

ALAMOSA COUNTY, COLORADO

FINANCIAL STATEMENTS

December 31, 2015



**Wall,
Smith,
Bateman** Inc.
Certified Public Accountants

ALAMOSA COUNTY, COLORADO
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INDEPENDENT AUDITORS' REPORT



Wall,
Smith,
Bateman Inc.

To the Board of County Commissioners
Alamosa County, Colorado
Alamosa, Colorado

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Alamosa County, Colorado (the County), as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Certified Public Accountants

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Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County, as of December 31, 2015, and the respective changes in financial position, and, where applicable, cash flows thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages I through IX and 31 through 34 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining fund financial schedules and the Local Highway Finance Report are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining fund financial schedules, the schedule of expenditures of federal awards, and the Local Highway Finance Report are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining fund financial schedules, the schedule of expenditures of federal awards, and the Local Highway Finance Report are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2016, on our consideration of the County's internal control 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

A handwritten signature in blue ink that reads "Wall, Smith, Bateman Inc." in a cursive style.

Wall, Smith, Bateman Inc.
Alamosa, Colorado

June 27, 2016

This section of Alamosa County's (the County) annual financial report is presented to provide readers with a narrative overview and analysis of the County's financial performance during the calendar year ended December 31, 2015. We encourage readers to consider the information presented in this overview in conjunction with the financial statement information as provided.

FINANCIAL HIGHLIGHTS

- In total, the County's total assets of \$34,065,468 exceed its total liabilities and deferred inflows of \$8,972,610 by \$25,092,858 (net position) for the calendar year reported. Of this amount \$10,460,961 (42%) may be used to meet the government's ongoing obligations to citizens and creditors.
- In total, net position increased by \$309,496 or 1%. Slight increase in revenue sources across the County while maintaining expenditures increase to a minimum have helped contribute to this.
- The County's governmental funds reported combined ending fund balances of \$11,524,994, an increase of \$1,197,361 (12%) in comparison to 2014.
- At the end of the current calendar year, unassigned fund balance for the General Fund was \$1,652,850, or 22% of total General Fund expenditures, an increase of \$584,292 in comparison to 2014.

OVERVIEW OF THE FINANCIAL STATEMENTS

This Management Discussion and Analysis document introduces the County's basic financial statements. The basic financial statements include:

- 1) Government-wide Financial Statements
- 2) Fund Financial Statements, and
- 3) Notes to the Basic Financial Statements.

This report also contains other supplementary information in addition to the basic financial statements.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements are designed to provide readers with a broad overview of the County's finances as a whole, using accounting methods comparable to those used by private-sector companies. They include the following two statements:

- The **Statement of Net Position** presents information on the County's assets, liabilities and deferred inflows, with the difference between the two factors reported as net position. Over time, increases or decrease in net position may serve as a useful indicator of whether the financial health of the County is improving or deteriorating.
- The **Statement of Activities** presents information demonstrating how the County's net position changed during the most recent fiscal year as compared with the previous fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, all of the current year's revenues and expenses are accounted for in this statement regardless of when cash is actually received or paid.

These statements are presented to distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from those that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government; public safety; health and welfare; highways and streets; judicial; auxiliary services; culture and recreation.

FUND FINANCIAL STATEMENTS

A fund is an accounting device that a government uses to maintain control over and account for specific sources of funding that are to be spent for specific purposes. The County uses funds to ensure and demonstrate compliance with statutory requirements. These statements focus more on the individual functions of the County, reporting on financial operations in a more detailed format than is found in the government-wide statements. The County has three kinds of funds:

- **Governmental** funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Unlike the government-wide financial statements, governmental funds focus on the near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Since the government-wide focus includes long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives.

Alamosa County maintains four major governmental funds and seven non-major funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the major governmental funds. Individual fund information for non-major governmental funds is found in combining statements in a later section of this report.

- **Proprietary** funds are used to account for services for which the County charges customers a fee. The County maintains two proprietary funds. One is classified as an internal service fund and one is a business type. Internal service funds are used to report activities that provide supplies and services for the County's other programs and activities. The County has one proprietary fund classified as an internal Health Insurance Fund. The Health Insurance fund is used to accumulate funds to pay employee health insurance premiums. Because the internal service fund serves only governmental activities, this fund has been included within governmental activities in the government-wide financial statements.

- **Fiduciary** funds are used to account for resources held for the benefit of parties outside the County, i.e., the Trust & Agency Funds. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. Treasurer's collections and the Jail/Inmate deposits are accounted for in this fund area.

NOTES TO THE BASIC FINANCIAL STATEMENTS

The Notes to the Basic Financial Statements provide a more detailed explanation of some of the information contained in the financial statements that is essential to gain a better understanding of the data provided in the government-wide and fund financial statements.

OTHER INFORMATION

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information including combining and individual fund statements as well as budgetary schedules comparing original budgets, final budgets, and actual expenditures for all funds subject to budgetary restrictions.

COMPONENT UNITS

The County will recognize the following component units of government for inclusion in the financial analysis:

- 1) Alamosa County Events & Local Marketing District – Local Marketing District
- 2) Alamosa County Events & Local Marketing District – Tourism & Development
- 3) Alamosa (Northwest) Weed Control District

The financial information for these component units of government has been blended into the County's financial statements as "Special Revenue Funds." More information on component units can be found in the notes to the basic financial statements.

FINANCIAL ANALYSIS OF ALAMOSA COUNTY AS A WHOLE

The following table was derived from the current and prior years Statement of Net Position:

	Governmental Activities		Business-Type Activities
	2015	2014	2015
Assets:			
Current and other assets	\$ 17,171,852	\$ 15,919,930	\$ 57,572
Capital assets	<u>16,836,044</u>	<u>18,116,923</u>	-
Total Assets	34,007,896	34,036,853	57,572
Liabilities:			
Current and other liabilities	1,560,805	1,499,817	717
Long-term liabilities	<u>3,256,390</u>	<u>3,728,276</u>	-
Total Liabilities	4,817,195	5,228,093	717
Deferred Inflows of Resources - Noncurrent	<u>4,154,698</u>	<u>4,025,398</u>	-
Net Position:			
Net Investment in Capital Assets	13,491,316	14,452,566	-
Restricted	1,140,581	838,198	-
Unrestricted	<u>10,404,106</u>	<u>9,492,598</u>	<u>56,855</u>
Total net position	<u>\$ 25,036,003</u>	<u>\$ 24,783,362</u>	<u>\$ 56,855</u>

Alamosa County's governmental assets exceed liabilities by \$25,036,003(net position) in 2015 and by \$24,783,362 in 2014 providing an overall increase in governmental net position of \$252,641(1%). Current and other assets increased by \$1,251,922 (8%). The County's Capital assets decreased \$1,280,879 (7%), which included asset additions of \$10,770 being offset by the depreciation of current assets of \$1,288,332 and asset deletions of \$75,405. There was also a decrease of \$410,898 (8%) in the total liabilities of the County from 2014 to 2015.

Note that approximately 54% of the County's governmental net position are invested in capital assets (e.g. land, buildings and improvements, equipment and infrastructure); less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens. Consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net or related debt, the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities

The County's portion of unrestricted net position \$10,404,106 (43%) may be used to meet the government's ongoing obligations to citizens and creditors.

A change in accounting principle was made in 2015. In previous years the Mosca General Improvement District was accounted for as a special revenue fund. Beginning in 2015, the District has been more appropriately reported in a business type fund. The new business type fund reports a restated beginning balance of \$13,525. There was no activity for business type activities in 2014.

The following table was derived from the current and prior years' Statement of Activities:

	Governmental Activities		Business-Type
			Activities
	2015	2014	2015
Revenues:			
Program Revenues:			
Charges for services	\$ 1,321,919	\$ 1,329,496	\$ 20,100
Operating Grants and contributions	19,745,701	19,535,873	-
Capital Grants and contributions	1,101,130	535,062	-
General Revenues:			-
Property taxes	4,092,063	3,992,053	-
Sales taxes	2,116,991	2,037,465	-
Other taxes	1,166,630	1,019,171	-
Payment in Lieu of taxes	209,869	213,254	-
Interest on investments	25,304	24,394	-
Gain on Sale of Assets	20,363	-	-
Miscellaneous	174,939	63,782	-
Total revenues	29,974,909	28,750,550	\$ 20,100
Expenses:			
Program expense:			
Operating	\$ -	\$ -	\$ 36,070
General government	4,617,232	3,981,974	-
Public safety	3,796,703	3,442,513	-
Health and welfare	17,875,796	17,389,334	-
Highways and streets	2,411,804	2,406,946	-
Judicial	232,770	228,882	-
Auxiliary services	62,973	67,672	-
Culture and recreation	514,269	550,370	-
Interest on long-term debt	137,896	149,986	-
Total expenses	29,649,443	28,217,677	\$ 36,070
Excess (deficiency) in net position before Transfers	325,466	532,873	(15,970)
Transfers to other funds	(59,300)	-	59,300
Change in net position	266,166	532,873	43,330
Net position - beginning, as previously stated	24,783,362	24,250,489	-
Change in accounting principle	(13,525)	-	13,525
Net position - beginning, restated	24,769,837	24,250,489	13,525
Net position - ending	\$ 25,049,528	\$ 24,783,362	\$ 56,855

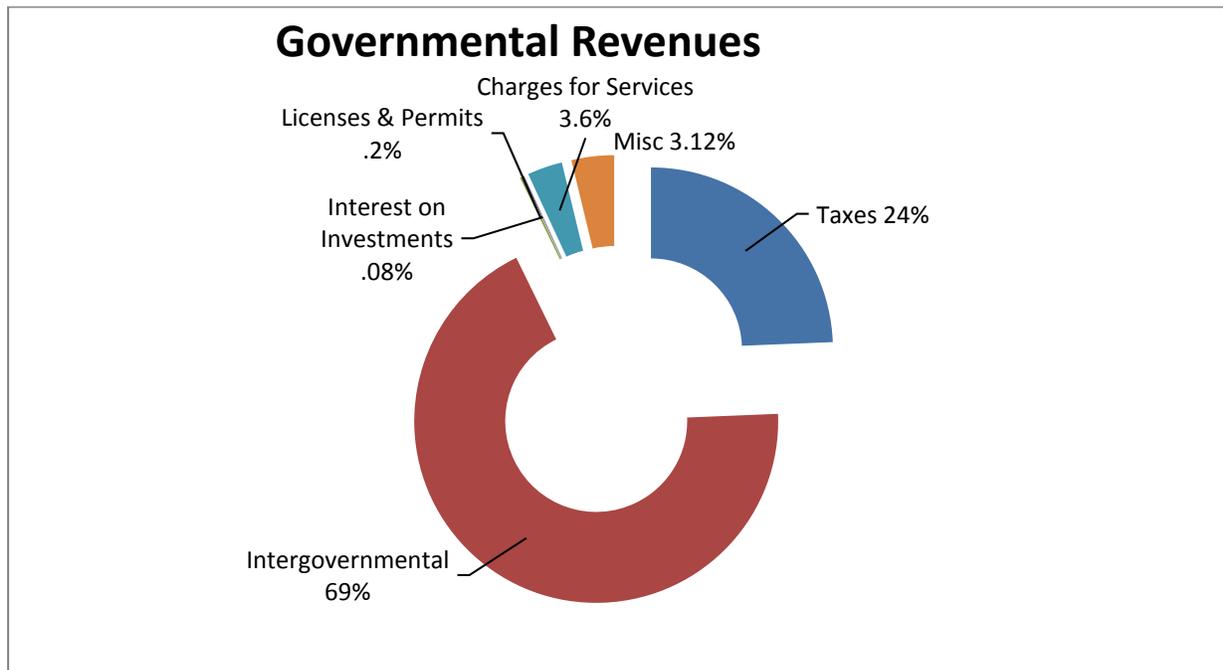
A key factor in determining a governments' ability to fund operations is whether revenues exceed expenses for each calendar year. In 2015 revenues exceeded expenses by \$260,058, which is a decrease to the 2014 excess of \$532,873. During the budget process the County approved spending some of the net position in order to complete projects in dire need of completion. The County must continue to evaluate costs, services and the efficiency of providing them.

