement District in 2008. This revenue was recognized on the fund financial statements in 2008. However, for the government-wide financial statements, the revenue is recognized evenly over the twenty year lease term.

REQUIRED SUPPLEMENTARY INFORMATION



Yuma County, Colorado
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP) Basis and Actual
For the Year Ended December 31, 2010
(With Comparative Actual Amounts for 2009)

	2010			Final Budget Variance Positive (Negative)	2009
	Original Budget	Final Budget	Actual		Actual
Revenues:					
Taxes:					
General property taxes	7,021,566	7,021,566	7,015,008	(6,558)	4,793,933
Interest and delinquent taxes	5,000	5,000	12,025	7,025	12,363
Intergovernmental revenue:					
State sources	36,873	36,873	39,038	2,165	40,931
Federal sources	8,300	8,300	19,274	10,974	17,954
Licenses and permits	4,200	4,200	5,815	1,615	4,155
Charges for services	732,250	732,250	1,096,784	364,534	963,542
Investment income	100,000	100,000	57,558	(42,442)	107,073
Other	44,400	44,400	53,997	9,597	62,184
Total Revenues	<u>7,952,589</u>	<u>7,952,589</u>	<u>8,299,499</u>	<u>346,910</u>	<u>6,002,135</u>
Expenditures:					
General government:					
Administrative	221,000	221,000	218,196	2,804	151,135
Commissioners	452,500	452,500	426,126	26,374	419,784
Attorney	40,000	40,000	8,167	31,833	7,157
Planning and zoning	49,055	49,055	37,860	11,195	40,350
County Clerk	336,000	336,000	309,240	26,760	299,229
County Treasurer	274,100	274,100	245,014	29,086	237,096
County Assessor	381,500	381,500	349,365	32,135	331,555
GIS mapping	58,315	58,315	46,311	12,004	45,000
Elections	139,500	139,500	75,850	63,650	40,258
Building maintenance	248,200	248,200	229,908	18,292	238,488
Drivers license	51,000	51,000	47,722	3,278	47,022
Assessor maps	5,000	5,000	3,093	1,907	4,104
Judicial:					
District Attorney	172,555	172,555	172,555	-	154,940
Public Safety:					
Sheriff	660,424	660,424	633,637	26,787	611,883
Jail	711,100	711,100	649,766	61,334	675,644
Coroner	46,650	46,650	36,776	9,874	40,448
E-911 communications	400,000	400,000	400,000	-	400,000
Emergency preparedness	27,212	27,212	24,808	2,404	27,223
Health and Human Services:					
Northeast Colorado Health Department	97,010	97,010	97,010	-	97,216
Centennial Mental Health	23,198	23,198	23,198	-	23,149
Emergency medical services	60,500	60,500	27,905	32,595	24,750
Eastern CO Services for Developmentally Disabled	11,912	11,912	11,912	-	15,136
Community Auxiliary Services:					
W-Y Communications tower	5,000	5,000	1,928	3,072	988
Irrigation research	4,000	4,000	4,000	-	4,000
Golden Plains Extension	185,450	185,450	186,467	(1,017)	177,059
Northeast Colorado Bookmobile	25,003	25,003	25,003	-	25,003
Veterans' Officer	8,050	8,050	7,184	866	8,015
County fair	197,200	220,700	187,181	33,519	185,741
County express	49,988	49,988	49,988	-	49,988
County economic development	158,500	158,500	155,300	3,200	147,975
Northeastern Colorado Association of Local Govts.	15,826	15,826	15,826	-	16,041
Water expenditures	970,139	970,139	50,000	920,139	739,570
Total Expenditures	<u>6,085,887</u>	<u>6,109,387</u>	<u>4,757,296</u>	<u>1,352,091</u>	<u>5,285,947</u>
Excess (Deficiency) of Revenues Over Expenditures	1,866,702	1,843,202	3,542,203	1,699,001	716,188
Other Financing (Uses):					
Transfers in	-	-	6,000	6,000	-
Transfers (out)	(746,363)	(927,363)	(926,363)	1,000	(456,353)
Sale of assets	-	-	2,162	2,162	2,000
Total Other Financing (Uses)	<u>(746,363)</u>	<u>(927,363)</u>	<u>(918,201)</u>	<u>9,162</u>	<u>(454,353)</u>
Net Change in Fund Balance	<u>1,120,339</u>	<u>915,839</u>	2,624,002	<u>1,708,163</u>	261,835
Fund Balances - Beginning of Year			5,727,917		5,466,082
Fund Balances - End of Year			<u>8,351,919</u>		<u>5,727,917</u>

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

Yuma County, Colorado
Road and Bridge Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP) Basis and Actual
For the Year Ended December 31, 2010
(With Comparative Actual Amounts for 2009)

