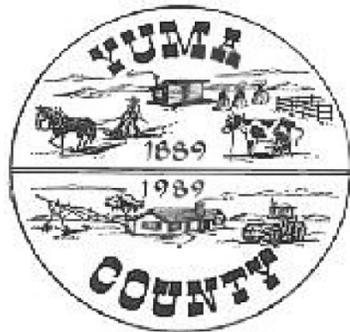


Yuma County, Colorado

Financial Report

December 31, 2011



**Yuma County, Colorado
Financial Report
December 31, 2011**

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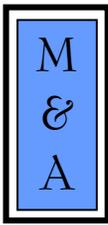
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INDEPENDENT AUDITOR'S REPORT

**To the 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, 2011, 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, 2011, 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 July 27, 2012, 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

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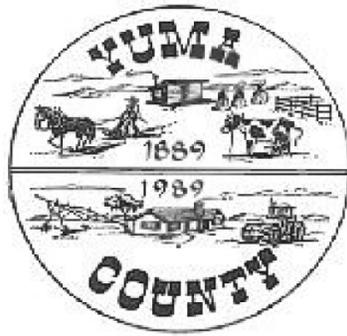
U.S. generally accepted accounting principles require that the Management's Discussion and Analysis in Section B be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, 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.
July 27, 2012

MANAGEMENT'S DISCUSSION AND ANALYSIS



Yuma County, Colorado

Management's Discussion and Analysis

December 31, 2011

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, 2011.

Financial Highlights

- The assets of Yuma County exceeded its liabilities at the close of the most recent fiscal year by \$34,159,910 (net assets). Of this amount, \$13,096,294 (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 \$1,218,054. 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 \$18,244,695, an increase of \$1,566,756. Approximately \$17,140,241 is available for spending at the government's discretion.

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 2011, the fund balance was \$8,624,919; at the end of 2011, the fund balance was \$9,494,060. 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, 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 2011 and 2010:

Yuma County's Net Assets:

	Governmental Activities	
	2011	2010
Assets:		
Current and other assets	\$ 25,364,666	23,428,255
Capital assets, net	34,793,976	36,103,906
Total Assets	60,158,642	59,532,161
Liabilities:		
Other liabilities	11,180,854	11,042,743
Long-term liabilities	14,817,598	15,547,282
Total Liabilities	25,998,452	26,590,025
Net Assets:		
Invested in capital assets, net of related debt	20,633,896	21,195,182
Restricted for emergencies	430,000	559,000
Unrestricted	13,096,294	11,187,954
Total Net Assets	\$ 34,160,190	32,942,136

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 58% of its total assets; these assets are not an available source of payment of future spending.

The County's net assets increased \$1,218,054 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)

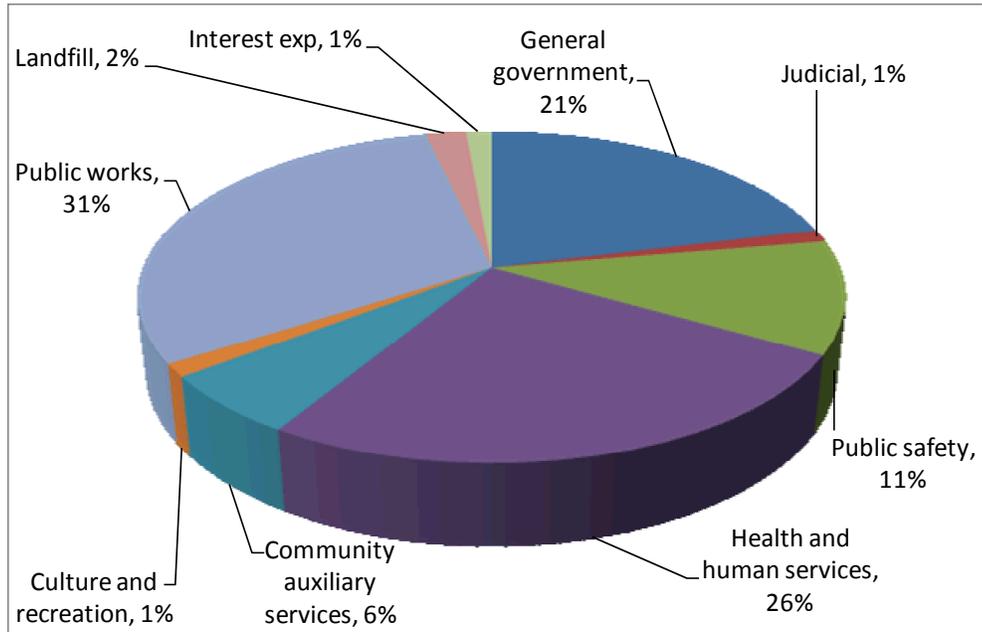
Yuma County's Governmental Activities

	Governmental Activities	
	2011	2010
Revenues:		
Program revenues:		
Charges for services	\$ 1,497,161	1,599,579
Grants and contributions	4,920,000	6,011,799
General revenues:		
Property taxes	7,086,359	10,824,265
Specific ownership taxes	586,661	602,228
Highway users tax	2,745,505	2,726,792
Interest & other revenue	452,178	330,858
Total Revenues	17,287,864	22,095,521
Expenses:		
General government	2,525,100	3,372,829
Judicial	211,704	196,299
Public safety	1,600,987	1,829,415
Health and human services	4,269,729	4,261,166
Community auxiliary services	1,454,145	992,800
Culture and recreation	103,947	211,827
Public works	5,267,115	5,106,899
Landfill	413,572	366,947
Interest expense	223,511	233,752
Total Expenses	16,069,810	16,571,934
Change in Net Assets	1,218,054	5,523,587
Net Assets - Beginning of Year	32,942,136	27,418,549
Net Assets - End of Year	\$ 34,160,190	32,942,136

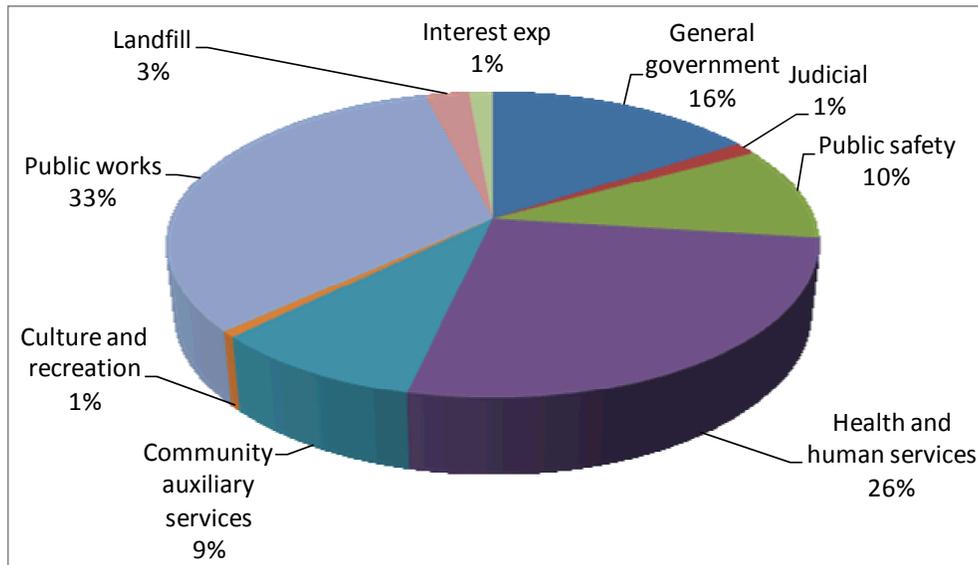
For 2011, the County increased funding to allow for the purchase of supplies, equipment, vehicles, manpower, and capital outlay to various departments of the governmental activities to enhance quality services.

Overview of the Financial Statements (continued)

The following graph depicts the County's 2010 expenses:



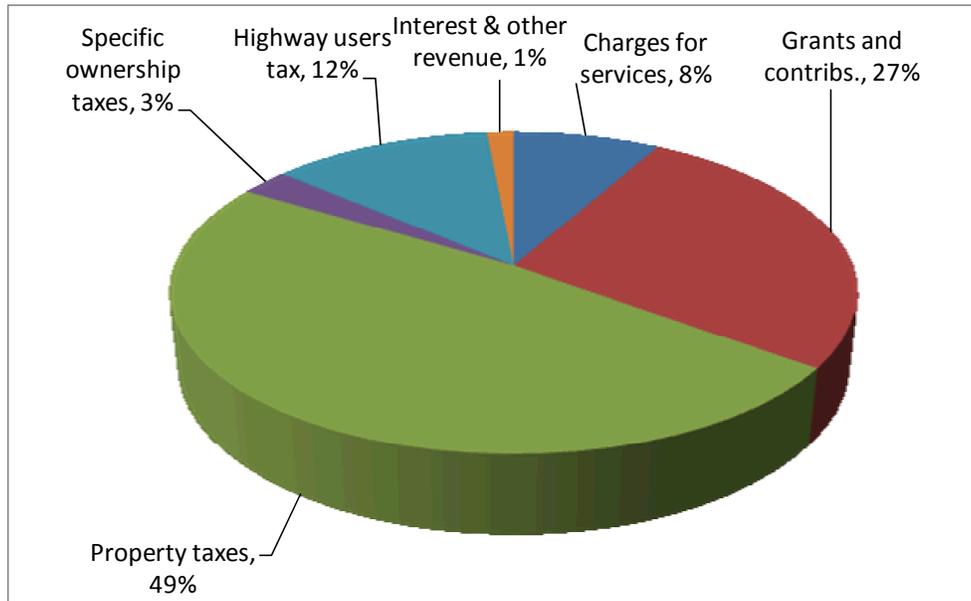
The following graph depicts the County's 2011 expenses:



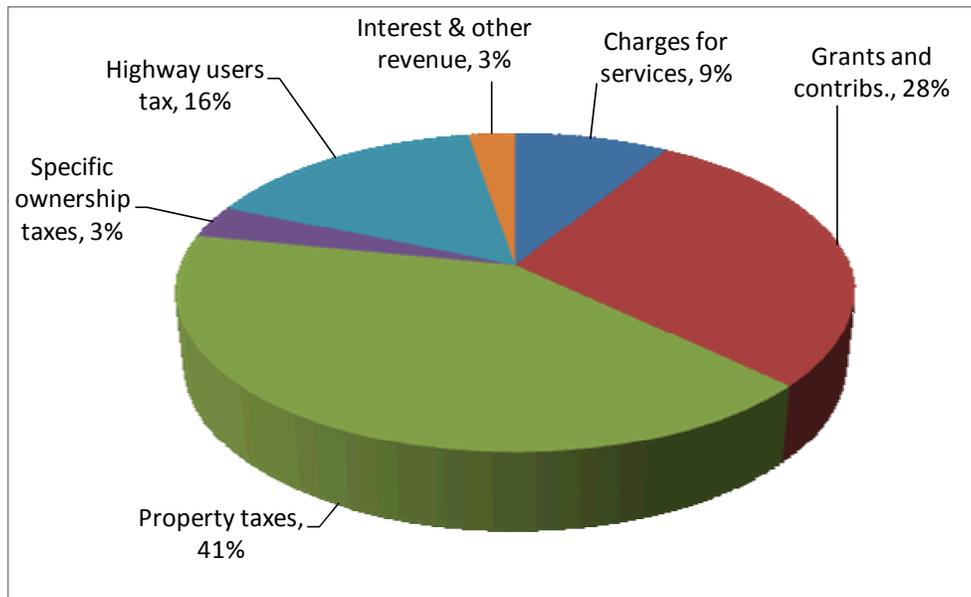
Overview of the Financial Statements (continued)

Government-wide Financial Analysis (continued)

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

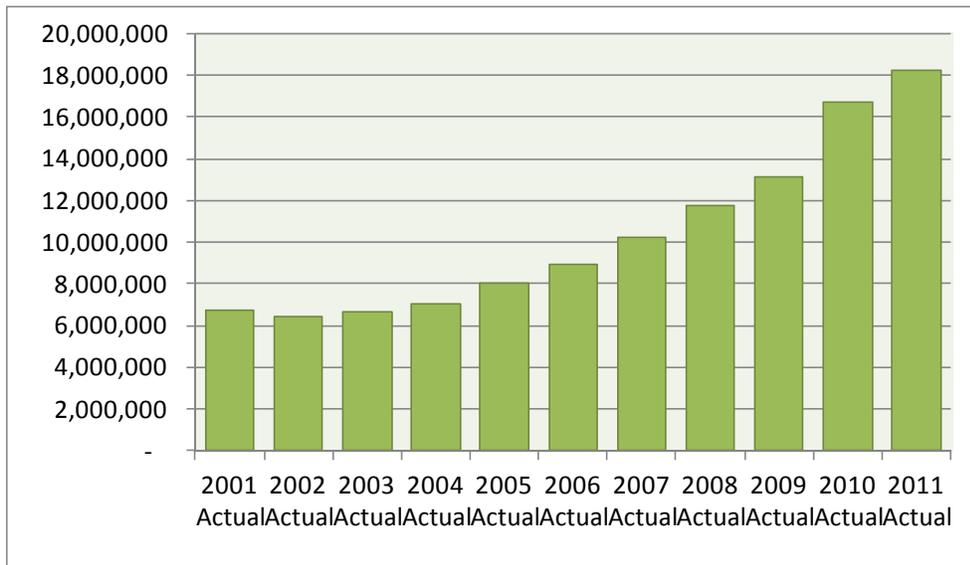


The following graph shows the County's 2011 revenue sources:



Fund Financial Analysis:

The graph below shows the County's total actual combined fund balances for fiscal years 2001 through 2011.



Next Year's Budget and Rates:

The County's General Fund balance at the end of fiscal year 2011 was \$9,494,060. 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 180% of 2011 expenditures of \$5,267,405.

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 \$4,430 to cover general operating expenditures over the original budgeted amounts. Departments receiving budgetary increases were Golden Plains Extension, Veterans Officer, and Economic Development.

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, built a Fair concession building, Human Services building improvements, and made bridge 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 2011, capital assets of the County decreased by a net of \$1,309,930.

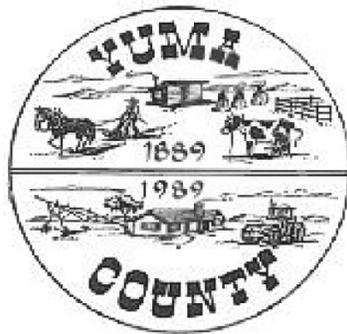
As of the end of the current fiscal year, the County's total long-term liabilities decreased by \$729,684; this decrease was mainly the result of principal payments on General Obligation debt and a note payable. A detailed description of the County's long-term liabilities is included in the Notes to the Financial Statements.

Next Year's Budget

During the current fiscal year, fund balance in the General Fund and the special revenue funds increased to \$9,494,060 and \$8,750,355, respectively. The County anticipates that the General Fund balance will decrease \$170,874 during 2012. The County has appropriated \$1,328,124 of special revenue fund balances for spending in the 2012 fiscal year budget. In 2012 the County anticipates the Road and Bridge Fund will increase \$71,535, the Human Services Fund will use \$33,034, the Self Insurance Fund will use \$48,510, the Recreation Fund will use \$58,320, the Landfill Fund will use \$96,050, the Drug Task Force Fund will use \$61,850, the Capital Acquisition Fund will use \$753,510, the Landfill Closure Fund will use \$65,000, the Separation of Employment Fund will use \$70,000, the Conservation Trust will use \$29,800, and the Water Authority Public Improvement District will use \$183,585. 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, 2011

	Primary Government Governmental Activities	Component Unit Yuma County Water Authority
Assets:		
Cash and investments	17,990,850	140,324
Receivables, net:		
Taxes	6,328,617	-
Accounts	177,790	-
Due from other governments	298,069	-
Inventory	246,171	-
Debt issue costs, net	323,169	-
Capital assets not being depreciated:		
Land	520,061	739,564
Water rights	20,139,000	-
Depreciable capital assets	31,922,639	-
Accumulated depreciation	(17,787,724)	-
Total Assets	60,158,642	879,888
Liabilities:		
Accounts payable	181,995	882
Accrued interest payable	134,054	-
Deferred revenue	4,536,188	-
Deferred property taxes not collectible until subsequent year	6,328,617	-
Compensated absences:		
Due in more than one year	458,994	-
Notes payable:		
Due within one year	408,949	-
Due in more than one year	8,394,030	-
Bonds payable:		
Due in more than one year	355,000	-
Due in more than one year	5,002,101	-
Landfill post closure liability	198,524	-
Total Liabilities	25,998,452	882
Net Assets:		
Invested in capital assets, net of related debt	20,633,896	739,564
Restricted for:		
Emergencies	430,000	4,000
Other purposes	428,283	-
Unrestricted	12,668,011	135,442
Total Net Assets	34,160,190	879,006

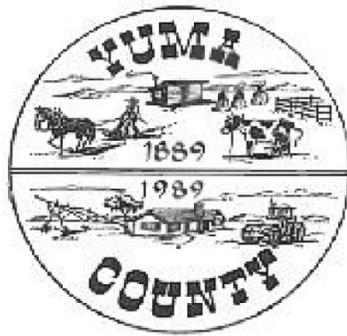
The accompanying notes are an integral part of these financial statements.

Yuma County, Colorado
Statement of Activities
For the Year Ended December 31, 2011

	Primary Government				Net (Expense) Revenue and Changes in Net Assets	Component Units
	Expenses	Program Revenues			Governmental Activities	Yuma County Water Authority
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		
Functions/Programs:						
Governmental activities:						
General government	2,525,100	885,509	29,157	-	(1,610,434)	
Judicial	211,704	-	58,250	-	(153,454)	
Public safety	1,600,987	37,312	182,047	484,375	(897,253)	
Health and human services	4,269,729	-	3,401,817	116,421	(751,491)	
Community auxiliary services	1,454,145	250,000	-	500,000	(704,145)	
Culture and recreation	103,947	-	36,658	-	(67,289)	
Public works	5,267,115	67,581	111,275	-	(5,088,259)	
Landfill	413,572	256,759	-	-	(156,813)	
Interest expense	223,511	-	-	-	(223,511)	
Total Primary Government	16,069,810	1,497,161	3,819,204	1,100,796	(9,652,649)	
Component Units:						
Yuma County Water Authority	37,210	29,413	79,465	-		71,668
Total Component Units	37,210	29,413	79,465	-		71,668
General Revenues:						
Taxes:						
Property tax, levied for general purposes				5,987,020	-	
Property tax, levied for debt service				1,099,339	-	
Specific ownership tax				586,661	-	
Highway user tax				2,745,505	-	
Other taxes				360,671	-	
Investment earnings				85,949	-	
Gain (loss) on sale of assets				(29,277)	-	
Grants and contributions not restricted by programs				34,835	-	
Total General Revenues				10,870,703	-	
Change in Net Assets				1,218,054		71,668
Net Assets - Beginning of Year				32,942,136		807,338
Net Assets - End of Year				34,160,190		879,006