GOVERNMENTAL REVENUES

Total revenues reported in the Government-wide Statement of Activities for 2015 increased by \$1,224,359(3.89%) compared to 2014. Majority of revenue sources saw a slight increase over the prior year, capital grants and contributions saw the largest increase with \$566,068.

	2015 Governmental Revenues		Increase/ Decrease	Percent Change
	2015	2014		
Taxes	\$ 7,372,151	\$ 7,042,998	\$ 329,153	4.67%
Intergovernmental Revenue	21,000,712	20,221,598	779,114	3.85%
Licenses and Permits	65,904	63,054	2,850	4.52%
Interest on Investments	25,304	24,394	910	3.73%
Charges for Services	1,094,413	1,050,740	43,673	4.16%
Miscellaneous	907,697	914,752	(7,055)	-0.77%
Total Revenue	\$ 30,466,181	\$ 29,317,536	\$ 1,148,645	3.92%

The County relies greatly on Intergovernmental Revenue and Taxes to support operations and capital acquisitions.

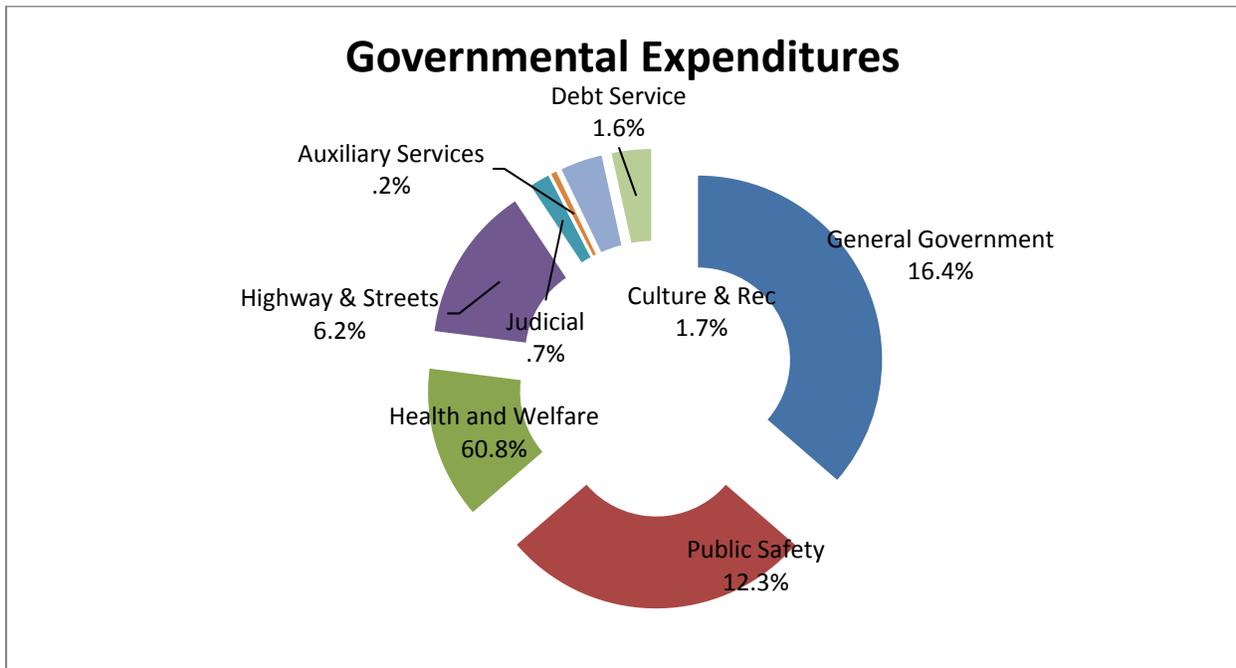


GOVERNMENTAL EXPENDITURES

Total reported expenditures for 2015 decreased by \$1,972,358 (6.3%). Expenditures are broken down by classification and compared to 2014 for further detail.

2015 Governmental Expenditures						
			2015	2014	Increase/ Decrease	Percent Change
General Government			\$ 4,810,420	\$ 4,095,684	\$ 714,736	17.45%
Public Safety			3,612,400	3,256,211	356,189	10.94%
Health and Welfare			17,767,703	17,271,502	496,201	2.87%
Highways and Streets			1,801,676	1,709,451	92,225	5.40%
Judicial			232,770	228,882	3,888	1.70%
Auxiliary Services			62,973	67,672	(4,699)	-6.94%
Culture and Recreation			484,416	519,825	(35,409)	-6.81%
Capital Outlay			-	3,622,710	(3,622,710)	-100.00%
Debt Service			457,525	430,304	27,221	6.33%
Total Expenditures			\$ 29,229,883	\$ 31,202,241	\$ (1,972,358)	-6.32%

During 2015, Public Safety expenditures increased by 10.94% to 2014. The County still faces challenges with increased numbers in inmate population and related expenditures, such as food and transport. Capital outlay decreased due to completion of new annex facility in 2014.



FINANCIAL ANALYSIS OF THE COUNTY'S GOVERNMENTAL FUNDS

Governmental Funds

The focus of the County's governmental funds is to provide information on short-term inflows and outflows, as well as, what resources remain available for future spending. Such information is useful in assessing the County's financing requirements. As mentioned unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. Governmental funds reported total ending fund balance of \$11,524,994, an increase of \$1,197,361(11.5%) over 2014. Of this year-end total, \$10,460,961 is unrestricted indicating availability for continuing County service requirements.

The following table depicts the County's four major governmental funds financial activities for 2015 and 2014.

MAJOR GOVERNMENTAL FUNDS ACTIVITY				
	General	Road & Bridge	Social Services	Public Health
	Fund	Fund	Fund	Fund
Fiscal year 2015				
Revenues	\$ 7,925,097	\$ 2,231,006	\$ 14,704,681	\$ 3,500,109
Expenditures	7,513,373	1,890,082	14,444,457	3,322,950
Other financing sources/(uses)	161,063	-	-	-
Inc/(dec) in fund balance	572,787	340,924	260,224	177,159
Fiscal year 2014				
Revenues	\$ 7,669,246	\$ 2,190,396	\$ 14,273,927	\$ 3,445,348
Expenditures	7,804,929	1,797,586	13,991,715	3,214,760
Other financing sources/(uses)	33,957	-	-	-
Inc/(dec) in fund balance	(101,726)	392,810	282,212	230,588

- **General Fund** – As the County's major operating fund, the General Fund accounts for all transactions not accounted for in other funds. The General Fund completed the year with a total fund balance of \$3,645,395, an 18.6% increase over 2014. Unassigned fund balance represents 45.3% of total fund balance.

Total General Fund revenues for 2015 were \$7,925,097 an increase of \$255,851 over 2014. Property taxes account for \$5,648,267 (71.3%) of total general fund revenues. Property tax collections saw an increase of \$571,168 (11.3%) over 2014. Intergovernmental revenues decreased by \$368,663 (34.95%) compared to 2014.

In total, operating expenditures had a decrease by \$291,556 (3.8%) over 2014.

Actual expenditures were \$703,398 less than budgeted.

- **Road and Bridge Fund** – The Road and Bridge Fund was also considered a major fund for 2015. The Road and Bridge funds primary purpose is to account for the maintenance and improvement of the County's road and bridge infrastructure as well as snow removal. The fund balance increased by \$340,924 (13.21%) in 2015 and has an overall fund balance of \$2,014,693 of which \$377,712 is inventory and is non-spendable. This leaves \$1,636,981 of available fund balance in the fund. This increase can be attributed to a hold on large construction projects in order to build up reserves in the fund for future equipment purchases or projects.

Total revenues in this fund increased by \$40,610 (2%) over 2014. The Road and Bridge's Revenue sources are few and usually comparable and maintain year to year. The majority of Road and Bridge's revenue is derived from intergovernmental sources and

under statute must be expended for road and bridge construction, maintenance and repair. These revenues made up 90% of the total revenues for 2015.

Expenditures increased by \$92,496 (5.2%) over 2014. This relates primary to the lack of spending for Capital Projects in the department for 2015.

- **Social Services Fund** – The Social Services Fund provides and coordinates a variety of State mandated social services including public assistance, child support and family service programs. Fund balance increased by \$260,224 (22.4%) over 2014.

Total revenues in the social services fund were \$14,704,681, of this only 5.7% is funded through property tax revenues. The remaining 94.3% is funded by federal and state grants and reimbursements.

Total expenditures in the social services fund for 2015 were \$14,444,457.

- **Public Health Fund** – The Public Health fund is used to account for the multiple programs associated with the provision of public health services. Fund balance increased in the public health fund by \$177,159 (6.7%) compared to 2014, leaving a total ending fund balance of \$2,760,695.

Total revenues in this fund for 2015 were \$3,500,109 an increase of \$57,461 (1.5%) over 2014. The majority of public health's revenues are derived from intergovernmental revenues (93.53%).

Total expenditures during 2015 increased by \$108,190 (3.4%) over 2014, and correlates with the decreased amount in intergovernmental revenues. Total expenditures for the fund for 2015 were \$3,322,950.

Other Non-major Governmental Funds

Information for non-major governmental funds is aggregated and reported as other types of funds in the statement of revenues, expenditures and changes in fund balances. Further detail by fund is reported as part of the other supplementary information section of this financial report. Included in the County's non-major governmental funds are the following; Conservation Trust Fund and the Lease Service Fund. In addition, the component units of government are also considered as non-major governmental funds and they consist of the following; Alamosa County Events & Local Marketing District Fund-Local Marketing District; Alamosa County Events & Local Marketing District-Tourism & Development Fund and the Alamosa (Northwest) Weed Control District Fund.

For the year ended 2015, the non-major governmental funds had an ending fund balance of \$1,682,095.

Proprietary Funds

Total net position of the Internal Service fund at the end of the year amounted to \$387,364.

Total net position of the Mosca General Improvement District Fund at the end of the year amounted to \$56,855.

Fiduciary/Trust & Agency Funds

Fiduciary funds are not reported in the Government-wide financial statements. A total of \$930,953 in deposits was being held at December 31, 2015.

ASSET AND DEBT ADMINISTRATION

Capital Assets

Alamosa County's investments in capital assets for its governmental activities as of December 31, 2015 amounted to \$16,836,044 (net of accumulated depreciation). Capital assets include land, buildings and improvements, furniture and equipment, vehicles and infrastructure. Additional information regarding capital assets can be found in Note 7.

Long-Term Debt

As of December 31, 2015, Alamosa County had long-term debt outstanding of \$3,712,399. Long-term debt consists of several lease purchase agreements and compensated absences for employees. Additional information regarding long-term debt can be found in Note 9.

FACTORS AFFECTING FUTURE COUNTY FINANCIAL CONDITIONS

- A 1% sales tax was approved by voters in 2015. The sales tax will begin in 2016 and will be used for construction of a new Judicial Facility, Remodel and addition to the current county jail, and operating expenses related to Public Safety needs for Alamosa County citizens. Funding will be accounted for in a new special revenue fund, the Justice Center Fund.
- Alamosa County has been fortunate to maintain and even see a slight increase in sales tax over the past few years.
- Stabilization of Community Development Fund by voluntary contributions from solar development companies. Dollars may be utilized to provide non-government organizations with financial support, scholarships etc. These funds can help offset a portion of revenue being lost from other revenues to the County.
- Completion and implementation of a local road & bridge plan which will address the need of repairs and maintenance of county roads by prioritization. Also address preventive maintenance to keep costs down in the long range.
- Being consistent and competitive with our Pay plan to help maintain outstanding employees and recruitment of new ones.
- Several projects to be applied for grant funding, if successful grant match dollars could be significant.

The County will aim to provide the citizens of Alamosa County with the highest quality of services while maintaining a healthy financial status as a government entity. It is an important goal of the County to maintain our fund balances at a healthy level and to continue to build on those all while expanding operations and services to our citizens.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the County's finances and to demonstrate the County's accountability for the monies it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be directed to the Alamosa County Finance Officer at POB 178, 8900 Independence Way, Alamosa, Colorado, 81101.