	2010			Final Budget Variance Positive (Negative)	2009
	Original Budget	Final Budget	Actual		Actual
Revenues:					
Taxes:					
General property taxes	1,063,008	1,063,008	1,062,015	(993)	824,864
Specific ownership taxes	417,000	417,000	602,228	185,228	621,476
Interest and delinquent taxes	500	500	1,609	1,109	1,694
Total Local Sources	<u>1,480,508</u>	<u>1,480,508</u>	<u>1,665,852</u>	<u>185,344</u>	<u>1,448,034</u>
Intergovernmental revenues:					
Federal sources	120,050	120,050	109,680	(10,370)	153,449
State sources	3,159,836	3,159,836	3,276,051	116,215	3,180,664
Total Intergovernmental revenues	<u>3,279,886</u>	<u>3,279,886</u>	<u>3,385,731</u>	<u>105,845</u>	<u>3,334,113</u>
Permits and licenses	500	500	500	-	500
Charges for services	<u>13,050</u>	<u>13,050</u>	<u>30,006</u>	<u>16,956</u>	<u>25,046</u>
Total Revenues	<u>4,773,944</u>	<u>4,773,944</u>	<u>5,082,089</u>	<u>308,145</u>	<u>4,807,693</u>
Expenditures:					
Public Works:					
Maintenance of condition	82,000	82,000	61,934	20,066	58,273
Administration and general	2,606,165	2,606,165	2,339,529	266,636	2,399,278
Construction and capital outlay	1,707,135	1,707,135	1,496,895	210,240	1,471,199
Reclamation	58,000	58,000	14,005	43,995	17,295
Grants	500,500	543,500	542,227	1,273	202,500
Total Expenditures	<u>4,953,800</u>	<u>4,996,800</u>	<u>4,454,590</u>	<u>542,210</u>	<u>4,148,545</u>
Excess (Deficiency) of Revenues Over Expenditures	(179,856)	(222,856)	627,499	850,355	659,148
Other Financing Sources (Uses):					
Transfers (out)	-	-	-	-	(36,000)
Sale of assets	-	-	23,968	23,968	477,850
Insurance recoveries	-	-	13,012	13,012	18,144
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>36,980</u>	<u>36,980</u>	<u>459,994</u>
Net Change in Fund Balance	<u>(179,856)</u>	<u>(222,856)</u>	664,479	<u>887,335</u>	1,119,142
Fund Balances - Beginning of Year			2,837,951		1,718,809
Fund Balances - End of Year			<u>3,502,430</u>		<u>2,837,951</u>

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

Yuma County, Colorado
Human Services Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP) Basis and Actual
For the Year Ended December 31, 2010
(With Comparative Actual Amounts for 2009)

	<u>2010</u>			<u>Final</u>	<u>2009</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
	<u>Budget</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
				<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Local sources:					
General property taxes	331,153	331,153	420,665	89,512	326,922
Total local sources	<u>331,153</u>	<u>331,153</u>	<u>420,665</u>	<u>89,512</u>	<u>326,922</u>
Program revenues:					
Federal and State	3,262,573	3,362,573	3,389,079	26,506	3,208,872
Total Revenues	<u>3,593,726</u>	<u>3,693,726</u>	<u>3,809,744</u>	<u>116,018</u>	<u>3,535,794</u>
Expenditures:					
Colorado works	333,291	333,291	274,816	58,475	471,064
Child care	154,424	154,424	190,618	(36,194)	148,068
Child care grants	42,000	42,000	34,575	7,425	-
Administration & medical exams	242,713	242,713	236,974	5,739	245,430
Child welfare	963,527	963,527	676,883	286,644	754,222
Independent living	7,337	7,337	4,116	3,221	5,165
Core services	248,325	248,325	229,044	19,281	195,939
Child support	56,122	56,122	13,226	42,896	41,365
Employment first	18,380	18,380	14,779	3,601	18,297
LEAP - Low Energy Assistance Program	363,555	363,555	254,165	109,390	291,200
AND - Aid for Needy Disabled	8,500	8,500	55,355	(46,855)	28,908
Aid for Blind	1,200	1,200	-	1,200	-
OAP - Old Age Pension	250,000	250,000	247,596	2,404	243,506
HCA (Home Care Allowance)	28,188	28,188	33,092	(4,904)	21,881
Food stamps	890,000	990,000	1,307,184	(317,184)	959,079
Title XX	444	444	(338)	782	-
Non-Alloc Programs	-	-	70,116	(70,116)	40,944
Other programs	1,350	1,350	5,186	(3,836)	385
IV-E and parental fees	4,430	4,430	-	4,430	469
IV-D retained collections	(19,760)	(19,760)	(15,106)	(4,654)	(13,301)
TANF collections	(300)	(300)	(426)	126	(250)
HB 1414	-	-	-	-	4,501
Total Expenditures	<u>3,593,726</u>	<u>3,693,726</u>	<u>3,631,855</u>	<u>61,871</u>	<u>3,456,872</u>
Net Change in Fund Balance	<u>-</u>	<u>-</u>	<u>177,889</u>	<u>177,889</u>	<u>78,922</u>
Fund Balances - Beginning of Year			<u>430,944</u>		<u>352,022</u>
Fund Balances - End of Year			<u>608,833</u>		<u>430,944</u>

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

**Yuma County, Colorado
Special Revenue Funds
Grant Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP) Basis and Actual
For the Year Ended December 31, 2010
(With Comparative Actual Amounts for 2009)**