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

FUND FINANCIAL STATEMENTS



**Yuma County, Colorado
Balance Sheets
Governmental Funds
December 31, 2011**

	<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	9,527,603	3,903,157	783,796	74,599	451,593	3,250,101	17,990,849
Taxes receivable	4,867,743	734,649	290,490	-	-	435,735	6,328,617
Accounts receivable	50,838	-	-	-	-	126,952	177,790
Due from other governments	-	191,694	60,152	10,438	8,089	27,696	298,069
Inventory	-	246,171	-	-	-	-	246,171
Total Assets	<u><u>14,446,184</u></u>	<u><u>5,075,671</u></u>	<u><u>1,134,438</u></u>	<u><u>85,037</u></u>	<u><u>459,682</u></u>	<u><u>3,840,484</u></u>	<u><u>25,041,496</u></u>
Liabilities and Fund Equity:							
Liabilities:							
Accounts payable	84,381	87,805	3,203	1,502	-	5,104	181,995
Deferred revenues	-	-	229,364	56,825	-	-	286,189
Deferred property taxes not collectible until subsequent year	4,867,743	734,649	290,490	-	-	435,735	6,328,617
Total Liabilities	<u><u>4,952,124</u></u>	<u><u>822,454</u></u>	<u><u>523,057</u></u>	<u><u>58,327</u></u>	<u><u>-</u></u>	<u><u>440,839</u></u>	<u><u>6,796,801</u></u>
Fund Balances:							
Nonspendable	-	246,171	-	-	-	-	246,171
Restricted	430,000	-	-	26,710	-	401,573	858,283
Committed	3,178,825	4,007,046	611,381	-	459,682	1,090,967	9,347,901
Assigned	5,885,235	-	-	-	-	1,907,105	7,792,340
Total Fund Balances	<u><u>9,494,060</u></u>	<u><u>4,253,217</u></u>	<u><u>611,381</u></u>	<u><u>26,710</u></u>	<u><u>459,682</u></u>	<u><u>3,399,645</u></u>	<u><u>18,244,695</u></u>
Total Liabilities and Fund Balances	<u><u>14,446,184</u></u>	<u><u>5,075,671</u></u>	<u><u>1,134,438</u></u>	<u><u>85,037</u></u>	<u><u>459,682</u></u>	<u><u>3,840,484</u></u>	<u><u>25,041,496</u></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, 2011

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

Total Fund Balance on Governmental Funds	18,244,695
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.	323,169
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.	52,581,700
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.	(17,787,725)
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.	(4,250,000)
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.	(458,991)
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.	(134,054)
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.	(8,802,979)
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.	(5,357,101)
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.	(198,524)
Net Assets of Governmental Activities	<u><u>34,160,190</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, 2011

	<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	4,604,544	1,281,824	275,001	-	1,199,590	412,314	7,773,273
Permits and licenses	5,670	2,000	-	-	-	-	7,670
Intergovernmental revenue	70,657	3,110,548	3,401,817	1,072,736	-	336,543	7,992,301
Charges for services	1,009,135	38,598	-	-	-	269,264	1,316,997
Investment income	82,938	-	-	-	-	3,010	85,948
Miscellaneous	61,051	-	-	2,375	198	33,331	96,955
Total Revenues	<u>5,833,995</u>	<u>4,432,970</u>	<u>3,676,818</u>	<u>1,075,111</u>	<u>1,199,788</u>	<u>1,054,462</u>	<u>17,273,144</u>
Expenditures:							
General government	1,895,410	-	-	34,311	-	433,767	2,363,488
Judicial	170,377	-	-	58,250	-	-	228,627
Public safety	1,801,928	-	-	482,550	-	184,303	2,468,781
Culture and recreation	-	-	-	-	-	103,947	103,947
Public works	-	3,715,074	-	-	-	269,479	3,984,553
Health and human services	146,574	-	3,674,265	-	-	-	3,820,839
Community auxiliary services	672,539	-	-	500,000	33,357	-	1,205,896
Landfill	-	-	-	-	-	394,044	394,044
Debt service:							
Principal	-	-	-	-	744,950	-	744,950
Interest	-	-	-	-	440,453	-	440,453
Total Expenditures	<u>4,686,828</u>	<u>3,715,074</u>	<u>3,674,265</u>	<u>1,075,111</u>	<u>1,218,760</u>	<u>1,385,540</u>	<u>15,755,578</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>1,147,167</u>	<u>717,896</u>	<u>2,553</u>	<u>-</u>	<u>(18,972)</u>	<u>(331,078)</u>	<u>1,517,566</u>
Other Financing Sources (Uses):							
Transfers in	300,000	-	-	-	-	591,577	891,577
Transfers (out)	(580,577)	-	-	(200,000)	-	(111,000)	(891,577)
Insurance recoveries	-	28,983	-	-	-	9,997	38,980
Sale of assets	2,551	3,908	-	-	-	3,751	10,210
Total Other Financing Sources (Uses)	<u>(278,026)</u>	<u>32,891</u>	<u>-</u>	<u>(200,000)</u>	<u>-</u>	<u>494,325</u>	<u>49,190</u>
Net Change in Fund Balance	869,141	750,787	2,553	(200,000)	(18,972)	163,247	1,566,756
Fund Balances - Beginning of Year (Restated)	<u>8,624,919</u>	<u>3,502,430</u>	<u>608,828</u>	<u>226,710</u>	<u>478,654</u>	<u>3,236,398</u>	<u>16,677,939</u>
Fund Balances - End of Year	<u>9,494,060</u>	<u>4,253,217</u>	<u>611,381</u>	<u>26,710</u>	<u>459,682</u>	<u>3,399,645</u>	<u>18,244,695</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, 2011

Net Change in Fund Balances of Governmental Funds		1,566,756
Amounts reported for governmental activities in the Statement of Activities are different because:		
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:		
Premium on bonds issued	3,694	
Debt issue costs	<u>(24,638)</u>	(20,944)
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.		
		250,000
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.		
Capital outlay	781,141	
Depreciation expense	<u>(2,055,336)</u>	(1,274,195)
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.		
		(35,736)
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.		
Change in landfill closure and post closure liability	(17,190)	
Change in accrued interest payable	6,183	
Change in accrued compensated absences	<u>(1,770)</u>	(12,777)
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.		
		<u>744,950</u>
Change in Net Assets of Governmental Activities		<u><u>1,218,054</u></u>

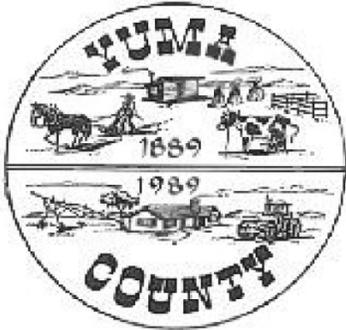
The accompanying notes are an integral part of these financial statements.

Yuma County, Colorado
Statement of Fiduciary Net Assets
Fiduciary Funds
December 31, 2011

	<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	900,234	30,806	9,021	33,427	8,851	982,339
Accounts receivable	-	-	-	-	41,187	41,187
Total Assets	<u>900,234</u>	<u>30,806</u>	<u>9,021</u>	<u>33,427</u>	<u>50,038</u>	<u>1,023,526</u>
Liabilities:						
Due to other governments	581,006	-	-	-	-	581,006
Due to inmates	-	-	-	33,427	-	33,427
Due to fiduciary funds	319,228	-	-	-	-	319,228
Due to others	-	30,806	9,021	-	50,038	89,865
Total Liabilities	<u>900,234</u>	<u>30,806</u>	<u>9,021</u>	<u>33,427</u>	<u>50,038</u>	<u>1,023,526</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, 2011

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 2011, the County contributed \$50,000 to the Water Authority.

Yuma County, Colorado
Notes to the Financial Statements
December 31, 2011
(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, 2011
(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, 2011
(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, 2011
(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. Categories and Classification of Fund Balance

Governmental accounting standards establish fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Fund balance classifications include Non-spendable, Restricted, Committed, Assigned, and Unassigned. These classifications reflect not only the nature of funds, but also provide clarity to the level of restriction placed upon fund balance. Fund Balance can have different levels of restraint, such as external versus internal compliance requirements. Unassigned fund balance is a residual classification within the General Fund. The General Fund should be the only fund that reports a positive unassigned balance. In all other funds, unassigned is limited to negative residual fund balance. For further details of the various fund balance classifications refer to Note III.G.

Yuma County, Colorado
Notes to the Financial Statements
December 31, 2011
(Continued)

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts (continued)

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.

F. Significant Accounting Policies

1. Restricted and Unrestricted Resources

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

2. 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 2011.

1. For the 2011 budget year, prior to August 25, 2010, 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, 2010 only once by a single notification.
2. On or before October 15, 2010, 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.

Yuma County, Colorado
Notes to the Financial Statements
December 31, 2011
(Continued)

II. Stewardship, Compliance, and Accountability (continued)

A. Budgetary Information (continued)

3. Prior to December 15, 2010, 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.

Taxes levied in one year are collected in the succeeding year. Thus, taxes certified in 2010 were collected in 2011 and taxes certified in 2011 will be collected in 2012. 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, 2011 year-end fund balance in the General Fund for this purpose, in the amount \$430,000, which is the approximate required reserve. The Water Authority has restricted \$4,000 for this purpose at December 31, 2011.