ALAMOSA COUNTY, COLORADO
BASIC FINANCIAL STATEMENTS

ALAMOSA COUNTY, COLORADO
STATEMENT OF NET POSITION
December 31, 2015

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$ 10,696,478	\$ 46,074	\$ 10,742,552
Accounts Receivable	610,694	11,498	622,192
Due from Treasurer's Agency Fund	215,000	-	215,000
Due from Other Governments	1,102,034	-	1,102,034
Property Taxes Receivable	4,154,698	-	4,154,698
Inventories	391,607	-	391,607
Other Current Assets	1,341	-	1,341
Total Current Assets	<u>17,171,852</u>	<u>57,572</u>	<u>17,229,424</u>
Noncurrent Assets			
Capital Assets:			
Land	424,869	-	424,869
Buildings and Improvements	16,037,378	-	16,037,378
Furniture and Equipment	5,600,332	-	5,600,332
Vehicles	1,628,376	-	1,628,376
Infrastructure	19,729,864	-	19,729,864
Less Accumulated Depreciation/Depletion	(26,584,775)	-	(26,584,775)
Total Noncurrent Assets	<u>16,836,044</u>	<u>-</u>	<u>16,836,044</u>
TOTAL ASSETS	<u>34,007,896</u>	<u>57,572</u>	<u>34,065,468</u>
LIABILITIES			
Current Liabilities			
Accounts Payable	439,763	717	440,480
Due to Other Governments	288,746	-	288,746
Unearned Grant Revenue	376,287	-	376,287
Lease Purchase Agreement	412,665	-	412,665
Notes Payable	19,985	-	19,985
Compensated Absences	23,359	-	23,359
Total Current Liabilities	<u>1,560,805</u>	<u>717</u>	<u>1,561,522</u>
Noncurrent Liabilities			
Lease Purchase Agreement	2,667,063	-	2,667,063
Notes Payable	245,015	-	245,015
Compensated Absences	344,312	-	344,312
Total Noncurrent Liabilities	<u>3,256,390</u>	<u>-</u>	<u>3,256,390</u>
TOTAL LIABILITIES	<u>4,817,195</u>	<u>717</u>	<u>4,817,912</u>
DEFERRED INFLOWS OF RESOURCES - CURRENT			
Unavailable Revenue - Property Tax	4,154,698	-	4,154,698
NET POSITION			
Net Investment in Capital Assets	13,491,316	-	13,491,316
Restricted for:			-
TABOR	575,000	-	575,000
Public Health - Single Entry Point/Home Care Allowance	565,581	-	565,581
Unrestricted	10,404,106	56,855	10,460,961
TOTAL NET POSITION	<u>\$ 25,036,003</u>	<u>\$ 56,855</u>	<u>\$ 25,092,858</u>

The accompanying notes are an integral part of this financial statement.

ALAMOSA COUNTY, COLORADO
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2015

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	TOTAL
Primary Government:							
Governmental Activities:							
General government	\$ 4,617,232	\$ 811,900	\$ 253,460	\$ 1,101,130	\$ (2,450,742)	\$ -	\$ (2,450,742)
Public safety	3,796,703	251,241	298,144	-	(3,247,318)	-	(3,247,318)
Health and welfare	17,875,796	217,144	17,150,051	-	(508,601)	-	(508,601)
Highways and streets	2,411,804	41,634	1,967,479	-	(402,691)	-	(402,691)
Judicial	232,770	-	-	-	(232,770)	-	(232,770)
Auxiliary services	62,973	-	12,255	-	(50,718)	-	(50,718)
Culture and recreation	514,269	-	64,312	-	(449,957)	-	(449,957)
Interest on long-term debt	137,896	-	-	-	(137,896)	-	(137,896)
Total Governmental Activities	29,649,443	1,321,919	19,745,701	1,101,130	(7,480,693)	-	(7,480,693)
Business-Type Activities							
Mosca General Improvement District	36,070	20,100	-	-	-	(15,970)	(15,970)
Total Business-Type Activities	36,070	20,100	-	-	-	(15,970)	(15,970)
Total Primary Government	\$ 29,685,513	\$ 1,342,019	\$ 19,745,701	\$ 1,101,130	(7,480,693)	(15,970)	(7,496,663)
General Revenues and Transfers:							
Taxes:							
General Property Taxes - Net					4,092,063	-	4,092,063
Sales Taxes					2,116,991	-	2,116,991
Other Taxes					1,166,630	-	1,166,630
Payment in Lieu of Taxes					209,869	-	209,869
Interest on Investments					25,304	-	25,304
Gain on Sale of Capital Assets					20,363	-	20,363
Miscellaneous					174,939	-	174,939
Transfers					(59,300)	59,300	-
Total General Revenues and Transfers					7,746,859	59,300	7,806,159
Change in Net Position					266,166	43,330	309,496
Net Position - Beginning of Year, as previously stated					24,783,362	-	24,783,362
Change in Accounting Principle					(13,525)	13,525	-
Net Position - Beginning of Year, restated					24,769,837	13,525	24,783,362
Net Position - End of Year					\$ 25,036,003	\$ 56,855	\$ 25,092,858

5 The accompanying notes are an integral part of this financial statement.

ALAMOSA COUNTY, COLORADO
GOVERNMENTAL FUNDS
BALANCE SHEET
December 31, 2015

	GENERAL FUND	ROAD AND BRIDGE FUND	SOCIAL SERVICES FUND	PUBLIC HEALTH FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS						
Cash and Cash Equivalents	\$ 3,292,781	\$ 1,561,993	\$ 1,627,220	\$ 2,208,903	\$ 1,618,217	\$ 10,309,114
Accounts Receivable	1,352	-	-	600,342	9,000	610,694
Property Taxes Receivable	3,477,440	29,514	582,087	-	65,657	4,154,698
Due from Other Funds	217,424	-	-	-	-	217,424
Due from Other Governments	599,601	162,546	225,717	-	114,170	1,102,034
Inventory	-	377,712	-	13,895	-	391,607
Other Assets	-	-	-	1,341	-	1,341
TOTAL ASSETS	\$ 7,588,598	\$ 2,131,765	\$ 2,435,024	\$ 2,824,481	\$ 1,807,044	\$ 16,786,912
LIABILITIES						
Accounts Payable	\$ 177,017	\$ 87,558	\$ 72,561	\$ 45,759	\$ 56,868	\$ 439,763
Due to Other Funds	-	-	-	-	2,424	2,424
Due to Other Governments	288,746	-	-	-	-	288,746
Unearned Revenue - Grants	-	-	358,260	18,027	-	376,287
TOTAL LIABILITIES	465,763	87,558	430,821	63,786	59,292	1,107,220
DEFERRED INFLOWS OF RESOURCES						
Unavailable Revenue - Property Tax	3,477,440	29,514	582,087	-	65,657	4,154,698
FUND BALANCE						
Nonspendable - Inventory	-	377,712	-	13,895	-	391,607
Restricted						
TABOR Amendment Reserve	575,000	-	-	-	-	575,000
Public Health - SEP/HCA	-	-	-	565,581	-	565,581
Committed						
Capital Projects	-	-	-	-	346,020	346,020
Debt Service	-	-	-	-	320,433	320,433
Equipment Acquisition	313,436	-	-	-	-	313,436
Assigned						
Highways and Streets	-	1,636,981	-	-	-	1,636,981
Health and Welfare	-	-	1,422,116	2,181,219	-	3,603,335
Culture and Recreation	-	-	-	-	867,638	867,638
Weed Control	-	-	-	-	148,004	148,004
Designated for Future Expenditures	1,104,109	-	-	-	-	1,104,109
Unassigned	1,652,850	-	-	-	-	1,652,850
TOTAL FUND BALANCE	3,645,395	2,014,693	1,422,116	2,760,695	1,682,095	11,524,994
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE						
	\$ 7,588,598	\$ 2,131,765	\$ 2,435,024	\$ 2,824,481	\$ 1,807,044	\$ 16,786,912

The accompanying notes are an integral part of this financial statement.

ALAMOSA COUNTY, COLORADO
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO THE STATEMENT OF NET POSITION
December 31, 2015

TOTAL GOVERNMENTAL FUND BALANCES		\$ 11,524,994
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.</p>		16,836,044
<p>Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.</p>		
<p>Lease Purchase Agreements</p>	(3,079,728)	
<p>Notes Payable</p>	(265,000)	
<p>Compensated Absences</p>	(367,671)	
	(3,712,399)	(3,712,399)
<p>Internal service funds are used by management to charge the costs of services to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.</p>		387,364
NET POSITION OF GOVERNMENTAL ACTIVITIES		\$ 25,036,003

The accompanying notes are an integral part of this financial statement.

ALAMOSA COUNTY, COLORADO
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE
For the Year Ended December 31, 2015

	<u>GENERAL FUND</u>	<u>ROAD AND BRIDGE FUND</u>	<u>SOCIAL SERVICES FUND</u>	<u>PUBLIC HEALTH FUND</u>	<u>OTHER GOVERNMENTAL FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
REVENUES						
Taxes	\$ 5,648,267	\$ 94,883	\$ 829,408	\$ -	\$ 799,593	\$ 7,372,151
Intergovernmental Revenue	686,314	2,006,289	13,875,273	3,276,983	1,155,853	21,000,712
Licenses and Permits	65,904	-	-	-	-	65,904
Interest on Investments	14,516	-	-	-	10,788	25,304
Charges for Services	878,708	-	-	215,705	-	1,094,413
Miscellaneous	631,388	129,834	-	7,421	139,054	907,697
TOTAL REVENUES	<u>7,925,097</u>	<u>2,231,006</u>	<u>14,704,681</u>	<u>3,500,109</u>	<u>2,105,288</u>	<u>30,466,181</u>
EXPENDITURES						
Current Expenditures						
General Government	3,597,934	-	-	-	1,212,486	4,810,420
Public Safety	3,612,400	-	-	-	-	3,612,400
Health and Welfare	296	-	14,444,457	3,322,950	-	17,767,703
Highways and Streets	-	1,801,676	-	-	-	1,801,676
Judicial	232,770	-	-	-	-	232,770
Auxiliary Services	62,973	-	-	-	-	62,973
Culture and Recreation	7,000	-	-	-	477,416	484,416
Debt Service	-	88,406	-	-	369,119	457,525
TOTAL EXPENDITURES	<u>7,513,373</u>	<u>1,890,082</u>	<u>14,444,457</u>	<u>3,322,950</u>	<u>2,059,021</u>	<u>29,229,883</u>
Excess (Deficiency) of Revenues Over Expenditures	411,724	340,924	260,224	177,159	46,267	1,236,298
OTHER FINANCING SOURCES (USES)						
Transfers In	200,000	-	-	-	-	200,000
Transfers Out	(59,300)	-	-	-	(200,000)	(259,300)
Sale of Capital Assets	20,363	-	-	-	-	20,363
TOTAL OTHER FINANCING SOURCES (USES)	<u>161,063</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(200,000)</u>	<u>(38,937)</u>
Net Change in Fund Balance	572,787	340,924	260,224	177,159	(153,733)	1,197,361
Fund Balance at Beginning of Year, as previously stated	3,072,608	1,673,769	1,161,892	2,583,536	1,849,353	10,341,158
Change in Accounting Principle	-	-	-	-	(13,525)	(13,525)
Fund Balance at Beginning of Year, restated	<u>3,072,608</u>	<u>1,673,769</u>	<u>1,161,892</u>	<u>2,583,536</u>	<u>1,835,828</u>	<u>10,327,633</u>
Fund Balance at End of Year	<u>\$ 3,645,395</u>	<u>\$ 2,014,693</u>	<u>\$ 1,422,116</u>	<u>\$ 2,760,695</u>	<u>\$ 1,682,095</u>	<u>\$ 11,524,994</u>

8 The accompanying notes are an integral part of this financial statement.

ALAMOSA COUNTY, COLORADO
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2015

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS \$ 1,197,361

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Fixed Asset Additions	\$ 10,770	
Deletions Net of Accumulated Depreciation	(3,317)	
Depreciation Expense	<u>(1,288,332)</u>	(1,280,879)

Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Repayment of principal include:

Lease Purchase Agreement Principal Payments	394,629	
Note Payable Proceeds	(265,000)	
Note Payable Payments	<u>190,000</u>	319,629

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.