	<u>2010</u>		<u>Variance Positive (Negative)</u>	<u>2009</u>
	<u>Original and Final Budget</u>	<u>Actual</u>		<u>Actual</u>
Revenues:				
Intergovernmental grants	1,867,402	1,781,518	(85,884)	117,313
Miscellaneous	3,888	2,245	(1,643)	25,486
Total Revenues	<u>1,871,290</u>	<u>1,783,763</u>	<u>(87,527)</u>	<u>142,799</u>
Expenditures:				
General government	996,180	836,352	159,828	960
Judicial	67,111	61,353	5,758	56,976
Public safety	754,276	806,728	(52,452)	75,250
Culture and recreation	80,433	79,938	495	10,087
Total Expenditures	<u>1,898,000</u>	<u>1,784,371</u>	<u>113,629</u>	<u>143,273</u>
Excess (Deficiency) of Revenues Over Expenditures	(26,710)	(608)	26,102	(474)
Other Financing Sources:				
Transfers in	26,710	200,000	173,290	-
Total Other Financing Sources	<u>26,710</u>	<u>200,000</u>	<u>173,290</u>	<u>-</u>
Net Change in Fund Balance	<u>-</u>	199,392	<u>199,392</u>	(474)
Fund Balances - Beginning of Year		<u>27,319</u>		<u>27,793</u>
Fund Balances - End of Year		<u>226,711</u>		<u>27,319</u>

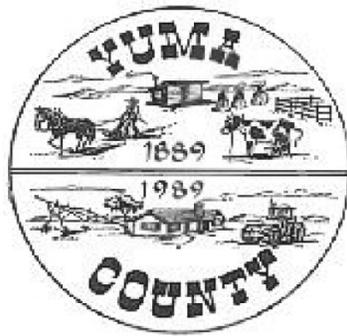
The accompanying notes are an integral part of these financial statements.

Yuma County, Colorado
Special Revenue Funds
Water Authority Public Improvement District
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP) Basis and Actual
For the Year Ended December 31, 2010
(With Comparative Actual Amounts for 2009)

	2010		Variance Positive (Negative)	2009
	Original and Final Budget	Actual		Actual
Revenues:				
Taxes:				
General property taxes	1,681,309	1,679,892	(1,417)	-
Specific ownership taxes	-	103,480	103,480	-
Interest and delinquent taxes	-	2,195	2,195	-
Other	-	198	198	-
Total Revenues	1,681,309	1,785,765	104,456	-
Expenditures:				
Community Auxiliary Services:				
Administration and general	50,739	50,861	(122)	-
Debt Service:				
Principal	716,128	716,128	-	943
Interest	452,526	452,525	1	312,517
Total Expenditures	1,219,393	1,219,514	(121)	313,460
Net Change in Fund Balance	461,916	566,251	104,335	(313,460)
Fund Balances (deficit) - Beginning of Year		(87,597)		225,863
Fund Balances - End of Year		478,654		(87,597)

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

SUPPLEMENTARY INFORMATION



Yuma County, Colorado
Combining Balance Sheet
Non-Major Governmental Funds
December 31, 2010

	Special Revenue													
	Landfill Fund	Landfill Closure Fund	Contingent Fund	Recreation Fund	Conservation Trust Fund	Capital Acquisitions Fund	Useful Public Service	Sheriff's Victim Assistance and Grant Fund	TASK Force Fund	Separation of Employment Fund	Emergency Reserve Fund	Gravel Fund	Self Insurance Fund	Total Non-major Governmental Funds
Assets:														
Cash and investments	232,908	72,750	100,000	647,398	21,416	779,619	15,049	36,335	141,238	99,048	273,000	-	1,028,133	3,446,894
Property taxes receivable	-	-	-	274,541	-	-	-	-	-	-	-	-	137,271	411,812
Accounts receivable	-	-	-	-	-	-	466	-	-	-	-	-	-	466
Due from other governments	936	-	-	-	-	-	-	10,105	57,953	-	-	-	-	68,994
Total Assets	<u>233,844</u>	<u>72,750</u>	<u>100,000</u>	<u>921,939</u>	<u>21,416</u>	<u>779,619</u>	<u>15,515</u>	<u>46,440</u>	<u>199,191</u>	<u>99,048</u>	<u>273,000</u>	<u>-</u>	<u>1,165,404</u>	<u>3,928,166</u>
Liabilities:														
Accounts payable	4,110	-	-	1,350	-	88	49	820	539	-	-	-	-	6,956
Deferred property tax revenues	-	-	-	274,541	-	-	-	-	-	-	-	-	137,271	411,812
Total Liabilities	<u>4,110</u>	<u>-</u>	<u>-</u>	<u>275,891</u>	<u>-</u>	<u>88</u>	<u>49</u>	<u>820</u>	<u>539</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>137,271</u>	<u>418,768</u>
Fund Balances:														
Unreserved	229,734	72,750	100,000	646,048	21,416	779,531	15,466	45,620	198,652	99,048	273,000	-	1,028,133	3,509,398
Total Fund Balances	<u>229,734</u>	<u>72,750</u>	<u>100,000</u>	<u>646,048</u>	<u>21,416</u>	<u>779,531</u>	<u>15,466</u>	<u>45,620</u>	<u>198,652</u>	<u>99,048</u>	<u>273,000</u>	<u>-</u>	<u>1,028,133</u>	<u>3,509,398</u>
Total Liabilities and Fund Balances	<u>233,844</u>	<u>72,750</u>	<u>100,000</u>	<u>921,939</u>	<u>21,416</u>	<u>779,619</u>	<u>15,515</u>	<u>46,440</u>	<u>199,191</u>	<u>99,048</u>	<u>273,000</u>	<u>-</u>	<u>1,165,404</u>	<u>3,928,166</u>