Yuma County, Colorado
Notes to the Financial Statements
December 31, 2011
(Continued)

II. Stewardship, Compliance, and Accountability (continued)

B. TABOR Amendment (continued)

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.

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>	\$ 6,023	6,023	-
Checking	<i>Not Rated</i>	1,065,769	1,065,769	-
Savings	<i>Not Rated</i>	436,608	436,608	-
Certificates of deposit	<i>Not Rated</i>	1,050,000	1,050,000	-
<i>Investments:</i>				
Pools	<i>AAAm</i>	7,044,874	7,044,874	-
Agencies	<i>AAA</i>	9,066,084	9,066,084	-
Deposits held by Trustee	<i>Not Rated</i>	444,155	444,155	-
Total		<u>\$ 19,113,513</u>	<u>19,113,513</u>	<u>-</u>

Financial statement captions:

Cash and investments:

Governmental funds	\$ 17,990,850
Fiduciary funds	982,339
Yuma County Water Authority	140,324
Total	<u>\$ 19,113,513</u>

Yuma County, Colorado
Notes to the Financial Statements
December 31, 2011
(Continued)

III. Detailed Notes on All Funds (continued)

A. Deposits and Investments (continued)

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.

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	\$ 4,867,743	734,649	290,490	-	-	435,735
Accounts	50,838	-	-	-	-	126,952
Intergovernmental	-	191,694	60,152	10,438	8,089	27,696
Net receivables	<u>\$ 4,918,581</u>	<u>926,343</u>	<u>350,642</u>	<u>10,438</u>	<u>8,089</u>	<u>590,383</u>

At the end of 2011, deferred revenue is comprised of the following:

Property taxes assessed but not collectible until 2012	\$ 6,328,617
Unearned rent revenue	4,250,000
Other unearned revenue	286,188
Total	<u>\$ 10,864,805</u>

Yuma County, Colorado
Notes to the Financial Statements
December 31, 2011
(Continued)

III. Detailed Notes on All Funds (continued)

C. Capital Assets

Capital asset activity for the year ended December 31, 2011 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	\$ 520,061	-	-	520,061
Water rights	20,139,000	-	-	20,139,000
Total capital assets, not being depreciated	<u>20,659,061</u>	<u>-</u>	<u>-</u>	<u>20,659,061</u>
Capital assets, being depreciated:				
Buildings and other improvements	5,861,227	229,846	-	6,091,073
Equipment	11,267,384	470,971	(236,904)	11,501,451
Infrastructure - Roads and bridges	14,249,791	80,324	-	14,330,115
Total capital assets being depreciated	<u>31,378,402</u>	<u>781,141</u>	<u>(236,904)</u>	<u>31,922,639</u>
Less accumulated depreciation for:				
Buildings and other improvements	(2,130,552)	(187,032)	-	(2,317,584)
Equipment	(6,923,312)	(1,112,697)	201,169	(7,834,840)
Infrastructure - Roads and bridges	(6,879,693)	(755,607)	-	(7,635,300)
Total accumulated depreciation	<u>(15,933,557)</u>	<u>(2,055,336)</u>	<u>201,169</u>	<u>(17,787,724)</u>
Total capital assets being depreciated, net	<u>15,444,845</u>	<u>(1,274,195)</u>	<u>(35,735)</u>	<u>14,134,915</u>
Governmental activities capital assets, net	<u>\$ 36,103,906</u>	<u>(1,274,195)</u>	<u>(35,735)</u>	<u>34,793,976</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	\$ 103,882
Public safety	95,630
Health and human services	40,689
Community auxiliary services	128,077
Public works	1,611,679
Landfill	75,379
Total depreciation expense - governmental activities	<u>\$ 2,055,336</u>

Yuma County, Colorado
Notes to the Financial Statements
December 31, 2011
(Continued)

III. Detailed Notes on All Funds (continued)

D. Interfund Receivables, Payables and Transfers

Transfers for 2011 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	474,541	Fund capital outlay
Grant Fund	General Fund	200,000	Refund grant costs
General Fund	Sheriff's Victim Assistance and Grant Fund	13,801	Fund grant costs
Contingent Fund	Emergency Reserve Fund	100,000	To close fund
Total		<u><u>\$ 891,577</u></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, 2011
(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, 2011 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 \$198,524 at December 31, 2011, which is based upon 25% usage (estimated percentage filled) of the landfill. It is estimated that an additional \$467,214 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, 2011. 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, 2011
(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, 2011, was as follows:

	<u>Balance January 1, 2011</u>	<u>Additions</u>	<u>(Reductions)</u>	<u>Balance December 31, 2011</u>	<u>Due Within One Year</u>
General Obligation Bonds, Series 2008	\$ 5,705,795	-	(348,694)	5,357,101	355,000
Notes payable	9,202,929	-	(399,950)	8,802,979	408,949
Accrued compensated absences	457,224	-	1,770	458,994	-
Landfill closure costs	181,334	-	17,190	198,524	-
Total	<u>\$ 15,547,282</u>	<u>-</u>	<u>(729,684)</u>	<u>14,817,598</u>	<u>763,949</u>

Aggregate annual debt service requirements at December 31, 2011, are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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
2016	862,015	326,964	1,188,979
2017-2021	4,730,547	1,202,649	5,933,196
2022-2026	3,756,861	438,129	4,194,990
2027-2029	1,601,719	69,286	1,671,005
	<u>14,137,979</u>	<u>3,584,368</u>	<u>17,722,347</u>
Add: Deferred amounts			
Premium on bonds	22,101		
Total Debt	<u>\$ 14,160,080</u>		

Yuma County, Colorado
Notes to the Financial Statements
December 31, 2011
(Continued)

III. Detailed Notes on All Funds (continued)

G. Fund Balance

The County classifies governmental fund balances as follows:

Non-spendable - includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual requirements.

Spendable Fund Balance:

Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.

Committed – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority which is the County Commissioners. The County's original budget legislation begins with combining historical data, assessment of needs for the upcoming year and the County Commissioners platform to review, and/or make changes to each department's budget. Before year end, a budgetary committee will meet again with each department for final review and approval of preliminary budget. The Budget is then formally presented to the County Commissioners via an advertised public process for their review, revisions and final approval by year end. All subsequent budget requests made during the year, after the County Commissioners approval, must be presented via a public process and again approval by the County Commissioners.

Assigned – includes spendable fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund Balance may be assigned by the County Commissioners or its management designee.

Unassigned - includes residual positive fund balance within a general fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

The County uses restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. The County does not have a formal minimum fund balance policy.

In addition to the above note disclosure, GASB 54 requires disclosure of the following fund definitions:

General Fund:

The general fund is used to account for and report all financial resources not accounted for and reported in another fund.

Special Revenue Funds:

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The term "proceeds of specific revenue sources" establishes that one or more specific restricted or committed revenues should be the foundation for a special revenue fund.

Yuma County, Colorado
Notes to the Financial Statements
December 31, 2011
(Continued)

III. Detailed Notes on All Funds (continued)

G. Fund Balance (continued)

Fund balance classifications are reported in the aggregate on the face of the balance sheet. The components of each classification are as follows:

	<u>General</u>	<u>Road and Bridge</u>	<u>Human Services</u>	<u>Grant</u>	<u>Water Authority Public Imp. District</u>
Nonspendable:					
Inventory	\$ -	246,171	-	-	-
Total Nonspendable:	<u>-</u>	<u>246,171</u>	<u>-</u>	<u>-</u>	<u>-</u>
Restricted:					
Constitutionally required emergency reserve	430,000	-	-	-	-
Capital projects and purchases	-	-	-	26,710	-
Total Restricted:	<u>430,000</u>	<u>-</u>	<u>-</u>	<u>26,710</u>	<u>-</u>
Committed:					
Accrued compensation	266,728	-	-	-	-
Water Purchases	890,000	-	-	-	459,682
Commitment for future projects	2,022,097	-	-	-	-
Maintenance and monitoring monitoring	-	4,007,046	-	-	-
Human services	-	-	611,381	-	-
Total Committed:	<u>3,178,825</u>	<u>4,007,046</u>	<u>611,381</u>	<u>-</u>	<u>459,682</u>
Assigned:					
Budget assignments	5,885,235	-	-	-	-
Total Assigned:	<u>5,885,235</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>Landfill</u>	<u>Landfill</u>	<u>Recreation</u>	<u>Conservation</u>	<u>Capital</u>
	<u>Fund</u>	<u>Closure</u>	<u>Fund</u>	<u>Trust</u>	<u>Acquisitions</u>
	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>
Restricted:					
Maintenance and monitoring	-	78,448	-	-	-
Culture and recreation	-	-	-	47,036	-
Total Restricted:	<u>-</u>	<u>78,448</u>	<u>-</u>	<u>47,036</u>	<u>-</u>
Assigned:					
Capital projects and purchases	-	-	-	-	905,001
Culture and recreation	-	-	828,419	-	-
Landfill	173,685	-	-	-	-
Total Assigned:	<u>173,685</u>	<u>-</u>	<u>828,419</u>	<u>-</u>	<u>905,001</u>

Yuma County, Colorado
Notes to the Financial Statements
December 31, 2011
(Continued)

III. Detailed Notes on All Funds (continued)

G. Fund Balance (continued)

	Useful Public Fund	Sheriff's Victim Assistance and Grant Fund	Task Force Fund	Separation of Employment Fund	Self Insurance Fund
Restricted:					
Accrued compensation	\$ -	-	-	-	-
Public safety	18,672	37,480	219,937	-	-
Total Restricted:	18,672	37,480	219,937	-	-
Committed:					
Accrued compensation	-	-	-	72,412	-
County insurance	-	-	-	-	1,018,555
Total Committed:	-	-	-	72,412	1,018,555

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 2011, the County matched the employees' required employer contributions, which amounted to \$193,397. 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.