Compensated Absences		32,120
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Internal Service Funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities.

		<u>(2,065)</u>
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CHANGE IN NET POSITION OF GOVERNMENTAL FUNDS \$ 266,166

ALAMOSA COUNTY, COLORADO
PROPRIETARY FUND
STATEMENT OF NET POSITION
December 31, 2015

	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUND	GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUND
	MOSCA GENERAL IMPROVEMENT DISTRICT FUND	HEALTH INSURANCE FUND
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 46,074	\$ 387,364
Accounts Receivable	11,498	-
TOTAL ASSETS	57,572	387,364
LIABILITIES		
Current Liabilities		
Accounts Payable	717	-
TOTAL LIABILITIES	717	-
NET POSITION		
Unrestricted	56,855	387,364
TOTAL NET POSITION	\$ 56,855	\$ 387,364

The accompanying notes are an integral part of this financial statement.

ALAMOSA COUNTY, COLORADO
PROPRIETARY FUND
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION
December 31, 2015

	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUND	GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUND
	MOSCA GENERAL IMPROVEMENT DISTRICT FUND	HEALTH INSURANCE FUND
OPERATING REVENUES		
Taxes	\$ -	\$ 480
Charges for Services	20,100	-
Employer Contributions	-	1,290,981
Employee Contributions	-	486,329
TOTAL OPERATING REVENUES	20,100	1,777,790
OPERATING EXPENSES		
Utilities and Maintenance	36,070	-
Premiums	-	1,778,326
Miscellaneous	-	1,529
TOTAL OPERATING EXPENSES	36,070	1,779,855
OPERATING INCOME (LOSS)	(15,970)	(2,065)
TRANSFERS IN	59,300	-
CHANGE IN NET POSITION	43,330	(2,065)
NET POSITION - BEGINNING OF YEAR, AS PREVIOUSLY STATED	-	389,429
CHANGE IN ACCOUNTING PRINCIPLE	13,525	-
NET POSITION - BEGINNING OF YEAR, RESTATED	13,525	389,429
NET POSITION - END OF YEAR	\$ 56,855	\$ 387,364

The accompanying notes are an integral part of this financial statement.

ALAMOSA COUNTY, COLORADO
PROPRIETARY FUND
STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2015

	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUND	GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUND
	MOSCA GENERAL IMPROVEMENT DISTRICT FUND	HEALTH INSURNANCE FUND
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received From Services Provided	\$ 20,100	\$ -
Cash Received From Interfund Services Provided	-	1,777,790
Cash Paid to Suppliers/Vendors	(38,988)	(1,779,855)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(18,888)	(2,065)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Cash Received from Transfers In	59,300	-
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	59,300	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	-	-
CASH FLOWS FROM INVESTING ACTIVITIES	-	-
NET INCREASE (DECREASE) IN CASH	40,412	(2,065)
CASH AT BEGINNING OF YEAR	5,662	389,429
CASH AT END OF YEAR	\$ 46,074	\$ 387,364
 Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:		
Operating Income (Loss)	\$ (15,970)	\$ (2,065)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities		
Increase (Decrease) in Accounts Payable	(2,918)	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ (18,888)	\$ (2,065)

The accompanying notes are an integral part of this financial statement.

ALAMOSA COUNTY, COLORADO
FIDUCIARY FUNDS
STATEMENT OF ASSETS AND LIABILITIES
December 31, 2015

	TREASURER'S AGENCY FUND
ASSETS	
Cash and Cash Equivalents	\$ 930,953
TOTAL ASSETS	<u>\$ 930,953</u>
LIABILITIES	
Funds Held For Others	\$ 715,953
Due to General Fund	<u>215,000</u>
TOTAL LIABILITIES	<u>\$ 930,953</u>

The accompanying notes are an integral part of this financial statement.

ALAMOSA COUNTY, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2015

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of the County reflected in the accompanying financial statements conform to accounting principles generally accepted in the United States of America applicable to state and local governments. Accounting principles generally accepted in the United States of America for local governments are those promulgated by the Governmental Accounting Standards Board (GASB) in *Governmental Accounting and Financial Reporting Standards*.

REPORTING ENTITY

Primary Government

The County is a political subdivision organized under the statutes of the State of Colorado. The County is governed by a three-member Board of County Commissioners (the Board). Each commissioner is elected at-large by the voters of the County to represent one of the three separate districts and must reside in the district for which he or she is elected. There are also six other elected officials - assessor, clerk and recorder, coroner, sheriff, district attorney, and treasurer. The treasurer is also the County Public Trustee.

The County provides a wide range of services to its residents including general administration, public safety, highways and streets, parks and open spaces, health and social services, public improvements, planning, zoning, and predatory animal control.

Component Units

The County's combined financial statements include the accounts of all County operations. The criteria for including organizations as component units within the County's reporting entity, as set forth in Section 2100 of GASB's *Codification of Governmental Accounting and Financial Reporting Standards*, include whether:

- § The organization is legally separate (can sue and be sued in their own name)
- § The County holds the corporate powers of the organization
- § The County appoints a voting majority of the organization's board
- § The County is able to impose its will on the organization
- § The organization has the potential to impose a financial benefit/burden on the County
- § There is fiscal dependency by the organization on the County
- § The organization is financially accountable to the County
- § The organization receives or holds funds that are for the benefit of the County; and the County has access to a majority of the funds held; and the funds that are accessible are also significant to the County.

The Northwest Weed Control District was voted into existence in 1989. In 1992, the Alamosa County Commissioners assumed administration of the District and tax revenue received by the fund. The District is blended into the County's financial statements as a special revenue fund.

The Mosca General Improvement District operates a sewer system in Mosca, Colorado. The County Commissioners administer the District and funds from the supplement user charges received by the fund. The District is blended into the County's financial statements as an enterprise fund.

The Alamosa County Events and Facilities Local Marketing District was voted into existence November 3, 2003. The County Commissioners administer the District and tax revenue received by the fund. The District is blended into the County's financial statements as a special revenue fund.

ALAMOSA COUNTY, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2015

GOVERNMENT -WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements include the Statement of Net Position and the Statement of Activities. Government-wide statements report information on all of the activities of the County and its component units, except for County fiduciary activity. The effect of interfund transfers has been removed from the government-wide statements but continues to be reflected on the fund statements. Mainly taxes and intergovernmental revenues support governmental activities.

The statement of activities reflects the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include:

- § Charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and
- § 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 in program revenues are reported as general revenues.

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

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. This measurement is also used for the proprietary 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 are recognized as revenue when all applicable eligibility requirements imposed by the provider are 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 available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally 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.

The County reports the following major governmental funds:

- § The **General Fund** is the general operating fund of the County. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- § The **Road and Bridge Fund** is used to account for the maintenance and improvements of streets and highways. The sources of funds include property taxes, highway users fees, and other revenue sources.
- § The **Social Services Fund** is used to account for the operations of social programs; i.e. Temporary Aid to Needy Families, Old Age Pension, Aide to the Blind, Aide to the Needy and Disabled, among others. Financing is provided by grants, allotments, and property tax revenue.
- § The **Public Health Fund** is used to account for the multiple programs of providing health services. Financing is provided by grants and fees for services.

ALAMOSA COUNTY, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2015

Proprietary fund financial statements are used to account for activities, which are similar to those often found in the private sector. The measurement focus is dependent upon determination of net income, financial position, and cash flows. The County's proprietary funds consist of an enterprise fund and an internal service fund described as follows:

- § The Mosca General Improvement District Fund is an enterprise fund used to provide quality sewer service to the residents of Mosca. The District is supported by fees of the users. Expenses are for operation and repair of the sewage system.
- § The Health Insurance Fund is an internal service fund used to account for the County's group medical insurance program. Revenues are derived from County contributions and employee contributions. Expenses are for the purchase of health insurance premiums.

The proprietary fund is accounted for using the accrual basis of accounting as follows:

- § Revenues are recognized when earned and expenses are recognized when the liabilities are incurred.
- § Current-year contributions, administrative expenses, and premium payments, which are not received or paid until the subsequent year, are accrued.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Fiduciary fund financial statements consist of the Treasurer's Agency Fund established to record transactions relating to assets held by the County as an agent for individuals, governmental entities, and non-public organizations. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables, and receivables. All internal balances in the statement of net assets have been eliminated. In the statement of activities, internal service fund transactions have been eliminated.

ASSETS, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION / FUND BALANCE

Cash

The County's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments

All investments, if any, are recorded at fair market value.

Property Taxes

Property taxes attach as an enforceable lien on property as of January 1 each year. The taxes are payable in two installments on February 28 and June 15 or in full on April 30. The County Treasurer bills and collects all property taxes for the County. Property tax revenue is recognized by the County to the extent it results in a current receivable. The 2015 property tax levy due January 1, 2016, has been recorded in the financial statements as a receivable and corresponding deferred inflow of resources in the financial statements.

Receivables/Payables from Other County Funds

Balances that originate from current lending/borrowing arrangements between funds are referred to as "Due To/From Other Funds."

ALAMOSA COUNTY, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2015

Inventories and Prepaid Items

Inventory is valued at the lower of cost (first-in, first-out) or market. Inventory in the special revenue funds consists of expendable supplies held for use. Reported inventories are equally offset by nonspendable fund balance, which indicates that they do not constitute "available spendable resources" even though they are a component of net current assets. Inventory policy on government-wide statements is consistent with fund statements.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Capital Assets

Capital Assets, which include land, buildings and improvements, equipment, construction in progress, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental activities columns in the government-wide financial statements. The County defines capital assets as assets with an initial, individual cost of more than \$5,000. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

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

Assets	Years
Building	35-50
Furniture & Fixtures	5-10
General Equipment	3-20
Vehicles	5-15
Infrastructure	5-50

Long-Term Obligations

Long-term debt and other long-term obligations are recorded as liabilities in the government-wide financial statements. In the fund financial statements for governmental fund types, debt proceeds are reported as other financing sources and debt payments are reported as other financing uses.

Compensated Absences

County employees may earn and accumulate unused vacation and sick leave benefits. All vacation and sick leave pay is accrued when incurred in the government-wide financial statements. A liability is reported in governmental funds only if they have matured, for example as a result of employee resignations or retirements.

Deferred Inflows of Resources

In addition to liabilities, the statement of net position reports a separate section of deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time.

Encumbrances

The County does not record purchase orders in the accounting system until invoices are ready for payment. Unfulfilled purchase commitments outstanding at the end of the budget year are rebudgeted in the succeeding year. End of the year fund balance intended to be used in the succeeding year is reported as designated fund balance.

ALAMOSA COUNTY, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2015

Net Position

Net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Net position should be displayed in the following three components:

- § *Net investment in capital assets* – consists of capital assets, net accumulated depreciation, reduced by the outstanding balances of any borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt should be included in this component of net position.
- § *Restricted* – consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Restricted assets consist of assets that have limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.
- § *Unrestricted* – consists of net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted components of net position.

Fund Balance

Fund balances are classified based on the extent to which the District is bound to honor constraints for the specific purposes on which amounts in the fund can be spent. Fund balances are classified in one of the five categories:

- § *Nonspendable Fund Balance* – amounts that cannot be spent because they are not in spendable form—such as inventory and prepaid insurance.
- § *Restricted Fund Balance* – amounts with constraints placed on the use of resources are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.
- § *Committed Fund Balance* – amounts that can only be used for specific purposes as a result of constraints imposed through resolution by the Board of County Commissioners, the highest level of decision making authority. Committed amounts cannot be used for any other purpose unless the Board removes those constraints by taking the same type of action. Committed fund balances differ from restricted balances because the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.
- § *Assigned Fund Balance* – amounts a government intends to use for a specific purpose; intent can be expressed by the Board of County Commissioners or by an official or body to which the governing body delegates the authority.
- § *Unassigned Fund Balance* – amounts that are available for any purpose; these amounts are reported only in the General Fund.

When an expenditure is incurred for purposes for which both restricted and unrestricted net position/fund balance is available, the County considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, and unassigned fund balances are available, the County considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board of County Commissioners has provided otherwise in its commitment or assignment actions.

Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

ALAMOSA COUNTY, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2015

Change in Accounting Principle

Restatement of Net Position and Fund Balance

The County previously reported the activity of the Mosca General Improvement District Fund in a special revenue fund. Beginning in fiscal year 2015, such activity has been more appropriately reported in an enterprise fund. Accordingly, the newly established enterprise fund reports a restated beginning net position of \$13,525, which is equal to the fund balance previously reported in the special revenue fund.

	Governmental Activities	Business-Type Activities
Change in Accounting Principle -		
Mosca General Improvement District Fund	\$ (13,525)	\$ 13,525

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgets and Budgetary Accounting

Alamosa County follows the procedures set forth in the Colorado Local Government Budget Law when preparing the annual budget for each fund. Budget procedures include:

- § Preparation of budget documents by administrative staff, which shall be submitted to the Board no later than October 15 of each year.
- § Publication of a notice stating that the budget is available for public inspection.
- § Discussion of the budget in a meeting open to the public.
- § Adoption of the budget in a public meeting by appropriate resolution, no later than December 31.

Formal budgetary integration is employed as a management control device for all funds of the County. All budgets are adopted on a basis consistent with U.S. generally accepted accounting principles (GAAP).

The total expenditures for each fund cannot exceed the budgeted amount unless a supplemental appropriation is adopted. The Board of County Commissioners adopted supplemental appropriations during 2015.

All budget amounts presented in the accompanying supplementary information reflect the original budget and the final amended budget.

NOTE 3 CASH, DEPOSITS, AND INVESTMENTS

A summary of cash and investments for the County are as follows:

Cash on hand	\$ 3,400
Cash deposited with banks	11,469,845
Investments	200,260
Total cash, deposits, and investments: (book balance)	11,673,505
Less: amounts related to Treasurer's Agency Fund	(930,953)
Total cash, deposits, and investments on Statement of Net Position	\$ 10,742,552

ALAMOSA COUNTY, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
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Cash and Deposits

Colorado State Statutes govern the County's deposits of cash. The statutes specify eligible depositories for public cash deposits, which must be Colorado institutions and must maintain federal insurance (FDIC) on deposits held.

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized in accordance with the PDPA. PDPA allows the institution to create a single collateral pool for all public funds to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to the aggregate uninsured deposits.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. The County does not have a deposit policy for custodial credit risk. At December 31, 2015, \$10,833,348 was exposed to custodial credit risk. Deposits exposed to credit risk are collateralized with securities held by the pledging financial institutions through PDPA.

Investments

The County's investment policy and Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local government entities may invest. They include:

- § Obligations of the United States and certain U.S. Government agency securities
- § Certain international agency securities
- § General obligation and revenue bonds of U.S. local government entities
- § Bankers' acceptances of certain banks
- § Commercial paper
- § Local government investment pools
- § Repurchase agreements
- § Money market funds
- § Guaranteed investments contracts
- § Corporate or bank debt issued by eligible corporations or banks

Custodial Credit Risk - Investments

The County's investment policy calls for investment diversification within the portfolio to avoid unreasonable risks inherent in over investing in specific instruments, individual financial institutions or maturities. The policy allows for the investment in local government investment pools. As of December 31, 2015, the local government investment pool (ColoTrust) in which the County had invested was rated AAAM by Standard & Poor's.

Interest Rate Risk

Colorado Revised Statutes and the County's investment policy limit investment maturities to five years or less from the date of purchase. This limit on investment maturities is a means of limiting exposure to fair values arising from increasing interest rates.

The Colorado Government Liquid Asset Trust (ColoTrust) is an investment vehicle established for local government entities in Colorado pursuant to Part 7 of Article 75 of Title 24 of the Colorado Revised Statutes, to pool surplus funds for investment purposes. ColoTrust operates similarly to a money market fund and each share is equal in value to \$1.00. The fair value of the position in the pool is the same as the value of the pool shares. The designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions.

ALAMOSA COUNTY, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
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Substantially all securities owned by the pool are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by the pool. Investments of the pools consist of U.S. Treasury bills, notes and note strips, and repurchase agreements collateralized by U.S. Treasury Notes.

NOTE 4 ACCOUNTS RECEIVABLE

Accounts receivable at December 31, 2015, consisted of the following:

<i>Governmental Activities</i>	
General Fund Miscellaneous Receivable	\$ 1,352
Public Health Nurse (net of allowance for doubtful accounts of \$26,569)	600,342
Nonmajor Funds	<u>9,000</u>
Total Governmental Activities Accounts Receivable, net	<u>610,694</u>
 <i>Business-type Activities</i>	
Mosca General Improvement District	<u>11,498</u>
Total Business-type Activities Accounts Receivable, net	<u>11,498</u>
Total Accounts Receivable, net	<u><u>\$ 622,192</u></u>

NOTE 5 PROPERTY TAXES RECEIVABLE

At December 31, 2015, the County had an estimated property tax receivable divided among the funds as follows:

General Fund	\$ 3,477,440
Road and Bridge Fund	29,514
Social Services Fund	582,087
Nonmajor Funds	<u>65,657</u>
	<u><u>\$ 4,154,698</u></u>

NOTE 6 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Interfund Receivables/Payables

The County reports interfund balances between many of its funds. The balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. Interfund balances are generally expected to be repaid within one year of the financial statement date.

Interfund receivable and payable balances at December 31, 2015, were as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Conservation Trust Fund	\$ 2,424
	Treasurer's Agency Fund	<u>215,000</u>
Total		<u><u>\$ 217,424</u></u>

ALAMOSA COUNTY, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
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Interfund Transfers

Interfund transfers for the year ended December 31, 2015, were as follows:

Transfer In	Transfer Out	Amount
General Fund	Facilities Expansion Fund	\$ 200,000
Mosca General Improvement District Fund	General Fund	59,300
		\$ 259,300

The General Fund transferred \$59,300 to subsidize the Mosca General Improvement District Fund.

The Facilities Expansion Fund transferred \$200,000 to the General Fund for mill levy dollars remaining after the construction of the new annex building.

NOTE 7 CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2015, was as follows:

	Balance 12/31/2014	Additions	Deletions	Balance 12/31/2015
<i>Governmental Activities:</i>				
Capital assets not being depreciated:				
Land	\$ 424,869	\$ -	\$ -	\$ 424,869
Total capital assets not being depreciated	424,869	-	-	424,869
Capital assets being depreciated				
Buildings and Improvements	16,037,378	-	-	16,037,378
Furniture and Equipment	5,589,562	10,770	-	5,600,332
Vehicles	1,703,781	-	75,405	1,628,376
Infrastructure	19,729,864	-	-	19,729,864
Total capital assets being depreciated	43,060,585	10,770	75,405	42,995,950
Less accumulated depreciation for:				
Buildings	5,194,816	317,998	-	5,512,814
Furniture and Equipment	4,176,589	387,844	-	4,564,433
Vehicles	1,485,575	43,968	72,088	1,457,455
Infrastructure	14,511,551	538,522	-	15,050,073
Total accumulated depreciation	25,368,531	1,288,332	72,088	26,584,775
Total capital assets being depreciated, net	17,692,054	(1,277,562)	3,317	16,411,175
Governmental Activities Capital Assets, Net	\$ 18,116,923	\$ (1,277,562)	\$ 3,317	\$ 16,836,044

The Business -type Activities capital assets for the Mosca General Improvement District have been fully depreciated, and the County is in the process of full replacement of the sewer system.

ALAMOSA COUNTY, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
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Depreciation expense was charged to functions/programs of the primary government as follows :

Governmental Activities:	
General Government	\$ 183,182
Public Safety	180,986
Health and Welfare	172,325
Highways and Streets	721,986
Culture and Recreation	<u>29,853</u>
	<u>\$ 1,288,332</u>

NOTE 8 OPERATING LEASES

The County has entered into several operating lease arrangements for several copy machines, postage machines, procurement of software, and computer services . Rental Expense for all operating leases for the year ended December 31, 2015, was approximately \$137,437.

NOTE 9 LONG-TERM LIABILITIES

Changes in Long-term Liabilities

Long-term liability activity for the year ended December 31, 2015, was as follows:

	12/31/2014 Balance	Additions	Deletions	12/31/2015 Balance	Due Within One Year
<i>Governmental Activities</i>					
Lease Purchase Agreements	\$ 3,474,357	\$ -	\$ 394,629	\$ 3,079,728	\$ 392,680
Note Payable	190,000	265,000	190,000	265,000	19,985
Compensated Absences	399,791	-	32,120	367,671	23,359
Total Governmental Activities	<u>\$ 4,064,148</u>	<u>\$ 265,000</u>	<u>\$ 616,749</u>	<u>\$ 3,712,399</u>	<u>\$ 436,024</u>

Lease Purchase Agreements

2007 Alamosa County Depot and Motorway Building

The Alamosa County Events and Facilities Local Marketing District entered into a 4 year loan for the purchase of a 60% interest in the Alamosa Depot and Motorway Buildings on April 2, 2007. On December 11, 2008, there was a Change in Terms Agreement changing this Note to an annually renewable Lease Purchase Agreement. Payments are due in monthly installments of \$3,770, which includes interest at a variable interest rate. This lease agreement was paid off with the 2015 Alamosa County Depot and Motorway Building Note.

2011 Alamosa County and Caterpillar Financial Services Leases

Two Lease Purchase Agreements, dated January 26, 2011, were entered into between Caterpillar Financial Services, as lessor, and Alamosa County (the "County"), as lessee, for the purchase of two Caterpillar Motor Graders. Payments are due in monthly installments of \$1,799, which includes interest at a rate of 3.5%. Final payment is due in February 2016. Payments were made from the Road and Bridge Fund. Principal balance at December 31, 2015 was \$237,303. The equipment is included in capital assets at a cost of \$433,300 with accumulated depreciation of \$309,500.

ALAMOSA COUNTY, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
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2012 Alamosa County and Caterpillar Financial Services Leases

A Lease Purchase agreement, dated January 12, 2012, was entered into with Caterpillar Financial Services, as lessor, and Alamosa County, as lessee in the amount of \$176,800 for the purchase of a Caterpillar Motor Grader. Payments are due in monthly installments of \$1,695, which include interest at a rate of 3.20%. Final payment is due in February 2017. Payments were made from the Road and Bridge Fund. Principal balance at December 31, 2015, was \$118,682. The equipment is included in capital assets at a cost of \$193,050 with accumulated depreciation of \$108,017.

A Lease Purchase agreement, dated January 18, 2012, was entered into with Caterpillar Financial Services, as lessor, and Alamosa County, as lessee in the amount of \$209,300 for the purchase of a Caterpillar Motor Grader. Payments are due in monthly installments of \$2,010, which include interest at a rate of 3.20%. Final payment is due in February 2017. Payments were made from the Road and Bridge Fund. Principal balance at December 31, 2015, was \$138,184. The equipment is included in capital assets at a cost of \$193,050 with accumulated depreciation of \$108,017.

2013 Alamosa County Services and Department of Human Services Building Lease

An annually renewable Lease Purchase Agreement, dated December 9, 2013, was entered into between a Bank, as lessor, and Alamosa County (the "County"), as lessee. The Bank issued \$2,735,000 to the County to construct the new Annex building. The County is leasing the Department of Social Services building back at 3.9% interest via the Lease Purchase Agreement. The County used the proceeds to repay the 2009 lease purchase agreement and to construct the new Annex building on land owned by the County and located in Alamosa, Colorado for the housing of County offices. The building is included in capital assets at a cost of \$3,230,870 with accumulated depreciation of \$420,013.

Payments are due to the Bank in March, June, September, and December through December 2033. The County can purchase the building back at any time for the Purchase Option Price included in the lease. Payments will be made from the Lease Service Fund. Principal balance at December 31, 2015, was \$2,546,743.

2013 Alamosa County and All American Investment Lease

A Lease Purchase Agreement, dated May 1, 2013, was entered into for \$111,261 between a Bank, as lessor, and Alamosa County (the "County"), as lessee, for the upgrading of the interior lighting at the road and bridge building, airport, annex building, detention center, and the courthouse. Payments are due annually with an interest rate of 4.40%. Final payment was made in December 2015. Payments were made from the Lease Service Fund. The cost of the lighting is included in capital assets at a cost of \$102,719 with accumulated depreciation of \$18,261.