Yuma County, Colorado
Combining Statement of Revenues Expenditures and Changes in Fund Balance
Non-Major Governmental Funds
For the Year Ended December 31, 2010

	Special Revenue												Total Non-major Governmental Funds	
	Landfill Fund	Landfill Closure Fund	Contingent Fund	Recreation Fund	Conservation Trust Fund	Capital Acquisitions Fund	Useful Public Service Fund	Sheriff's Victim Assistance and Grant Fund	TASK Force Fund	Separation of Employment Fund	Emergency Reserve Fund	Gravel Fund		Self Insurance Fund
Revenues:														
Taxes	-	-	-	420,571	-	-	-	-	-	-	-	-	210,285	
Intergovernmental	-	-	-	45	35,642	-	-	56,018	172,728	-	-	-	47	
Charges for services	260,781	-	-	-	-	-	6,803	10,962	-	-	-	-	-	
Investment income	-	138	-	-	334	-	-	-	328	-	-	-	-	
Other sources	-	-	-	19,396	-	-	789	-	-	-	-	-	25,221	
Total Revenues	260,781	138	-	440,012	35,976	-	7,592	66,980	173,056	-	-	-	235,553	1,220,088
Expenditures:														
General government	-	-	-	-	-	457,302	-	-	-	764	-	-	99,425	
Public safety	-	-	-	-	-	-	5,927	68,072	145,777	-	-	-	-	
Culture and recreation	-	-	-	265,717	320,419	-	-	-	-	-	-	-	-	
Public works	-	-	-	-	-	933,224	-	-	-	-	-	-	-	
Landfill	328,238	-	-	-	-	-	-	-	-	-	-	-	-	
Total Expenditures	328,238	-	-	265,717	320,419	1,390,526	5,927	68,072	145,777	764	-	-	99,425	2,624,865
Excess (Deficiency) of Revenues Over Expenditures	(67,457)	138	-	174,295	(284,443)	(1,390,526)	1,665	(1,092)	27,279	(764)	-	-	136,128	(1,404,777)
Other Financing Sources (Uses):														
Transfers in	92,235	5,000	-	-	-	626,327	-	13,801	-	-	-	-	-	
Transfers (out)	(11,000)	-	-	-	-	-	-	(6,000)	-	-	-	-	-	
Insurance recoveries	-	-	-	-	-	13,146	-	-	-	-	-	-	-	
Total Other Financing Sources (Uses)	81,235	5,000	-	-	-	639,473	-	7,801	-	-	-	-	-	
Net Change in Fund Balance	13,778	5,138	-	174,295	(284,443)	(751,053)	1,665	6,709	27,279	(764)	-	-	136,128	(671,268)
Fund Balances - Beginning of Year	215,956	67,612	100,000	471,753	305,859	1,530,584	13,801	38,911	171,373	99,812	273,000	-	892,005	4,180,666
Fund Balances - End of Year	229,734	72,750	100,000	646,048	21,416	779,531	15,466	45,620	198,652	99,048	273,000	-	1,028,133	3,509,398

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

**Yuma County, Colorado
Special Revenue Funds
Landfill Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP) Basis and Actual
For the Year Ended December 31, 2010
(With Comparative Actual Amounts for 2009)**

	<u>2010</u>		<u>Variance Positive (Negative)</u>	<u>2009</u>
	<u>Original and Final Budget</u>	<u>Actual</u>		<u>Actual</u>
Revenues:				
Local governmental contributions	108,275	112,302	4,027	112,489
Intergovernmental - State sources	-	-	-	-
Charges for services	76,500	143,770	67,270	109,238
Other	-	4,708	4,708	1,345
Total Revenues	<u>184,775</u>	<u>260,780</u>	<u>76,005</u>	<u>223,072</u>
Expenditures:				
Operations	263,400	280,011	(16,611)	260,249
Capital outlay	77,000	48,227	28,773	56,121
Debt Service:				
Principal	-	-	-	20,561
Interest	-	-	-	273
Total Expenditures	<u>340,400</u>	<u>328,238</u>	<u>12,162</u>	<u>337,204</u>
Excess (Deficiency) of Revenues Over Expenditures	(155,625)	(67,458)	88,167	(114,132)
Other Financing Sources (Uses):				
Transfers in	92,235	92,235	-	92,235
Transfers (out)	(11,000)	(11,000)	-	(11,000)
Total Other Financing Sources	<u>81,235</u>	<u>81,235</u>	<u>-</u>	<u>81,235</u>
Net Change in Fund Balance	<u>(74,390)</u>	13,777	<u>88,167</u>	(32,897)
Fund Balances - Beginning of Year		<u>215,957</u>		<u>248,852</u>
Fund Balances - End of Year		<u>229,734</u>		<u>215,955</u>

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

Yuma County, Colorado
Special Revenue Funds
Landfill Closure Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP) Basis and Actual
For the Year Ended December 31, 2010
(With Comparative Actual Amounts for 2009)

	<u>2010</u>			<u>2009</u>
	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>	<u>Actual</u>
Revenues:				
Interest	-	138	138	193
Total Revenues	<u>-</u>	<u>138</u>	<u>138</u>	<u>193</u>
Expenditures:				
Closure costs	60,000	-	60,000	-
Total Expenditures	<u>60,000</u>	<u>-</u>	<u>60,000</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	(60,000)	138	60,138	193
Other Financing Sources:				
Transfers in	5,000	5,000	-	5,000
Total Other Financing Sources	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>5,000</u>
Net Change in Fund Balance	<u>(55,000)</u>	5,138	<u>60,138</u>	5,193
Fund Balances - Beginning of Year		<u>67,612</u>		<u>62,419</u>
Fund Balances - End of Year		<u><u>72,750</u></u>		<u><u>67,612</u></u>