Yuma County, Colorado
Notes to the Financial Statements
December 31, 2011
(Continued)

IV. Other Information (continued)

A. Pension Plans (continued)

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.

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, 2011.

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.

Yuma County, Colorado
Notes to the Financial Statements
December 31, 2011
(Continued)

IV. Other Information (continued)

D. Risk Management (continued)

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.

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.

Yuma County, Colorado
Notes to the Financial Statements
December 31, 2011
(Continued)

IV. Other Information (continued)

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 2011, 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		91,103
Total	\$	<u>751,103</u>

The following are the condensed, audited financial statements of the Center at December 31, 2011:

Balance Sheet:

Assets:

Current other assets	\$	120,274
Capital assets, net		16,196
Total Assets		<u>136,470</u>

Liabilities and Equity:

Liabilities:

Long-term liabilities		53,338
Total Liabilities		<u>53,338</u>

Net Assets:

Invested in capital assets		16,196
Unrestricted		48,577
Total Net Assets	\$	<u>64,773</u>

Statement of Activities:

Revenues:

Allocation governments	\$	751,103
Other		6,484
Total Revenues		<u>757,587</u>

Expenditures:

Salaries and benefits		697,608
Other		95,516
Total Expenditures		<u>793,124</u>

Change in Net Assets		(35,537)
Net Assets - Beginning of Year		100,310
Net Assets - End of Year	\$	<u>64,773</u>

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

Yuma County, Colorado
Notes to the Financial Statements
December 31, 2011
(Continued)

IV. Other Information (continued)

F. Intergovernmental Agreements (continued)

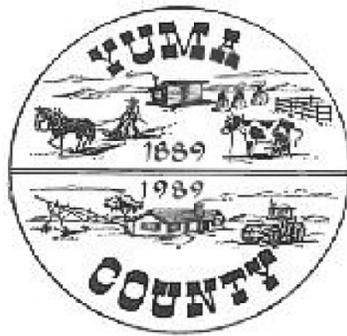
2. Republican River Water Conservation District

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.

G. Restatement

Due to the County's implementation of GASB 54, the General Fund's beginning fund balance was restated by \$373,000. The Emergency Reserve Fund, which had been previously reported as a separated fund, is now being reported in the General Fund as required by GASB 54. Certain amounts in 2010 have been reclassified to conform to the 2011 presentation.

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, 2011
(With Comparative Actual Amounts for 2010)

	2011			(Restated) 2010	
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Taxes:					
General property taxes	4,580,722	4,580,722	4,590,451	9,729	7,015,008
Interest and delinquent taxes	5,000	5,000	14,093	9,093	12,025
Intergovernmental revenue:					
State sources	39,025	39,025	43,431	4,406	39,038
Federal sources	8,300	8,300	27,226	18,926	19,274
Licenses and permits	3,600	3,600	5,670	2,070	5,815
Charges for services	720,800	720,800	1,009,135	288,335	1,096,784
Investment income	50,000	50,000	82,938	32,938	57,558
Other	47,100	47,100	61,051	13,951	58,577
Total Revenues	<u>5,454,547</u>	<u>5,454,547</u>	<u>5,833,995</u>	<u>379,448</u>	<u>8,304,079</u>
Expenditures:					
General government:					
Administrative	221,000	221,000	144,625	76,375	218,196
Commissioners	455,700	455,700	437,304	18,396	426,126
Attorney	40,000	40,000	7,769	32,231	8,167
Planning and zoning	47,000	47,000	27,165	19,835	37,860
County Clerk	338,300	338,300	326,271	12,029	309,240
County Treasurer	259,800	259,800	249,140	10,660	245,014
County Assessor	376,000	376,000	358,601	17,399	349,365
GIS mapping	57,300	57,300	44,120	13,180	46,311
Elections	78,460	78,460	46,436	32,024	75,850
Building maintenance	249,900	249,900	204,260	45,640	229,908
Drivers license	49,700	49,700	47,717	1,983	47,722
Assessor maps	5,000	5,000	2,003	2,997	3,093
Judicial:					
District Attorney	170,377	170,377	170,377	-	172,555
Public Safety:					
Sheriff	656,853	656,853	640,569	16,284	633,637
Jail	716,989	716,989	693,974	23,015	649,766
Coroner	46,650	46,650	39,884	6,766	36,776
E-911 communications	400,000	400,000	400,000	-	400,000
Emergency preparedness	30,303	30,303	27,500	2,803	24,808
Health and Human Services:					
Northeast Colorado Health Department	97,010	97,010	97,010	-	97,010
Centennial Mental Health	25,800	25,800	25,800	-	23,198
Emergency medical services	60,500	60,500	11,149	49,351	27,905
Eastern CO Services for Developmentally Disabled	12,615	12,615	12,615	-	11,912
Community Auxiliary Services:					
W-Y Communications tower	5,000	5,000	1,559	3,441	1,928
Irrigation research	4,000	4,000	4,000	-	4,000
Golden Plains Extension	184,530	188,530	176,056	12,474	186,467
Northeast Colorado Bookmobile	25,003	25,003	25,003	-	25,003
Veterans' Officer	8,050	8,450	8,264	186	7,184
County fair	228,995	228,995	187,282	41,713	191,761
County express	47,489	47,489	47,489	-	49,988
County economic development	155,500	155,530	155,513	17	155,300
Northeastern Colorado Association of Local Govts.	17,373	17,373	17,373	-	15,826
Water expenditures	920,139	920,139	50,000	870,139	50,000
Total Expenditures	<u>5,991,336</u>	<u>5,995,766</u>	<u>4,686,828</u>	<u>1,308,938</u>	<u>4,761,876</u>
Excess (Deficiency) of Revenues Over Expenditures	(536,789)	(541,219)	1,147,167	1,688,386	3,542,203
Other Financing (Uses):					
Transfers in	-	-	300,000	300,000	6,000
Transfers (out)	(785,577)	(785,577)	(580,577)	205,000	(926,363)
Sale of assets	-	-	2,551	2,551	2,162
Total Other Financing (Uses)	<u>(785,577)</u>	<u>(785,577)</u>	<u>(278,026)</u>	<u>507,551</u>	<u>(918,201)</u>
Net Change in Fund Balance	<u>(1,322,366)</u>	<u>(1,326,796)</u>	869,141	<u>2,195,937</u>	2,624,002
Fund Balances - Beginning of Year (Restated)			8,624,919		6,000,917
Fund Balances - End of Year			<u>9,494,060</u>		<u>8,624,919</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, 2011
(With Comparative Actual Amounts for 2010)

	2011			Final Budget Variance Positive (Negative)	2010
	Original Budget	Final Budget	Actual		Actual
Revenues:					
Taxes:					
General property taxes	694,315	694,315	693,216	(1,099)	1,062,015
Specific ownership taxes	499,000	499,000	586,661	87,661	602,228
Interest and delinquent taxes	500	500	1,948	1,448	1,609
Total Local Sources	<u>1,193,815</u>	<u>1,193,815</u>	<u>1,281,825</u>	<u>88,010</u>	<u>1,665,852</u>
Intergovernmental revenues:					
Federal sources	105,050	105,050	109,341	4,291	109,680
State sources	2,739,891	2,739,891	3,001,207	261,316	3,276,051
Total Intergovernmental revenues	<u>2,844,941</u>	<u>2,844,941</u>	<u>3,110,548</u>	<u>265,607</u>	<u>3,385,731</u>
Permits and licenses	500	500	2,000	1,500	500
Charges for services	<u>11,550</u>	<u>11,550</u>	<u>38,598</u>	<u>27,048</u>	<u>30,006</u>
Total Revenues	<u>4,050,806</u>	<u>4,050,806</u>	<u>4,432,971</u>	<u>382,165</u>	<u>5,082,089</u>
Expenditures:					
Public Works:					
Maintenance of condition	80,000	80,000	48,119	31,881	61,934
Administration and general	2,623,500	2,623,500	2,253,069	370,431	2,339,529
Construction and capital outlay	1,382,250	1,392,250	1,393,553	(1,303)	1,496,895
Reclamation	48,000	48,000	20,334	27,666	14,005
Grants	500	500	-	500	542,227
Total Expenditures	<u>4,134,250</u>	<u>4,144,250</u>	<u>3,715,075</u>	<u>429,175</u>	<u>4,454,590</u>
Excess (Deficiency) of Revenues Over Expenditures	(83,444)	(93,444)	717,896	811,340	627,499
Other Financing Sources (Uses):					
Sale of assets	-	-	3,908	3,908	23,968
Insurance recoveries	-	-	28,983	28,983	13,012
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>32,891</u>	<u>32,891</u>	<u>36,980</u>
Net Change in Fund Balance	<u>(83,444)</u>	<u>(93,444)</u>	750,787	<u>844,231</u>	664,479
Fund Balances - Beginning of Year			<u>3,502,430</u>		<u>2,837,951</u>
Fund Balances - End of Year			<u>4,253,217</u>		<u>3,502,430</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, 2011
(With Comparative Actual Amounts for 2010)