2014 Alamosa County and Alamosa State Bank Vehicle Lease

A Lease Purchase agreement, dated March 24, 2014, was entered into with Alamosa State Bank, as lessor, and Alamosa County, as lessee in the amount of \$71,557 for the purchase of two 2014 Dodge 1500 Pickup Trucks. Payments are due in annual installments of \$20,432, which include interest at a rate of 3.50%. Final payment is due in April 2017. Payments were made from the General Fund. Principal balance at December 31, 2015, was \$38,816. The equipment is included in capital assets at a cost of \$76,608 with accumulated depreciation of \$18,240.

ALAMOSA COUNTY, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
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The annual debt service for the leases, are as follows:

	Principal	Interest	Total
2016	\$ 392,680	\$ 107,823	\$ 500,503
2017	343,465	95,779	439,244
2018	107,792	89,828	197,620
2019	112,058	85,562	197,620
2020	116,259	81,361	197,620
2021-2025	655,135	332,965	988,100
2026-2030	770,816	217,284	988,100
2031-2033	581,523	11,243	592,766
	\$ 3,079,728	\$ 1,021,845	\$ 4,101,573

Note Payable

2014 Alamosa County Depot and Motorway Building Note

The Alamosa County Events and Facilities Local Marketing District entered into a 4 year loan for the purchase of the remaining portion (40% interest) in the Alamosa Depot and Motorway Building on September 30, 2014. Payments are due in annual installments of \$50,000, which includes interest at 2.085%. This note was paid off with the 2015 Alamosa County Depot and Motorway Building Note.

2015 Alamosa County Depot and Motorway Building Note

A note payable, with a cancellation clause for annual non-appropriation, dated December 23, 2015, was entered into between a Bank and The Alamosa County Events and Facilities Local Marketing District. The Bank issued \$265,000 to the District to pay off the 2007 Depot and Motorway Building Lease and the 2014 Alamosa County Depot and Motorway Building Note. Payments are due monthly in the amount \$2,662, which includes interest at a rate of 3.750%. Payments will begin in February 2016 and will be made from the Local Marketing District Fund. Principal balance at December 31, 2015 was \$265,000. The building is included in capital assets at a cost of \$973,900 with accumulated depreciation of \$138,986.

The annual debt service for the notes, are as follows:

	Principal	Interest	Total
2016	\$ 19,985	\$ 9,296	\$ 29,281
2017	23,027	8,916	31,943
2018	23,918	8,025	31,943
2019	24,844	7,100	31,944
2020	25,787	6,157	31,944
2021-2025	144,777	14,933	159,710
2026	2,662	9	2,671
	\$ 265,000	\$ 54,436	\$ 319,436

ALAMOSA COUNTY, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2015

NOTE 10 DEFINED CONTRIBUTION PLAN

All eligible employees, participate in the Colorado County Officials and Employees Retirement Association (CCOERA) (the Plan), a defined contribution plan, authorized by state statute. The Plan is a tax qualified plan under Section 401(a) of the Internal Revenue Code and all contributions by or on behalf of employees are tax deferred until time of withdrawal.

Employees are eligible after completing twelve months of service with Alamosa County, and participation is mandatory after one year of employment. Employee and employer contributions are 100% vested immediately upon employee participation in the plan.

The County must contribute 4% of the compensation of each participant. Each participant contributes a minimum amount equal to the County's contribution, and is permitted to make additional contributions not to exceed 10% of their compensation. For the year ended December 31, 2015, employee contributions totaled \$246,790 and the County recognized pension expense of \$246,790. The County recognized \$0 of forfeitures in retirement expense during 2015.

Plan benefits depend solely on amounts contributed to the plan plus investment earnings, less administrative expenses. The Plan may be amended by resolution of the Board of County Commissioners but it may not be amended beyond the limits established by state statute.

NOTE 11 DEFERRED COMPENSATION PLAN

The County also offers its employees an additional voluntary deferred compensation plan created in accordance with Internal Revenue Code 457(f), administered by Colorado County Officials and Employees Retirement Association (CCOERA) (the Plan).

The Plan permits the employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergencies. The County has no other liability other than to make the required monthly contribution.

NOTE 12 COLORADO CONTRABAND FORFEITURE ACT

We have reviewed financial activities in the Sheriff's Department for compliance with the above referenced act. There were no sales of contraband during the year ended December 31, 2015.

NOTE 13 TABOR AMENDMENT RESERVE

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

Fiscal year spending and revenue limits are determined based on the prior year's spending adjusted for inflation and local growth. The voters of the County have approved a measure that allows the County to retain and spend revenue in excess of the limit.

The amendment also requires that Emergency Reserves be established. These reserves must be at least three percent of fiscal year spending. The Emergency Reserve has been presented as restricted fund balance/net position in the financial statements. The County is not allowed to use the Emergency Reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

ALAMOSA COUNTY, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2015

NOTE 14 RISK MANAGEMENT

Colorado Counties Casualty and Property Pool (CAPP)

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 (CAPP), 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 inter-governmental 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 that is determined each policy year. There have been no significant reductions in insurance coverage. Settled claims from these risks have not exceeded insurance coverage for the current year or the three prior years.

At December 31, 2015, CAPP had assets of \$25,221,523, liabilities of \$8,984,832 (including \$6,514,104 reserved for losses and claims), and members' equity of \$16,236,691. The liability amount includes no long-term debt. Total revenues for the year ended December 31, 2015, amounted to \$6,173,444 and total expenses were \$5,534,337, resulting in net income before return of surplus of \$639,107.

Colorado Workers' Compensation Pool (CWCP)

The County is exposed to various risks of loss related to injuries of employees while on the job. The County has joined together with other counties in the State of Colorado to form the Colorado Workers' 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 that is determined each policy year. There have been no significant reductions in insurance coverage. Settled claims from these risks have not exceeded insurance coverage for the current year or the three prior years.

At December 31, 2015, CWCP had assets of \$40,563,732, liabilities of \$23,254,824 (including \$21,877,845 reserved for losses and claims) and members' equity of \$17,308,908. The liability amount includes no long-term debt. Total revenues for the year ended December 31, 2015, amounted to \$10,014,464, total expenses were \$8,685,101, resulting in net income before return of surplus of \$1,329,363.

NOTE 15 JOINT VENTURES

San Luis Valley Regional Solid Waste Authority

The San Luis Valley Regional Solid Waste Authority was created by an intergovernmental agreement between Rio Grande County and Alamosa County on April 14, 1995, pursuant to the authority granted by C.R.S. 29-1-203. It has been designated as a joint venture under the provisions of GASB Statement No. 14. Its purpose is to provide the citizens of both counties an integrated municipal solid waste disposal facility in accordance with provision of C.R.S. 30-20-1005.

The Authority is governed by a Board of Directors consisting of five members as follows: one Rio Grande County Commissioner, one Alamosa County Commissioner, one director appointed by the City of Monte Vista, one director appointed by the City of Alamosa, and one director who is a member of the Rio Grande County Land Use or administrative staff as appointed by the Rio Grande County Commissioners.

ALAMOSA COUNTY, COLORADO
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It is the intent of the counties that the initial funding of the Authority by each county be provided on a loan basis in substantially the same proportion that the population of each county bears to the combined population of both counties. Alamosa and Rio Grande Counties may provide additional funding at any time in the future if they choose to do so by resolution.

Closure and Post-Closure Care

Rio Grande and Alamosa Counties are exposed to closure and post-closure expenses should the Authority be unable to meet those obligations when they become due. Management believes the risk of failure to be minimal. State and federal laws and regulations require the Authority to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site after closure. Although closure and post-closure care costs will be paid only near or after the date that the landfill stops accepting waste, the Authority reports a portion of these closure and post-closure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The Authority reported \$754,518 as landfill closure and post-closure care liability at December 31, 2015, that represents the cumulative amount reported to date based on the use of 30% of the estimated capacity of the landfill.

The Authority will recognize the remaining estimated cost of closure and post-closure care of \$1,657,371 as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and post-closure care in 2015, the most recent information available. As the Authority expects to close the landfill in the year 2043, the remaining useful life is 28 years. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

The most recent audited financial statements of the authority report total assets of \$4,624,845, total liabilities of \$826,311, and net position of \$3,798,534 at December 31, 2015.

The San Luis Valley Regional Solid Waste Authority issues publicly available annual financial statements. That report may be obtained by writing to the San Luis Valley Regional Solid Waste Authority, PO Box 861, Monte Vista, Colorado 81144.

San Luis Valley Regional Airport

The San Luis Valley Regional Airport is a joint venture between the City of Alamosa and Alamosa County. The joint venture does not meet the criteria for inclusion within the reporting entity because the Airport:

- § is financially independent and responsible for its own financing deficits and entitled to its own surpluses,
- § has a separate governing board equally appointed by the City and County,
- § the governing board has the ability to significantly influence operations by approving budgetary requests and adjustments, signing contracts, hiring personnel, exercising control over facilities and determining the outcome for disposition of matters affecting the recipients of services provided, and
- § has absolute authority over all funds and fiscal responsibility and reporting to State and controls fiscal management.

The County has one member on the three-member board. The Board has final authority for all budgeting and financing of the joint venture. The County's share of the joint venture is 50% at December 31, 2015.

The most recent audited financial statements of the airport report total assets of \$5,082,200, total liabilities of \$1,064,055, and net position of \$4,018,145 at December 31, 2014.

The San Luis Valley Regional Airport issues publicly available annual financial statements. That report may be obtained by writing to the San Luis Valley Regional Airport, P.O. Box 328, Alamosa, Colorado 81101.

ALAMOSA COUNTY, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2015

NOTE 16 COMMITMENTS AND CONTINGENCIES

Grant Programs – The County participates in a number of federal and state grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The amount of expenditures, if any, which may be disallowed by the granting agencies cannot be determined at this time although the County expects any such amounts to be immaterial.

Insurance Pools – The County is a member of the Colorado Counties Casualty and Property Pool (CAPP) and the Colorado Workers' 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 and 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. The ultimate liability to the County resulting from claims not covered by CAPP and CWCP is not presently determinable.

Litigation – The County is a party to various legal actions normally associated with governmental activities, the aggregate effect which, in management's and legal counsel's opinion, would not be material to the financial statements.

ALAMOSA COUNTY, COLORADO

REQUIRED SUPPLEMENTARY INFORMATION

In addition to the basic financial statements, a budgetary comparison schedule is required for the General Fund and, if applicable, each of the County's major special revenue funds.

ALAMOSA COUNTY, COLORADO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended December 31, 2015

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE
				(NEGATIVE)
REVENUES				
Taxes	\$5,311,685	\$5,311,685	\$5,648,267	\$ 336,582
Intergovernmental Revenue	673,839	673,839	686,314	12,475
Licenses and Permits	53,300	53,300	65,904	12,604
Interest on Deposits	15,000	15,000	14,516	(484)
Charges for Services	546,340	546,340	878,708	332,368
Miscellaneous	719,196	719,196	631,388	(87,808)
TOTAL REVENUES	7,319,360	7,319,360	7,925,097	605,737
EXPENDITURES				
General Government	4,289,044	4,289,044	3,597,934	691,110
Public Safety	3,621,020	3,621,020	3,612,400	8,620
Health and Welfare	-	-	296	(296)
Judicial	232,770	232,770	232,770	-
Culture and Recreation	7,000	7,000	7,000	-
Auxiliary Services	66,937	66,937	62,973	3,964
TOTAL EXPENDITURES	8,216,771	8,216,771	7,513,373	703,398
Excess (Deficiency) of Revenues Over Expenditures	(897,411)	(897,411)	411,724	1,309,135
OTHER FINANCING SOURCES (USES)				
Sale of Capital Assets	-	-	20,363	20,363
Transfers In	200,000	200,000	200,000	-
Transfers Out	(59,300)	(59,300)	(59,300)	-
TOTAL OTHER FINANCING SOURCES (USES)	140,700	140,700	161,063	20,363
Net Change in Fund Balance	(756,711)	(756,711)	572,787	1,329,498
Fund Balance at Beginning of Year	2,955,334	2,955,334	3,072,608	117,274
Fund Balance at End of Year	\$2,198,623	\$2,198,623	\$3,645,395	\$ 1,446,772

Notes to Required Supplementary Information

The basis of budgeting is the same as GAAP.
The schedule is presented on the GAAP basis.