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

Yuma County, Colorado
Special Revenue Funds
Contingent Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP) Basis and Actual
For the Year Ended December 31, 2010
(With Comparative Actual Amounts for 2009)

	2010		2009
	Original and Final Budget	Actual	Variance Positive (Negative)
Expenditures:			Actual
Contingencies	100,000	-	100,000
Total Expenditures	100,000	-	100,000
Net Change in Fund Balance	<u>(100,000)</u>	-	<u>100,000</u>
Fund Balances - Beginning of Year		100,000	100,000
Fund Balances - End of Year		<u>100,000</u>	<u>100,000</u>

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

Yuma County, Colorado
Special Revenue Funds
Recreation Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP) Basis and Actual
For the Year Ended December 31, 2010
(With Comparative Actual Amounts for 2009)

	<u>2010</u>		<u>2009</u>
	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
			<u>Actual</u>
Revenues:			
Local Sources:			
General property taxes	420,327	415,850	(4,477)
Delinquent taxes and interest	600	4,721	4,121
Intergovernmental	50	45	(5)
Other	540	19,396	18,856
	<u>421,517</u>	<u>440,012</u>	<u>18,495</u>
Total Revenues	<u>421,517</u>	<u>440,012</u>	<u>18,495</u>
Expenditures:			
Culture and recreation	500,000	265,717	234,283
	<u>500,000</u>	<u>265,717</u>	<u>234,283</u>
Total Expenditures	<u>500,000</u>	<u>265,717</u>	<u>234,283</u>
Excess (Deficiency) of Revenues Over Expenditures	(78,483)	174,295	252,778
Other Financing (Uses):			
Transfers (out)	-	-	(400,000)
Total Other Financing (Uses)	<u>-</u>	<u>-</u>	<u>(400,000)</u>
Net Change in Fund Balance	<u>(78,483)</u>	174,295	<u>252,778</u>
Fund Balances - Beginning of Year		471,753	640,780
Fund Balances - End of Year		<u>646,048</u>	<u>471,753</u>

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

Yuma County, Colorado
Special Revenue Funds
Conservation Trust Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP) Basis and Actual
For the Year Ended December 31, 2010
(With Comparative Actual Amounts for 2009)

	<u>2010</u>			Final Budget Variance Positive (Negative)	<u>2009</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>		<u>Actual</u>
Revenues:					
Conservation Trust lottery revenue	35,000	35,000	35,642	642	38,198
Interest	8,000	8,000	334	(7,666)	931
Total Revenues	<u>43,000</u>	<u>43,000</u>	<u>35,976</u>	<u>(7,024)</u>	<u>39,129</u>
Expenditures:					
Parks and recreation	300,000	325,000	320,419	4,581	25,381
Total Expenditures	<u>300,000</u>	<u>325,000</u>	<u>320,419</u>	<u>4,581</u>	<u>25,381</u>
Net Change in Fund Balance	<u>(257,000)</u>	<u>(282,000)</u>	(284,443)	<u>(2,443)</u>	13,748
Fund Balances - Beginning of Year			305,859		292,111
Fund Balances - End of Year			<u>21,416</u>		<u>305,859</u>

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

Yuma County, Colorado
Special Revenue Funds
Capital Acquisitions Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP) Basis and Actual
For the Year Ended December 31, 2010
(With Comparative Actual Amounts for 2009)

	<u>2010</u>		<u>Variance Positive (Negative)</u>	<u>2009</u>
	<u>Original and Final Budget</u>	<u>Actual</u>		<u>Actual</u>
Revenues:				
Intergovernmental grants	-	-	-	23,310
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,310</u>
Expenditures:				
General government	300,000	457,302	(157,302)	409,750
Public works	1,493,766	933,224	560,542	90,567
Total Expenditures	<u>1,793,766</u>	<u>1,390,526</u>	<u>403,240</u>	<u>500,317</u>
Excess (Deficiency) of Revenues Over Expenditures	(1,793,766)	(1,390,526)	403,240	(477,007)
Other Financing Sources:				
Transfers in	426,327	626,327	200,000	706,317
Insurance recoveries	6,000	13,146	7,146	4,433
Total Other Financing Sources	<u>432,327</u>	<u>639,473</u>	<u>207,146</u>	<u>710,750</u>
Net Change in Fund Balance	<u>(1,361,439)</u>	(751,053)	<u>610,386</u>	233,743
Fund Balances - Beginning of Year		<u>1,530,584</u>		<u>1,296,841</u>
Fund Balances - End of Year		<u>779,531</u>		<u>1,530,584</u>

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

Yuma County, Colorado
Special Revenue Funds
Useful Public Service Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP) Basis and Actual
For the Year Ended December 31, 2010
(With Comparative Actual Amounts for 2009)