	2011			Final Budget Variance Positive (Negative)	2010
	Original Budget	Final Budget	Actual		Actual
Revenues:					
Local sources:					
General property taxes	272,473	272,473	275,002	2,529	420,665
Total local sources	<u>272,473</u>	<u>272,473</u>	<u>275,002</u>	<u>2,529</u>	<u>420,665</u>
Program revenues:					
Federal and State	3,566,484	3,566,484	3,401,817	(164,667)	3,389,079
Total Revenues	<u>3,838,957</u>	<u>3,838,957</u>	<u>3,676,819</u>	<u>(162,138)</u>	<u>3,809,744</u>
Expenditures:					
Colorado works	236,690	236,690	250,403	(13,713)	274,816
Child care	158,608	158,608	146,138	12,470	190,618
Child care grants	42,500	42,500	26,830	15,670	34,575
Administration & medical exams	232,478	232,478	284,884	(52,406)	236,974
Child welfare	912,444	912,444	723,419	189,025	676,883
Independent living	5,344	5,344	4,518	826	4,116
Core services	241,384	241,384	159,125	82,259	229,044
Child support	56,257	56,257	56,920	(663)	13,226
Employment first	19,061	19,061	8,600	10,461	14,779
LEAP - Low Energy Assistance Program	368,000	368,000	237,668	130,332	254,165
AND - Aid for Needy Disabled	45,000	45,000	43,962	1,038	55,355
Aid for Blind	1,200	1,200	2,238	(1,038)	-
OAP - Old Age Pension	239,607	239,607	263,115	(23,508)	247,596
HCA (Home Care Allowance)	26,804	26,804	26,397	407	33,092
Food stamps	1,270,388	1,270,388	1,438,007	(167,619)	1,307,184
Title XX	-	-	-	-	(338)
Non-Alloc Programs	28,993	28,993	17,887	11,106	70,118
Other programs	7,050	7,050	(779)	7,829	5,186
IV-E and parental fees	2,000	2,000	1,367	633	-
IV-D retained collections	(15,148)	(15,148)	(15,147)	(1)	(15,106)
TANF collections	(550)	(550)	(1,286)	736	(426)
Total Expenditures	<u>3,878,110</u>	<u>3,878,110</u>	<u>3,674,266</u>	<u>203,844</u>	<u>3,631,857</u>
Net Change in Fund Balance	<u>(39,153)</u>	<u>(39,153)</u>	2,553	<u>41,706</u>	177,887
Fund Balances - Beginning of Year			<u>608,828</u>		<u>430,941</u>
Fund Balances - End of Year			<u>611,381</u>		<u>608,828</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, 2011
(With Comparative Actual Amounts for 2010)**

	<u>2011</u>		<u>Variance Positive (Negative)</u>	<u>2010</u>
	<u>Original and Final Budget</u>	<u>Actual</u>		<u>Actual</u>
Revenues:				
Intergovernmental grants	867,000	1,072,736	205,736	1,781,518
Miscellaneous	6,290	2,375	(3,915)	2,245
Total Revenues	<u>873,290</u>	<u>1,075,111</u>	<u>201,821</u>	<u>1,783,763</u>
Expenditures:				
General government	436,678	34,311	402,367	836,352
Judicial	58,334	58,250	84	61,353
Public safety	404,988	482,550	(77,562)	806,728
Community auxiliary services	390,000	500,000	(110,000)	-
Total Expenditures	<u>1,290,000</u>	<u>1,075,111</u>	<u>214,889</u>	<u>1,784,371</u>
Excess (Deficiency) of Revenues Over Expenditures	(416,710)	-	416,710	(608)
Other Financing Sources:				
Transfers in	26,710	-	(26,710)	200,000
Transfers (out)	-	(200,000)	(200,000)	-
Total Other Financing Sources	<u>26,710</u>	<u>(200,000)</u>	<u>(226,710)</u>	<u>200,000</u>
Net Change in Fund Balance	<u>(390,000)</u>	(200,000)	<u>190,000</u>	199,392
Fund Balances - Beginning of Year		<u>226,710</u>		<u>27,318</u>
Fund Balances - End of Year		<u>26,710</u>		<u>226,710</u>

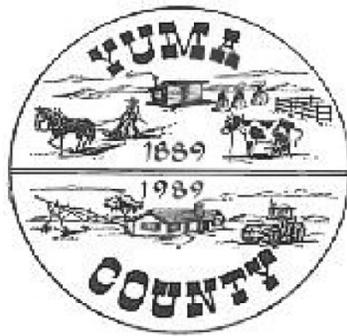
The accompanying notes are an integral part of these financial statements.

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, 2011
(With Comparative Actual Amounts for 2010)

	<u>2011</u>		<u>2010</u>	
	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>	<u>Actual</u>
Revenues:				
Taxes:				
General property taxes	1,098,165	1,097,364	(801)	1,679,892
Specific ownership taxes	72,000	100,252	28,252	103,480
Interest and delinquent taxes	-	1,975	1,975	2,195
Other	<u>-</u>	<u>198</u>	<u>198</u>	<u>198</u>
Total Revenues	<u>1,170,165</u>	<u>1,199,789</u>	<u>29,624</u>	<u>1,785,765</u>
Expenditures:				
Community Auxiliary Services:				
Administration and general	35,400	33,358	2,042	50,859
Debt Service:				
Principal	742,738	744,950	(2,212)	716,128
Interest	<u>442,666</u>	<u>440,453</u>	<u>2,213</u>	<u>452,525</u>
Total Expenditures	<u>1,220,804</u>	<u>1,218,761</u>	<u>2,043</u>	<u>1,219,512</u>
Excess (Deficiency) of Revenues				
Net Change in Fund Balance	<u>(50,639)</u>	<u>(18,972)</u>	<u>31,667</u>	<u>566,253</u>
Fund Balances (deficit) - Beginning of Year		<u>478,654</u>		<u>(87,599)</u>
Fund Balances - End of Year		<u>459,682</u>		<u>478,654</u>

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, 2011

	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	Self Insurance Fund	Total Non-major Governmental Funds
Assets:												
Cash and investments	175,869	78,448	-	828,419	47,036	778,490	18,457	31,854	200,243	72,412	1,018,873	3,250,101
Property taxes receivable	-	-	-	290,490	-	-	-	-	-	-	145,245	435,735
Accounts receivable	-	-	-	-	-	126,511	441	-	-	-	-	126,952
Due from other governments	1,375	-	-	-	-	-	-	6,097	20,224	-	-	27,696
Total Assets	<u>177,244</u>	<u>78,448</u>	<u>-</u>	<u>1,118,909</u>	<u>47,036</u>	<u>905,001</u>	<u>18,898</u>	<u>37,951</u>	<u>220,467</u>	<u>72,412</u>	<u>1,164,118</u>	<u>3,840,484</u>
Liabilities:												
Accounts payable	3,559	-	-	-	-	-	226	471	530	-	318	5,104
Deferred property tax revenues	-	-	-	290,490	-	-	-	-	-	-	145,245	435,735
Total Liabilities	<u>3,559</u>	<u>-</u>	<u>-</u>	<u>290,490</u>	<u>-</u>	<u>-</u>	<u>226</u>	<u>471</u>	<u>530</u>	<u>-</u>	<u>145,563</u>	<u>440,839</u>
Fund Balances:												
Restricted:	-	78,448	-	-	47,036	-	18,672	37,480	219,937	-	-	401,573
Committed	-	-	-	-	-	-	-	-	-	72,412	1,018,555	1,090,967
Assigned	173,685	-	-	828,419	-	905,001	-	-	-	-	-	1,907,105
Total Fund Balances	<u>173,685</u>	<u>78,448</u>	<u>-</u>	<u>828,419</u>	<u>47,036</u>	<u>905,001</u>	<u>18,672</u>	<u>37,480</u>	<u>219,937</u>	<u>72,412</u>	<u>1,018,555</u>	<u>3,399,645</u>
Total Liabilities and Fund Balances	<u>177,244</u>	<u>78,448</u>	<u>-</u>	<u>1,118,909</u>	<u>47,036</u>	<u>905,001</u>	<u>18,898</u>	<u>37,951</u>	<u>220,467</u>	<u>72,412</u>	<u>1,164,118</u>	<u>3,840,484</u>

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

Yuma County, Colorado
Combining Statement of Revenues Expenditures and Changes in Fund Balance
Non-Major Governmental Funds
For the Year Ended December 31, 2011

	Special Revenue											
	Landfill Fund	Landfill Closure Fund	Contingent Fund	Recreation Fund	Conservation Trust Fund	Capital Acquisitions Fund	Useful Public Service Fund	Sheriff's Assistance and Grant Fund	TASK Force Fund	Separation of Employment Fund	Self Insurance Fund	Total Non-major Governmental Funds
Revenues:												
Taxes	-	-	-	274,876	-	-	-	-	-	-	137,438	412,314
Intergovernmental	-	-	-	75	36,226	132,329	-	57,759	110,091	-	63	336,543
Charges for services	253,009	-	-	-	-	-	8,059	8,196	-	-	-	269,264
Investment income	-	698	-	-	329	-	-	-	1,983	-	-	3,010
Other sources	-	-	-	432	-	-	765	-	-	-	32,134	33,331
Total Revenues	253,009	698	-	275,383	36,555	132,329	8,824	65,955	112,074	-	169,635	1,054,462
Expenditures:												
General government	-	-	-	-	-	227,918	-	-	-	26,636	179,213	433,767
Public safety	-	-	-	-	-	-	5,618	87,896	90,789	-	-	184,303
Culture and recreation	-	-	-	93,012	10,935	-	-	-	-	-	-	103,947
Public works	-	-	-	-	-	269,479	-	-	-	-	-	269,479
Landfill	394,044	-	-	-	-	-	-	-	-	-	-	394,044
Total Expenditures	394,044	-	-	93,012	10,935	497,397	5,618	87,896	90,789	26,636	179,213	1,385,540
Excess (Deficiency) of Revenues Over Expenditures	(141,035)	698	-	182,371	25,620	(365,068)	3,206	(21,941)	21,285	(26,636)	(9,578)	(331,078)
Other Financing Sources (Uses):												
Transfers in	92,235	5,000	-	-	-	480,541	-	13,801	-	-	-	591,577
Transfers (out)	(11,000)	-	(100,000)	-	-	-	-	-	-	-	-	(111,000)
Insurance recoveries	-	-	-	-	-	9,997	-	-	-	-	-	9,997
Sale of assets	3,751	-	-	-	-	-	-	-	-	-	-	3,751
Total Other Financing Sources (Uses)	84,986	5,000	(100,000)	-	-	490,538	-	13,801	-	-	-	494,325
Net Change in Fund Balance	(56,049)	5,698	(100,000)	182,371	25,620	125,470	3,206	(8,140)	21,285	(26,636)	(9,578)	163,247
Fund Balances - Beginning of Year	229,734	72,750	100,000	646,048	21,416	779,531	15,466	45,620	198,652	99,048	1,028,133	3,236,398
Fund Balances - End of Year	173,685	78,448	-	828,419	47,036	905,001	18,672	37,480	219,937	72,412	1,018,555	3,399,645