ALAMOSA COUNTY, COLORADO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
ROAD AND BRIDGE FUND
For the Year Ended December 31, 2015

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>
				<u>POSITIVE</u>
				<u>(NEGATIVE)</u>
REVENUES				
Taxes	\$ 84,760	\$ 84,760	\$ 94,883	\$ 10,123
Intergovernmental Revenue	1,846,677	1,846,677	2,006,289	159,612
Miscellaneous	150,000	150,000	129,834	(20,166)
TOTAL REVENUES	<u>2,081,437</u>	<u>2,081,437</u>	<u>2,231,006</u>	<u>149,569</u>
EXPENDITURES				
Highways and Streets	1,850,613	1,850,613	1,801,676	48,937
Debt Service	87,639	87,639	88,406	(767)
TOTAL EXPENDITURES	<u>1,938,252</u>	<u>1,938,252</u>	<u>1,890,082</u>	<u>48,170</u>
Excess (Deficiency) of Revenues Over Expenditures	143,185	143,185	340,924	197,739
Fund Balance at Beginning of Year	<u>1,580,908</u>	<u>1,580,908</u>	<u>1,673,769</u>	<u>92,861</u>
Fund Balance at End of Year	<u><u>\$1,724,093</u></u>	<u><u>\$1,724,093</u></u>	<u><u>\$2,014,693</u></u>	<u><u>\$ 290,600</u></u>

Notes to Required Supplementary Information

The basis of budgeting is the same as GAAP.
The schedule is presented on the GAAP basis.

ALAMOSA COUNTY, COLORADO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
SOCIAL SERVICES FUND
For the Year Ended December 31, 2015

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>
				<u>POSITIVE</u>
				<u>(NEGATIVE)</u>
REVENUE				
Taxes	\$ 818,518	\$ 818,518	\$ 829,408	\$ 10,890
Intergovernmental Revenue	13,597,729	13,597,729	13,875,273	277,544
TOTAL REVENUE	<u>14,416,247</u>	<u>14,416,247</u>	<u>14,704,681</u>	<u>288,434</u>
EXPENDITURES				
Health and Welfare	14,457,087	14,457,087	14,444,457	12,630
TOTAL EXPENDITURES	<u>14,457,087</u>	<u>14,457,087</u>	<u>14,444,457</u>	<u>12,630</u>
Excess (Deficiency) of Revenues Over Expenditures	(40,840)	(40,840)	260,224	301,064
Fund Balance at Beginning of Year	<u>749,304</u>	<u>749,304</u>	<u>1,161,892</u>	<u>412,588</u>
Fund Balance at End of Year	<u>\$ 708,464</u>	<u>\$ 708,464</u>	<u>\$1,422,116</u>	<u>\$ 713,652</u>

Notes to Required Supplementary Information

The basis of budgeting is the same as GAAP.
The schedule is presented on the GAAP basis.

ALAMOSA COUNTY, COLORADO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
PUBLIC HEALTH FUND
For the Year Ended December 31, 2015

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE
				(NEGATIVE)
REVENUES				
Intergovernmental Revenue	\$3,244,515	\$3,244,515	\$3,276,983	\$ 32,468
Charges for Services	237,750	237,750	215,705	(22,045)
Miscellaneous	94,540	94,540	7,421	(87,119)
TOTAL REVENUES	3,576,805	3,576,805	3,500,109	(76,696)
EXPENDITURES				
Health and Welfare	3,576,431	3,576,431	3,322,950	253,481
TOTAL EXPENDITURES	3,576,431	3,576,431	3,322,950	253,481
Excess (Deficiency) of Revenues Over Expenditures	374	374	177,159	176,785
Fund Balance at Beginning of Year	2,456,218	2,456,218	2,583,536	127,318
Fund Balance at End of Year	\$2,456,592	\$2,456,592	\$2,760,695	\$ 304,103

Notes to Required Supplementary Information

The basis of budgeting is the same as GAAP.
The schedule is presented on the GAAP basis.

ALAMOSA COUNTY, COLORADO

SUPPLEMENTARY INFORMATION

The combining financial statements represent the second level of financial reporting for the County. These financial statements present more detailed information for the individual funds in a format that segregates information by fund type.

ALAMOSA COUNTY, COLORADO
COMBINING SCHEDULE - BALANCE SHEET
GENERAL FUND
December 31, 2015

	<u>General Fund</u>	<u>Contingency Fund</u>	<u>Employee Retirement Fund</u>	<u>Solid Waste Management Fund</u>	<u>Equipment Acquisition Fund</u>	<u>Eliminations</u>	<u>Total</u>
ASSETS							
Cash and Cash Equivalents	\$ 2,805,806	\$ 164,808	\$ 85,944	\$ -	\$ 236,223	\$ -	\$ 3,292,781
Receivables							
Accounts Receivable	1,352	-	-	-	-	-	1,352
Property Taxes Receivable	3,338,067	-	139,373	-	-	-	3,477,440
Due from Other Funds	217,424	-	-	-	77,213	(77,213)	217,424
Due from Other Governments	599,601	-	-	-	-	-	599,601
TOTAL ASSETS	<u>\$ 6,962,250</u>	<u>\$ 164,808</u>	<u>\$ 225,317</u>	<u>\$ -</u>	<u>\$ 313,436</u>	<u>\$ (77,213)</u>	<u>\$ 7,588,598</u>
LIABILITIES							
Accounts Payable	\$ 177,017	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 177,017
Due to Other Funds	77,213	-	-	-	-	(77,213)	-
Due to Other Governments	288,746	-	-	-	-	-	288,746
TOTAL LIABILITIES	<u>542,976</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(77,213)</u>	<u>465,763</u>
DEFERRED INFLOWS OF RESOURCES							
Unearned Revenue - Property Tax	<u>3,338,067</u>	<u>-</u>	<u>139,373</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,477,440</u>
FUND BALANCE							
Restricted							
TABOR Amendment Reserve	575,000	-	-	-	-	-	575,000
Committed - Equipment Acquisition	-	-	-	-	313,436	-	313,436
Assigned - Designated for Future Expenditures	853,357	164,808	85,944	-	-	-	1,104,109
Unassigned	1,652,850	-	-	-	-	-	1,652,850
TOTAL FUND BALANCE	<u>3,081,207</u>	<u>164,808</u>	<u>85,944</u>	<u>-</u>	<u>313,436</u>	<u>-</u>	<u>3,645,395</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	<u>\$ 6,962,250</u>	<u>\$ 164,808</u>	<u>\$ 225,317</u>	<u>\$ -</u>	<u>\$ 313,436</u>	<u>\$ (77,213)</u>	<u>\$ 7,588,598</u>

ALAMOSA COUNTY, COLORADO
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
GENERAL FUND

For the Year Ended December 31, 2015

	General Fund	Contingency Fund	Employee Retirement Fund	Solid Waste Management Fund	Equipment Acquisition Fund	Eliminations	Total
REVENUES							
Taxes	\$ 5,497,276	\$ 84	\$ 150,877	\$ 30	\$ -	\$ -	\$ 5,648,267
Intergovernmental Revenue	686,314	-	-	-	-	-	686,314
Licenses and Permits	65,904	-	-	-	-	-	65,904
Interest on Deposits	14,516	-	-	-	-	-	14,516
Charges for Services	878,708	-	-	-	-	-	878,708
Miscellaneous	631,388	-	-	-	77,213	(77,213)	631,388
TOTAL REVENUES	<u>7,774,106</u>	<u>84</u>	<u>150,877</u>	<u>30</u>	<u>77,213</u>	<u>(77,213)</u>	<u>7,925,097</u>
EXPENDITURES							
Current Expenditures							
General Government	\$ 3,493,480	-	139,465	-	-	(35,011)	3,597,934
Public Safety	3,599,504	-	-	-	55,098	(42,202)	3,612,400
Health and Welfare	-	-	-	296	-	-	296
Judicial	232,770	-	-	-	-	-	232,770
Auxiliary Services	62,973	-	-	-	-	-	62,973
Culture and Recreation	7,000	-	-	-	-	-	7,000
TOTAL EXPENDITURES	<u>7,395,727</u>	<u>-</u>	<u>139,465</u>	<u>296</u>	<u>55,098</u>	<u>(77,213)</u>	<u>7,513,373</u>
Excess (Deficiency) of Revenues Over Expenditures	378,379	84	11,412	(266)	22,115	-	411,724
OTHER FINANCING SOURCES (USES)							
Sale of Capital Assets	20,363	-	-	-	-	-	20,363
Transfers In	200,045	-	-	-	-	(45)	200,000
Transfers Out	(59,300)	-	-	(45)	-	45	(59,300)
TOTAL OTHER FINANCING SOURCES (USES)	<u>161,108</u>	<u>-</u>	<u>-</u>	<u>(45)</u>	<u>-</u>	<u>-</u>	<u>161,063</u>
Net Change in Fund Balance	539,487	84	11,412	(311)	22,115	-	572,787
Fund Balance at Beginning of Year	<u>2,541,720</u>	<u>164,724</u>	<u>74,532</u>	<u>311</u>	<u>291,321</u>	<u>-</u>	<u>3,072,608</u>
Fund Balance at End of Year	<u>\$ 3,081,207</u>	<u>\$ 164,808</u>	<u>\$ 85,944</u>	<u>\$ -</u>	<u>\$ 313,436</u>	<u>\$ -</u>	<u>\$ 3,645,395</u>

ALAMOSA COUNTY, COLORADO
NONMAJOR GOVERNMENTAL FUNDS

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 and capital projects.

Conservation Trust Fund – This fund is used to account for the County share of the state lottery program. The monies may be expended for the acquisition, development, and maintenance of parks, and other public recreational facilities.

Tourism and Development Fund – This fund is used to account for the County share of the lodging tax collected on each hotel/motel that is rented in Alamosa County. The monies may be expended to promote Alamosa County to tourists.

Northwest Weed Control District Fund – This fund is used to provide monies for spraying of undesirable plants along the roads within the northwest corner of the County.

Local Marketing District Fund – This fund is used to oversee the collection and disbursement of a 4% cultural and tourism tax on each hotel/motel room sold in Alamosa County.

CAPITAL PROJECTS FUNDS

Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays including the acquisition or construction of capital facilities and other capital assets.

Facilities Expansion Fund – This fund is used to account for the facility construction projects of Alamosa County.

DEBT SERVICE FUNDS

Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

Lease Service Fund – This fund is used to pay the debt service on the construction of the Alamosa County buildings, which were financed by Lease Purchase Agreements.