	<u>2010</u>		<u>Variance Positive (Negative)</u>	<u>2009</u>
	<u>Original and Final Budget</u>	<u>Actual</u>		<u>Actual</u>
Revenues:				
Charges for services	4,000	6,803	2,803	4,643
Other	2,500	789	(1,711)	2,662
Total Revenues	<u>6,500</u>	<u>7,592</u>	<u>1,092</u>	<u>7,305</u>
Expenditures:				
Programs	7,550	5,927	1,623	6,662
Total Expenditures	<u>7,550</u>	<u>5,927</u>	<u>1,623</u>	<u>6,662</u>
Net Change in Fund Balance	<u>(1,050)</u>	1,665	<u>2,715</u>	643
Fund Balances - Beginning of Year		<u>13,801</u>		<u>13,158</u>
Fund Balances - End of Year		<u>15,466</u>		<u>13,801</u>

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

Yuma County, Colorado
Special Revenue Funds
Sheriff's Victim Assistance and Grant Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP) Basis and Actual
For the Year Ended December 31, 2010
(With Comparative Actual Amounts for 2009)

	<u>2010</u>			Final Budget Variance Positive (Negative)	<u>2009</u>
	Original Budget	Final Budget	Actual		Actual
Revenues:					
Federal grants	25,543	25,543	29,263	3,720	26,643
State grants	20,395	20,395	20,395	-	19,356
Other sources	6,000	6,000	6,360	360	6,294
Charges for services	5,000	5,000	10,962	5,962	11,342
Total Revenues	<u>56,938</u>	<u>56,938</u>	<u>66,980</u>	<u>10,042</u>	<u>63,635</u>
Expenditures:					
Public safety	68,732	73,532	68,072	5,460	68,958
Total Expenditures	<u>68,732</u>	<u>73,532</u>	<u>68,072</u>	<u>5,460</u>	<u>68,958</u>
Excess (Deficiency) of Revenues Over Expenditures	(11,794)	(16,594)	(1,092)	15,502	(5,323)
Other Financing Sources:					
Transfers in	13,801	13,801	13,801	-	13,801
Total Other Financing Sources	<u>13,801</u>	<u>7,801</u>	<u>7,801</u>	<u>-</u>	<u>13,801</u>
Net Change in Fund Balance	<u>2,007</u>	<u>(8,793)</u>	6,709	<u>15,502</u>	8,478
Fund Balances - Beginning of Year			38,911		30,433
Fund Balances - End of Year			<u>45,620</u>		<u>38,911</u>

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

Yuma County, Colorado
Special Revenue Funds
TASK Force Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP) Basis and Actual
For the Year Ended December 31, 2010
(With Comparative Actual Amounts for 2009)

	<u>2010</u>		<u>Variance Positive (Negative)</u>	<u>2009</u>
	<u>Original and Final Budget</u>	<u>Actual</u>		<u>Actual</u>
Revenues:				
Intergovernmental:				
Federal grants	255,020	127,652	(127,368)	156,324
Local match	29,500	30,250	750	29,500
Other	200	14,826	14,626	2,375
Investment income	1,000	328	(672)	431
	<u>285,720</u>	<u>173,056</u>	<u>(112,664)</u>	<u>188,630</u>
Total Revenues				
Expenditures:				
Public safety	<u>285,720</u>	<u>145,777</u>	<u>139,943</u>	<u>179,661</u>
	<u>285,720</u>	<u>145,777</u>	<u>139,943</u>	<u>179,661</u>
Total Expenditures				
Net Change in Fund Balance	<u>-</u>	<u>27,279</u>	<u>27,279</u>	<u>8,969</u>
Fund Balances - Beginning of Year		<u>171,373</u>		<u>162,404</u>
Fund Balances - End of Year		<u>198,652</u>		<u>171,373</u>

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

Yuma County, Colorado
Special Revenue Funds
Separation of Employment Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP) Basis and Actual
For the Year Ended December 31, 2010
(With Comparative Actual Amounts for 2009)

	2010		Variance Positive (Negative)	2009
	Original and Final Budget	Actual		Actual
Expenditures:				
Personal leave	53,000	764	52,236	11,648
Total Expenditures	<u>53,000</u>	<u>764</u>	<u>52,236</u>	<u>11,648</u>
Excess (Deficiency) of Revenues Over Expenditures	(53,000)	(764)	52,236	(11,648)
Other Financing Sources:				
Transfers in	-	-	-	50,000
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,000</u>
Net Change in Fund Balance	<u>(53,000)</u>	(764)	<u>52,236</u>	38,352
Fund Balances - Beginning of Year		<u>99,812</u>		<u>61,460</u>
Fund Balances - End of Year		<u>99,048</u>		<u>99,812</u>

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

Yuma County, Colorado
Special Revenue Funds
Emergency Reserve Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP) Basis and Actual
For the Year Ended December 31, 2010
(With Comparative Actual Amounts for 2009)

	2010		Variance Positive (Negative)	2009
	Original and Final Budget	Actual		Actual
Other Financing (Uses):				
Transfers out	(200,000)	-	200,000	-
Total Other Financing (Uses)	<u>(200,000)</u>	<u>-</u>	<u>200,000</u>	<u>-</u>
Net Change in Fund Balance	<u>(200,000)</u>	<u>-</u>	<u>200,000</u>	<u>-</u>
Fund Balances - Beginning of Year		<u>273,000</u>		<u>273,000</u>
Fund Balances - End of Year		<u><u>273,000</u></u>		<u><u>273,000</u></u>

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

**Yuma County, Colorado
Special Revenue Funds
Gravel Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP) Basis and Actual
For the Year Ended December 31, 2010
(With Comparative Actual Amounts for 2009)**