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, 2011
(With Comparative Actual Amounts for 2010)

	2011		Final Budget Variance Positive (Negative)	2010
	Original and Final Budget	Actual		Actual
Revenues:				
Local governmental contributions	108,275	113,629	5,354	112,302
Charges for services	77,500	135,461	57,961	143,770
Other	-	3,919	3,919	4,708
Total Revenues	<u>185,775</u>	<u>253,009</u>	<u>67,234</u>	<u>260,780</u>
Expenditures:				
Operations	310,160	311,841	(1,681)	280,011
Capital outlay	89,000	82,203	6,797	48,227
Total Expenditures	<u>399,160</u>	<u>394,044</u>	<u>5,116</u>	<u>328,238</u>
Excess (Deficiency) of Revenues Over Expenditures	(213,385)	(141,035)	72,350	(67,458)
Other Financing Sources (Uses):				
Transfers in	92,235	92,235	-	92,235
Transfers (out)	(11,000)	(11,000)	-	(11,000)
Sale of assets	-	3,751	3,751	-
Total Other Financing Sources	<u>81,235</u>	<u>84,986</u>	<u>3,751</u>	<u>81,235</u>
Net Change in Fund Balance	<u>(132,150)</u>	(56,049)	<u>76,101</u>	13,777
Fund Balances - Beginning of Year		<u>229,734</u>		<u>215,957</u>
Fund Balances - End of Year		<u>173,685</u>		<u>229,734</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, 2011
(With Comparative Actual Amounts for 2010)

	<u>2011</u>			<u>2010</u>
	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>	<u>Actual</u>
Revenues:				
Interest	-	698	698	137
Total Revenues	-	698	698	137
Excess (Deficiency) of Revenues Over Expenditures	(65,000)	698	65,698	137
Other Financing Sources:				
Transfers in	5,000	5,000	-	5,000
Total Other Financing Sources	5,000	5,000	-	5,000
Net Change in Fund Balance	<u>(60,000)</u>	5,698	<u>65,698</u>	5,137
Fund Balances - Beginning of Year		<u>72,750</u>		<u>67,613</u>
Fund Balances - End of Year		<u>78,448</u>		<u>72,750</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, 2011
(With Comparative Actual Amounts for 2010)

	2011			2010
	Original and Final Budget	Actual	Variance Positive (Negative)	Actual
Expenditures:				
Contingencies	100,000	-	100,000	-
Total Expenditures	<u>100,000</u>	<u>-</u>	<u>100,000</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	(100,000)	-	100,000	-
Other Financing Sources:				
Transfers (out)	-	(100,000)	(100,000)	-
Total Other Financing Sources	<u>-</u>	<u>(100,000)</u>	<u>(100,000)</u>	<u>-</u>
Net Change in Fund Balance	<u>(100,000)</u>	(100,000)	<u>-</u>	-
Fund Balances - Beginning of Year		<u>100,000</u>		<u>100,000</u>
Fund Balances - End of Year		<u>-</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, 2011
(With Comparative Actual Amounts for 2010)

	2011			2010
	Original and Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:				
Local Sources:				
General property taxes	274,541	274,106	(435)	415,850
Delinquent taxes and interest	600	770	170	4,721
Intergovernmental	50	75	25	45
Other	540	432	(108)	19,396
	275,731	275,383	(348)	440,012
Total Revenues				
Expenditures:				
Culture and recreation	350,000	93,012	256,988	265,717
	350,000	93,012	256,988	265,717
Total Expenditures				
Net Change in Fund Balance	(74,269)	182,371	256,640	174,295
Fund Balances - Beginning of Year		646,048		471,753
Fund Balances - End of Year		828,419		646,048

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, 2011
(With Comparative Actual Amounts for 2010)

	<u>2011</u>		Budget Variance Positive (Negative)	<u>2010</u>
	Original and Final Budget	Actual		Actual
Revenues:				
Conservation Trust lottery revenue	30,000	36,226	6,226	35,642
Interest	200	329	129	334
Total Revenues	<u>30,200</u>	<u>36,555</u>	<u>6,355</u>	<u>35,976</u>
Expenditures:				
Parks and recreation	40,000	10,935	29,065	320,420
Total Expenditures	<u>40,000</u>	<u>10,935</u>	<u>29,065</u>	<u>320,420</u>
Net Change in Fund Balance	<u>(9,800)</u>	25,620	<u>35,420</u>	(284,444)
Fund Balances - Beginning of Year		<u>21,416</u>		<u>305,860</u>
Fund Balances - End of Year		<u>47,036</u>		<u>21,416</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, 2011
(With Comparative Actual Amounts for 2010)

	<u>2011</u>			<u>2010</u>
	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>	<u>Actual</u>
Revenues:				
Intergovernmental grants	20,000	132,329	112,329	-
Total Revenues	<u>20,000</u>	<u>132,329</u>	<u>112,329</u>	<u>-</u>
Expenditures:				
General government	372,113	227,918	144,195	457,301
Public works	872,514	269,479	603,035	933,224
Total Expenditures	<u>1,244,627</u>	<u>497,397</u>	<u>747,230</u>	<u>1,390,525</u>
Excess (Deficiency) of Revenues Over Expenditures	(1,224,627)	(365,068)	859,559	(1,390,525)
Other Financing Sources:				
Transfers in	480,541	480,541	-	626,327
Insurance recoveries	-	9,997	9,997	13,146
Total Other Financing Sources	<u>480,541</u>	<u>490,538</u>	<u>9,997</u>	<u>639,473</u>
Net Change in Fund Balance	<u>(744,086)</u>	125,470	<u>869,556</u>	(751,052)
Fund Balances - Beginning of Year		<u>779,531</u>		<u>1,530,583</u>
Fund Balances - End of Year		<u>905,001</u>		<u>779,531</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, 2011
(With Comparative Actual Amounts for 2010)

	<u>2011</u>		<u>Variance Positive (Negative)</u>	<u>2010</u>
	<u>Original and Final Budget</u>	<u>Actual</u>		<u>Actual</u>
Revenues:				
Charges for services	4,000	8,059	4,059	6,803
Other	2,500	765	(1,735)	789
Total Revenues	<u>6,500</u>	<u>8,824</u>	<u>2,324</u>	<u>7,592</u>
Expenditures:				
Programs	7,550	5,618	1,932	5,927
Total Expenditures	<u>7,550</u>	<u>5,618</u>	<u>1,932</u>	<u>5,927</u>
Net Change in Fund Balance	<u>(1,050)</u>	3,206	<u>4,256</u>	1,665
Fund Balances - Beginning of Year		<u>15,466</u>		<u>13,801</u>
Fund Balances - End of Year		<u>18,672</u>		<u>15,466</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, 2011
(With Comparative Actual Amounts for 2010)

	<u>2011</u>			Final Budget Variance Positive (Negative)	<u>2010</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>		<u>Actual</u>
Revenues:					
Federal grants	29,596	29,596	29,596	-	29,263
State grants	22,092	22,092	22,062	(30)	20,395
Other sources	6,000	6,000	6,101	101	6,360
Charges for services	6,000	6,000	8,196	2,196	10,962
Total Revenues	<u>63,688</u>	<u>63,688</u>	<u>65,955</u>	<u>2,267</u>	<u>66,980</u>
Expenditures:					
Public safety	76,375	91,820	87,896	3,924	68,072
Total Expenditures	<u>76,375</u>	<u>91,820</u>	<u>87,896</u>	<u>3,924</u>	<u>68,072</u>
Excess (Deficiency) of Revenues Over Expenditures	(12,687)	(28,132)	(21,941)	6,191	(1,092)
Other Financing Sources:					
Transfers in	13,801	13,801	13,801	-	13,801
Transfers (out)	-	-	-	-	(6,000)
Total Other Financing Sources	<u>13,801</u>	<u>13,801</u>	<u>13,801</u>	<u>-</u>	<u>7,801</u>
Net Change in Fund Balance	<u>1,114</u>	<u>(14,331)</u>	(8,140)	<u>6,191</u>	6,709
Fund Balances - Beginning of Year			45,620		38,911
Fund Balances - End of Year			<u>37,480</u>		<u>45,620</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, 2011
(With Comparative Actual Amounts for 2010)