	2010		Variance Positive (Negative)	2009
	Original and Final Budget	Actual		Actual
Expenditures:				
Public works:				
Public works - Gravel	-	-	-	36,000
Total Expenditures	-	-	-	36,000
Excess (Deficiency) of Revenues Over Expenditures	-	-	-	(36,000)
Other Financing Sources:				
Transfers in	-	-	-	36,000
Total Other Financing Sources	-	-	-	36,000
Net Change in Fund Balance	-	-	-	-
Fund Balances - Beginning of Year		-		-
Fund Balances - End of Year		-		-

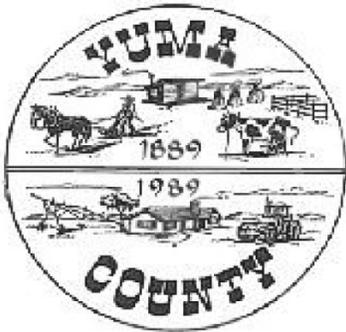
The accompanying notes are an integral part of these financial statements.

Yuma County, Colorado
Special Revenue Funds
Self-Insurance Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP) Basis and Actual
For the Year Ended December 31, 2010
(With Comparative Actual Amounts for 2009)

	<u>2010</u>		<u>2009</u>
	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
			<u>Actual</u>
Revenues:			
Taxes:			
General property taxes	210,164	209,967	(197)
Delinquent taxes and interest	205	318	113
Total Taxes	<u>210,369</u>	<u>210,285</u>	<u>(84)</u>
Other:			
Intergovernmental	40	47	7
Miscellaneous	10,091	25,221	15,130
Total Other	<u>10,131</u>	<u>25,268</u>	<u>15,137</u>
Total Revenues	<u>220,500</u>	<u>235,553</u>	<u>15,053</u>
Expenditures:			
General government:			
Insurance premiums and claims	184,000	99,425	84,575
Total Expenditures	<u>184,000</u>	<u>99,425</u>	<u>84,575</u>
Net Change in Fund Balance	<u>36,500</u>	136,128	<u>99,628</u>
Fund Balances - Beginning of Year		<u>892,005</u>	<u>794,638</u>
Fund Balances - End of Year		<u>1,028,133</u>	<u>892,005</u>

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

**ANNUAL SCHEDULE OF REVENUES AND
EXPENDITURES FOR ROADS, BRIDGES AND STREETS**



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

LOCAL HIGHWAY FINANCE REPORT	City or County: Yuma County
	YEAR ENDING : December 2010
This Information From The Records Of (example - City of _ or County of _): County of Yuma	Prepared By: Linda Briggs Phone: 970.332.5796

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

ITEM	AMOUNT
A. Receipts from local sources:	
1. Local highway-user taxes	
a. Motor Fuel (from Item I.A.5.)	
b. Motor Vehicle (from Item I.B.5.)	
c. Total (a.+b.)	
2. General fund appropriations	
3. Other local imposts (from page 2)	1,625,880
4. Miscellaneous local receipts (from page 2)	67,486
5. Transfers from toll facilities	
6. Proceeds of sale of bonds and notes:	
a. Bonds - Original Issues	
b. Bonds - Refunding Issues	
c. Notes	
d. Total (a. + b. + c.)	0
7. Total (1 through 6)	1,693,366
B. Private Contributions	
C. Receipts from State government (from page 2)	3,316,023
D. Receipts from Federal Government (from page 2)	109,680
E. Total receipts (A.7 + B + C + D)	5,119,068

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway disbursements:	
1. Capital outlay (from page 2)	1,996,823
2. Maintenance:	
3. Road and street services:	
a. Traffic control operations	
b. Snow and ice removal	
c. Other Transfer to Cities	54,534
d. Total (a. through c.)	54,534
4. General administration & miscellaneous	2,284,995
5. Highway law enforcement and safety	
6. Total (1 through 5)	4,336,352
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	0
2. Notes:	
a. Interest	
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)	4,336,352

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

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

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	2,719,714	5,119,068	4,336,352	3,502,430	0

Notes and Comments:

Funds to the City of Wray	18,702
Funds to the City of Yuma	25,743
Funds to the Town of Eckley	10,089
	<hr/> 54,534

LOCAL HIGHWAY FINANCE REPORT

STATE:
Colorado
YEAR ENDING (mm/yy):
December 2010

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	1,062,015	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	23,968
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	563,865	g. Other Misc. Receipts	39,158
6. Total (1. through 5.)	563,865	h. Other Permits	4,359
c. Total (a. + b.)	1,625,880	i. Total (a. through h.)	67,486
	(Carry forward to page 1)		(Carry forward to page 1)

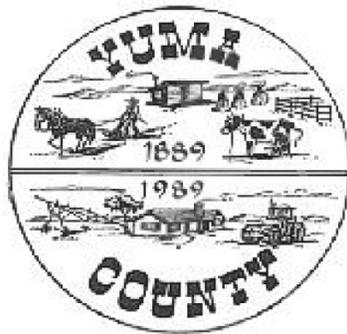
ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	2,726,792	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	39,972	d. Federal Transit Admin	
d. Other / Severence Tax	123,226	e. U.S. Corps of Engineers	
e. Other / EIAF Grants	426,033	f. Other Feder. Federal mineral leasing, PILT	109,680
f. Total (a. through e.)	589,230	g. Total (a. through f.)	109,680
4. Total (1. + 2. + 3.f)	3,316,023	3. Total (1. + 2.g)	
			(Carry forward to page 1)

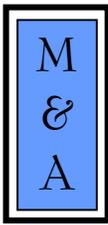
III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

	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			0
(3). System Preservation			0
(4). System Enhancement & Operation		1,996,823	1,996,823
(5). Total Construction (1) + (2) + (3) + (4)	0	1,996,823	1,996,823
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	1,996,823	1,996,823
			(Carry forward to page 1)

Notes and Comments:

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





MCMAHAN AND ASSOCIATES, L.L.C.

Certified Public Accountants and Consultants

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

**Board of County Commissioners
Yuma County
Wray, Colorado**

We have audited the financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Yuma County, Colorado (the "County") as of and for the year ended December 31, 2010, which collectively comprise the County's basic financial statements, and have issued our report thereon dated September 21, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

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*.

Member: American Institute of Certified Public Accountants

D. JERRY MCMAHAN, C.P.A.
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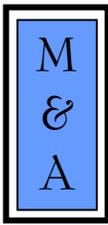
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*Board of County Commissioners
Yuma County
Wray, Colorado*

This report is intended solely for the information and use of management, the Board of County Commissioners, others within the County, federal awarding agencies, and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

**McMahan and Associates, L.L.C.
September 21, 2011**



MCMAHAN AND ASSOCIATES, L.L.C.

Certified Public Accountants and Consultants

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

**Board of County Commissioners
Yuma County
Wray, Colorado**

Compliance

We have audited the compliance of Yuma County, Colorado, Colorado (the "County") with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 2010. The County's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the County's compliance with those requirements.

In our opinion, the County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2010.

Internal Control Over Compliance

The management of the County is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

Member: American Institute of Certified Public Accountants

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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.

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 deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, the Board of County Commissioners, others within the County, federal awarding agencies, and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

McMahan and Associates, L.L.C.
September 21, 2011

Yuma County, Colorado
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2010

Part I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued	Unqualified
Internal control over financial reporting:	
Material weakness identified	None noted
Reportable conditions identified that are not considered to be material weaknesses	None reported
Noncompliance material to financial statements noted	None noted

Federal Awards

Internal control over major programs:	
Material weakness identified	None noted
Reportable conditions identified that are not considered to be material weaknesses	None reported
Type of auditor’s report issued on compliance for major programs	Unqualified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133	No
Major programs:	
Low Income Energy Assistance Program	CFDA #93.568
Public Safety Interoperable Communications Grant Program	CFDA #11.555
Dollar threshold used to identify Type A from Type B programs:	\$300,000
Identified as low-risk auditee	No

Part II – Findings Related to Financial Statements

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

Part III – Findings Related to Federal Awards

Internal control findings	None noted
Compliance findings	No
Questioned costs	No
Auditor-assigned reference number	Not applicable

Yuma County, Colorado
SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2010

There were no findings in the prior fiscal year.

Yuma County, Colorado
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2010

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Major Program (Yes/No)</u>	<u>2010 Expenditures</u>
Department of Human Services:			
Passed through Colorado Department of Health and Human Services:			
TANF CO Works	93.558	No	270,087
Title IV-D - Admin	93.563	No	81,262
Low income energy assistance program	93.568	Yes	254,165
CCDF - Discretionary	93.575	No	78,418
CCDF	93.596	No	96,685
Child care - Title IVB	93.645	No	8,781
Foster Care - Title IV-E	93.658	No	111,348
Adoption	93.659	No	25,081
Block Grant - Title XX	93.667	No	52,479
Independent Living - Title IV-E	93.674	No	4,116
CCDF - ARRA	93.713	No	11,576
Medical Assistance Program - Title XIX	93.778	No	65,333
Adjustment to federal assistance	93.000	No	339
CCDF - Child Care Dev. Block Grant - ARRA	93.713	No	27,812
Total Department of Human Services			<u>1,087,482</u>
Department of Agriculture:			
Passed through Colorado Department of Human Services:			
Food Administration	10.568	No	412
Food Distribution	10.569	No	16,324
Food Stamps - Administration	10.561	No	71,677
Total Department of Agriculture			<u>88,413</u>
Department of Homeland Security:			
Emergency Management Performance Grants	97.042	No	18,751
Department of Commerce:			
Passed through Colorado Governor's Office of Homeland Security:			
Public Safety Interoperable Communications Grant Program	11.555	Yes	796,066
Department of Justice:			
Bullet Proof Vest PTR Program	16.607	No	3,720
Community Oriented Police Services	16.710	No	67,172
Passed through the Colorado Division of Criminal Justice:			
Victims of Crime Act	16.575	No	21,504
Violence Against Women Act	16.588	No	4,039
Justice Assistance Grant	16.738	No	22,304
Justice Assistance Grant - ARRA	16.803	No	38,176
Total Department of Justice			<u>156,915</u>
Total Expenditures			<u>2,147,627</u>

Notes to the Schedule of Expenditures of Federal Awards For the Year Ended December 31, 2010.

Note 1. Basis of Presentation:

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

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

Food Issuances: Fair market value of food issuances at the time recipient receives award and the assessed value provided by the federal agency. Food Distribution: Fair market value of food distributions at the time recipient receives award and the assessed value provided by the federal agency.

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