	<u>2011</u>		<u>Variance Positive (Negative)</u>	<u>2010</u>
	<u>Original and Final Budget</u>	<u>Actual</u>		<u>Actual</u>
Revenues:				
Intergovernmental:				
Federal grants	165,428	80,531	(84,897)	127,652
Local match	83,922	27,750	(56,172)	30,250
Other	200	1,810	1,610	14,826
Investment income	450	1,983	1,533	328
Total Revenues	<u>250,000</u>	<u>112,074</u>	<u>(137,926)</u>	<u>173,056</u>
Expenditures:				
Public safety	<u>250,000</u>	<u>90,789</u>	<u>159,211</u>	<u>145,777</u>
Total Expenditures	<u>250,000</u>	<u>90,789</u>	<u>159,211</u>	<u>145,777</u>
Net Change in Fund Balance	<u><u>-</u></u>	<u>21,285</u>	<u>21,285</u>	<u>27,279</u>
Fund Balances - Beginning of Year		<u>198,652</u>		<u>171,373</u>
Fund Balances - End of Year		<u><u>219,937</u></u>		<u><u>198,652</u></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, 2011
(With Comparative Actual Amounts for 2010)

	<u>2011</u>		<u>Variance Positive (Negative)</u>	<u>2010</u>
	<u>Original and Final Budget</u>	<u>Actual</u>		<u>Actual</u>
Expenditures:				
Personal leave	53,000	26,636	26,364	764
Total Expenditures	<u>53,000</u>	<u>26,636</u>	<u>26,364</u>	<u>764</u>
Net Change in Fund Balance	<u>(53,000)</u>	<u>(26,636)</u>	<u>26,364</u>	<u>(764)</u>
Fund Balances - Beginning of Year		<u>99,048</u>		<u>99,812</u>
Fund Balances - End of Year		<u>72,412</u>		<u>99,048</u>

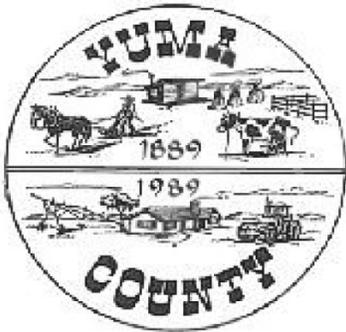
The accompanying notes are an integral part of these financial statements.

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, 2011
(With Comparative Actual Amounts for 2010)

	<u>2011</u>		<u>2010</u>	
	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>	<u>Actual</u>
Revenues:				
Taxes:				
General property taxes	137,271	137,053	(218)	209,967
Delinquent taxes and interest	205	385	180	318
Total Taxes	<u>137,476</u>	<u>137,438</u>	<u>(38)</u>	<u>210,285</u>
Other:				
Intergovernmental	40	63	23	47
Miscellaneous	10,000	32,134	22,134	25,221
Total Other	<u>10,040</u>	<u>32,197</u>	<u>22,157</u>	<u>25,268</u>
Total Revenues	<u>147,516</u>	<u>169,635</u>	<u>22,119</u>	<u>235,553</u>
Expenditures:				
General government:				
Insurance premiums and claims	204,000	179,213	24,787	99,425
Total Expenditures	<u>204,000</u>	<u>179,213</u>	<u>24,787</u>	<u>99,425</u>
Net Change in Fund Balance	<u>(56,484)</u>	<u>(9,578)</u>	<u>46,906</u>	136,128
Fund Balances - Beginning of Year		<u>1,028,133</u>		<u>892,005</u>
Fund Balances - End of Year		<u>1,018,555</u>		<u>1,028,133</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 2011

This Information From The Records Of County of Yuma:	Prepared By: Linda Briggs Phone: 970-332-5796
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I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES		III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES	
ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway disbursements:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	1,462,006
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	2,206,725
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	
2. General fund appropriations		b. Snow and ice removal	
3. Other local imposts (from page 2)	1,196,885	c. Other Transfer to Cities	46,344
4. Miscellaneous local receipts (from page 2)	73,284	d. Total (a. through c.)	46,344
5. Transfers from toll facilities		4. General administration & miscellaneous	
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	
a. Bonds - Original Issues		6. Total (1 through 5)	3,715,074
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	
7. Total (1 through 6)	1,270,169	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	3,038,551	2. Notes:	
D. Receipts from Federal Government (from page 2)	109,341	a. Interest	
E. Total receipts (A.7 + B + C + D)	4,418,061	b. Redemption	
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	0
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	3,715,074

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
	3,502,430	4,418,061	3,715,074	4,205,416	0

Notes and Comments:

Funds to the City of Wray	17,743
Funds to the City of Yuma	18,600
TOTAL	36,344

LOCAL HIGHWAY FINANCE REPORT	STATE:	Yuma County
	Colorado	
	YEAR ENDING:	December 2011

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	693,214	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	3,908
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	503,671	g. Other Misc. Receipts	49,994
6. Total (1. through 5.)	503,671	h. Other Permits	19,383
c. Total (a. + b.)	1,196,885	i. Total (a. through h.)	73,284
	(Carry forward to page 1)		(Carry forward to page 1)

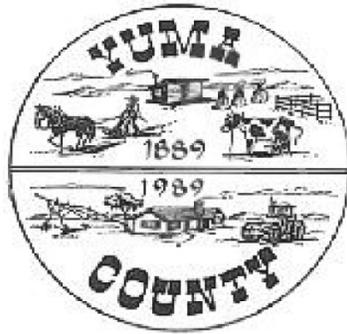
ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	2,745,505	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	37,344	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant		e. U.S. Corps of Engineers	
e. Other (Specify) Severance Tax	255,702	f. Other Feder Mineral leasing PILT	109,341
f. Total (a. through e.)	293,046	g. Total (a. through f.)	109,341
4. Total (1. + 2. + 3.f)	3,038,551	3. Total (1. + 2.g)	
			(Carry forward to page 1)

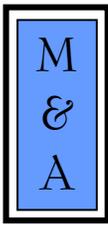
III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

	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		1,462,006	1,462,006
(5). Total Construction (1) + (2) + (3) + (4)	0	1,462,006	1,462,006
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	1,462,006	1,462,006
			(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

**To the 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, 2011, which collectively comprise the County's basic financial statements, and have issued our report thereon dated July 27, 2012. 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

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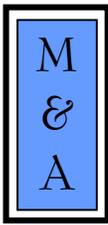
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*To the Board of County Commissioners
Yuma County
Wray, Colorado*

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.
July 27, 2012**



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

**To the 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, 2011. 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, 2011.

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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To the Board of County Commissioners
Yuma County
Wray, Colorado

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.
July 27, 2012

Yuma County, Colorado
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2011

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:	
Community Development Block Grant	CFDA #14.228
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, 2011

There were no findings in the prior fiscal year.

Yuma County, Colorado
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2011

Program Title	Federal CFDA Number	Major Program (Yes/No)	2011 Expenditures
Department of Human Services:			
Passed through Colorado Department of Health and Human Services:			
TANF CO Works	93.558	No	255,622
Title IV-D - Admin	93.563	No	67,907
Low income energy assistance program	93.568	No	237,668
CCDF - Discretionary	93.575	No	5,708
CCDF	93.596	No	105,163
Child care - Title IVB	93.645	No	10,557
Foster Care - Title IV-E	93.658	No	91,845
Adoption	93.659	No	32,032
Block Grant - Title XX	93.667	No	64,874
Independent Living - Title IV-E	93.674	No	4,518
Medical Assistance Program - Title XIX	93.778	No	61,634
Adjustment to federal assistance	93.000	No	(260)
Total Department of Human Services			<u>937,268</u>
Department of Agriculture:			
Passed through Colorado Department of Human Services:			
Food Administration	10.568	No	19
Food Stamps - Administration	10.561	No	82,069
Total Department of Agriculture			<u>82,088</u>
U.S. Election Assistance Commission:			
Voting Access for Individuals with Disabilities	93.617	No	14,495
National Aeronautics and Space Administration:			
Summer of Innovation Mini-grant	43.008	No	2,485
Department of Homeland Security:			
Homeland Security Grant Program	97.067	No	9,734
Emergency Management Performance Grants (EMPG)	97.042	No	30,977
Total Department of Homeland Security			<u>40,711</u>
Department of Housing and Urban Development:			
Community Development Block Grant	14.228	Yes	500,000
Department of Commerce:			
Passed through Colorado Governor's Office of Homeland Security:			
Public Safety Interoperable Communications Grant Program	11.555	Yes	387,719
Department of Justice:			
Community Oriented Police Services	16.710	No	52,898
State Criminal Alien Assistance Program (SCAAP)	16.606	No	7,180
Passed through the Colorado Division of Criminal Justice:			
Victims of Crime Act	16.575	No	23,776
Justice Assistance Grant	16.738	No	19,725
Justice Assistance Grant - ARRA	16.803	No	13,729
Total Department of Justice			<u>117,308</u>
Total Expenditures			<u>2,079,589</u>

Notes to the Schedule of Expenditures of Federal Awards For the Year Ended December 31, 2011.

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.

Note 3. Determining the Value of Non-Cash Awards Expended:

The County passes-through certain Federal assistance received from the Department of Housing and Urban Development to a not-for-profit agency (The Northeast Revolving Loan Fund) (sub recipient). As described in Note 1, the County records expenditures of Federal awards to sub recipients when paid in cash. The sub recipient agencies have certain compliance responsibilities related to administering these Federal Programs. Under Federal Circular A-133, the County is responsible for monitoring sub recipients to help assure that Federal awards are used for authorized purposes in compliance with laws, regulations, and the provisions of contracts or grant agreements, and that performance goals are achieved.

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