ALAMOSA COUNTY, COLORADO
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
December 31, 2015

	NONMAJOR SPECIAL REVENUE FUNDS				CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTALS
	Conservation Trust Fund	Tourism and Development Fund	Northwest Weed Control District Fund	Local Marketing District Fund	Facilities Expansion Fund	Lease Service Fund	
ASSETS							
Cash and Cash Equivalents	\$ 532,076	\$ 152,864	\$ 148,004	\$ 141,394	\$ 346,555	\$ 297,324	\$ 1,618,217
Accounts Receivable	-	-	-	-	-	9,000	9,000
Property Taxes Receivable	-	-	16,467	-	-	49,190	65,657
Due from Other Governments	-	27,122	-	22,339	50,600	14,109	114,170
TOTAL ASSETS	\$ 532,076	\$ 179,986	\$ 164,471	\$ 163,733	\$ 397,155	\$ 369,623	\$ 1,807,044
LIABILITIES							
Accounts Payable	\$ 5,733	\$ -	\$ -	\$ -	\$ 51,135	\$ -	\$ 56,868
Due to Other Funds	2,424	-	-	-	-	-	2,424
TOTAL LIABILITIES	8,157	-	-	-	51,135	-	59,292
DEFERRED INFLOWS OF RESOURCES							
Unavailable Revenue - Property Tax	-	-	16,467	-	-	49,190	65,657
FUND BALANCE							
Committed							
Capital Projects					346,020		346,020
Debt Service	-	-	-	-	-	320,433	320,433
Assigned							
Culture and Recreation	523,919	179,986	-	163,733		-	867,638
Weed Control	-	-	148,004	-		-	148,004
TOTAL FUND BALANCE	523,919	179,986	148,004	163,733	346,020	320,433	1,682,095
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	\$ 532,076	\$ 179,986	\$ 164,471	\$ 163,733	\$ 397,155	\$ 369,623	\$ 1,807,044

ALAMOSA COUNTY, COLORADO
NONMAJOR GOVERNMENTAL FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
For the Year Ended December 31, 2015

	NONMAJOR SPECIAL REVENUE FUNDS					CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTALS
	Conservation Trust Fund	Tourism and Development Fund	Northwest Weed Control District Fund	Mosca General Improvement District Fund	Local Marketing District Fund	Facilities Expansion Fund	Lease Service Fund	
REVENUES								
Taxes	\$ -	\$ 206,213	\$ 18,628	\$ -	\$ 428,239	\$ 2,446	\$ 144,067	\$ 799,593
Intergovernmental Revenue	64,312	-	-	-	-	1,091,541	-	1,155,853
Interest on Investments	9,970	-	-	-	-	818	-	10,788
Miscellaneous	-	-	-	-	-	9,822	129,232	139,054
TOTAL REVENUES	74,282	206,213	18,628	-	428,239	1,104,627	273,299	2,105,288
EXPENDITURES								
Current Expenditures								
General Government	-	-	-	-	-	1,212,486	-	1,212,486
Culture and Recreation	30,216	152,500	-	-	294,700	-	-	477,416
Debt Service	-	-	-	-	70,245	-	298,874	369,119
TOTAL EXPENDITURES	30,216	152,500	-	-	364,945	1,212,486	298,874	2,059,021
Excess (Deficiency) of Revenues Over Expenditures	44,066	53,713	18,628	-	63,294	(107,859)	(25,575)	46,267
OTHER FINANCING SOURCES (USES)								
Transfers Out	-	-	-	-	-	(200,000)	-	(200,000)
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-	(200,000)	-	(200,000)
Net Change in Fund Balance	44,066	53,713	18,628	-	63,294	(307,859)	(25,575)	(153,733)
Fund Balance at Beginning of Year, as previously stated	479,853	126,273	129,376	13,525	100,439	653,879	346,008	1,849,353
Change in Accounting Principle	-	-	-	(13,525)	-	-	-	(13,525)
Fund Balance at Beginning of Year, restated	479,853	126,273	129,376	-	100,439	653,879	346,008	1,835,828
Fund Balance at End of Year	\$ 523,919	\$ 179,986	\$ 148,004	\$ -	\$ 163,733	\$ 346,020	\$ 320,433	\$ 1,682,095

ALAMOSA COUNTY, COLORADO
ALL NON-MAJOR GOVERNMENTAL FUNDS AND ALL PROPRIETARY FUNDS
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL
For the Year Ended December 31, 2015

	<u>BUDGETED AMOUNTS</u>		<u>EXPENDITURES</u>	<u>ADJUSTMENTS</u>	<u>EXPENDITURES</u>	<u>VARIANCE WITH</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>REPORTED ON</u>	<u>TO BUDGETARY</u>	<u>ON THE</u>	<u>FINAL BUDGET</u>
			<u>THE GAAP</u>	<u>BASIS</u>	<u>BUDGETARY</u>	<u>POSITIVE</u>
			<u>BASIS</u>	<u>BASIS</u>	<u>BASIS</u>	<u>(NEGATIVE)</u>
Governmental Funds						
Nonmajor Governmental Funds						
Special Revenue Funds						
Conservation Trust Fund	\$ 226,452	\$ 226,452	\$ 30,216	\$ -	\$ 30,216	\$ 196,236
Tourism and Development Fund	152,500	152,500	152,500	-	152,500	-
Northwest Weed Control District Fund	65,300	65,300	-	-	-	65,300
Local Marketing District Fund	314,945	364,945	364,945	-	364,945	-
Total Special Revenue Funds	759,197	809,197	547,661	-	547,661	261,536
Capital Projects Funds						
Facilities Expansion Fund	510,800	1,510,800	1,412,486	-	1,412,486	98,314
Debt Service Fund						
Lease Service Fund	234,033	299,033	298,874	-	298,874	159
Total Nonmajor Governmental Funds	<u>\$ 1,504,030</u>	<u>\$ 2,619,030</u>	<u>\$ 2,259,021</u>	<u>\$ -</u>	<u>\$ 2,259,021</u>	<u>\$ 360,009</u>
Proprietary Funds						
Enterprise Funds						
Mosca General Improvement District Fund	\$ 59,300	\$ 59,300	\$ 36,070	\$ -	\$ 36,070	\$ 23,230
Internal Service Funds						
Health Insurance Fund	1,848,348	1,848,348	1,779,855	-	1,779,855	68,493
Total Proprietary Funds	<u>\$ 1,907,648</u>	<u>\$ 1,907,648</u>	<u>\$ 1,815,925</u>	<u>\$ -</u>	<u>\$ 1,815,925</u>	<u>\$ 91,723</u>

ALAMOSA COUNTY, COLORADO
OTHER SCHEDULES AND REPORTS

ALAMOSA COUNTY, COLORADO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2015

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/ PROGRAM OR CLUSTER TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH ENTITY IDENTIFYING NUMBER	PASSED THROUGH TO SUB- RECIPIENTS	FEDERAL EXPENDITURES
U.S. DEPARTMENT OF AGRICULTURE				
COLORADO DEPT. OF HUMAN SERVICES				
<i>SNAP Cluster</i>				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561			\$ 261,366
FEDERAL GRANTOR AWARD PASSED THROUGH THE STATE AND CARE AND SHARE FOOD BANK				
<i>Food Distribution Cluster</i>				
Emergency Food Assistance Program (Food Commodities)	10.569			64,716
COLORADO DEPT. OF TREASURY				
<i>Forest Service Schools and Roads Cluster</i>				
Schools and Roads - Grants to States	10.665			15,799
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
COLORADO DEPT. OF HUMAN SERVICES				
<i>TANF Cluster</i>				
Temporary Assistance for Needy Families	93.558			841,865
Child Support Enforcement	93.563			238,064
Low-Income Home Energy Assistance	93.568			753,920
<i>CCDF Cluster</i>				
Child Care and Development Block Grant	93.575			38,611
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596			221,334
Total for <i>CCDF Cluster</i>				259,945
Stephanie Tubbs Jones Child Welfare Services Program	93.645			26,158
Guardianship Assistance	93.090			2,616
Foster Care-Title IV-E	93.658			474,377
Adoption Assistance	93.659			154,060
Social Services Block Grant	93.667			87,081
Chafee Foster Care Independence Program	93.674			16,624
Medical Assistance Program (<i>Medicaid Cluster</i>)	93.778			321,537
Medical Assistance Program (<i>Medicaid Cluster</i>) - Single Entry Point/HCA	93.778			57,732
COLORADO DEPT. OF HEALTH CARE POLICY				
Medical Assistance Program (<i>Medicaid Cluster</i>) - Single Entry Point	93.778			203,632
COLORADO DEPT. OF PUBLIC HEALTH AND ENVIRONMENT				
Superfund State and Indian Tribe Core Program	66.809	AS11E		4,174
Public Health Emergency Preparedness	93.069	HW15J/16J/HC14A		222,694
Immunization Cooperative Agreements	93.268	KA14H/KA15H		8,195
Preventive Health and Health Services Block Grant	93.758	HC14A		17,000

ALAMOSA COUNTY, COLORADO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2015

<u>FEDERAL GRANTOR/PASS-THROUGH GRANTOR/ PROGRAM OR CLUSTER TITLE</u>	<u>FEDERAL CFDA NUMBER</u>	<u>PASS-THROUGH ENTITY IDENTIFYING NUMBER</u>	<u>PASSED THROUGH TO SUB- RECIPIENTS</u>	<u>FEDERAL EXPENDITURES</u>
Maternal and Child Health Services Block Grant to the State	93.994	HC15L/ND15L		36,534
U.S. DEPARTMENT OF HOMELAND SECURITY				
COLORADO DEPT. OF LOCAL AFFAIRS				
Emergency Management Performance Grants	97.042			13,597
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
COLORADO DEPT. OF LOCAL AFFAIRS				
Community Development Block Grants / State's Program	14.228	H3CDB13007	24,254	24,254
			<u>24,254</u>	<u>24,254</u>
U.S. DEPARTMENT OF JUSTICE				
COLORADO DIVISION OF CRIMINAL JUSTICE				
Crime Victim Assistance	16.575			155,693
Edward Byrne Memorial Justice Assistance Grant	16.738	2015-MU-BX-0390		8,800
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 24,254</u>	<u>\$ 4,270,433</u>

ALAMOSA COUNTY, COLORADO
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2015

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Alamosa County, Colorado under programs of the federal government for the year ended December 31, 2015. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Alamosa County, Colorado, it is not intended to and does not present the financial position, changes in net position, or cash flows of Alamosa County, Colorado.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The County did not elect to use the 10-percent de minimis indirect cost rate as allowed under Uniform Guidance for the year ended December 31, 2015.

NOTE 3 FOOD DISTRIBUTION

Nonmonetary assistance is reported in the Schedule at the fair market value of commodities received and disbursed.

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



Wall,
Smith,
Bateman Inc.

To the Board of County Commissioners
Alamosa County, Colorado
Alamosa, Colorado

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Alamosa County, Colorado (the County), as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated June 27, 2016.

Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a 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. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be material weaknesses. Finding 2015-001 and 2015-002.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* which is described in the accompanying Schedule of Findings and Questioned Costs as item 2015-002.

Certified Public Accountants

700 Main Street, Suite 200 PO Box 809 Alamosa, CO 81101 | 719-589-3619 | f 719-589-5492 | www.wsbcpa.com

County's Response to Findings

The County's response to the findings identified in our audit is described in the accompanying corrective action plan. The County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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



Wall, Smith, Bateman Inc.
Alamosa, Colorado

June 27, 2016

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



Wall,
Smith,
Bateman Inc.

To the Board of County Commissioners
Alamosa County, Colorado
Alamosa, Colorado

Report on Compliance for Each Major Federal Program

We have audited Alamosa County, Colorado's (the County) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2015. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each of Major Federal Program

In our opinion, Alamosa County, Colorado, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2015.

Report on Internal Control Over Compliance

Management of the County, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that

Certified Public Accountants

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are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

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

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



Wall, Smith, Bateman Inc.
Alamosa, Colorado

June 27, 2016

ALAMOSA COUNTY, COLORADO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2015

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditors’ report issued: Unmodified

Internal control over financial reporting:

§ Material weakness(es) identified?	___X___yes	_____no
§ Significant deficiency(ies) identified that are not considered to be material weakness(es)?	_____yes	___X___none reported
§ Noncompliance material to financial statements noted?	___X___yes	_____no

Federal Awards

Internal control over major programs:

§ Material weakness(es) identified?	_____yes	___X___no
§ Significant deficiency(ies) identified that are not considered to be material weakness(es)?	_____yes	___X___none reported

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

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

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
93.558	Temporary Assistance for Needy Families (TANF) Cluster
93.568	Low-Income Home Energy Assistance
93.658	Foster Care – Title IV-E

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

Auditee qualified as a low-risk auditee? _____yes ___X___no

Section II – Financial Statement Findings

Finding 2015-001: Internal Control Over Financial Reporting

Type of finding: Internal Control (material weakness)

Condition: The County does not have a complete system of internal control to prevent and detect financial misstatements in the Public Health and Department of Human Services funds.

Cause: Turnover in Public Health and Social Services accounting positions in addition to accounting software conversion in the Public Health Department created reconciliation difficulties.

Criteria: A system of internal controls includes the design, documentation, and monitoring of control activities over budgeting, the application of accounting principles, antifraud programs, non-routine transactions, financial statement preparation and safeguarding of assets.

ALAMOSA COUNTY, COLORADO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2015

Effect: As a result of this condition, the following areas were affected:

1. Public Health Fund grants, programs, and home health billings were not properly recorded in the general ledger, reconciled, and reviewed for accuracy in a timely manner.
2. The Department of Human Services Fund cash with county treasurer, due to/from the State of Colorado, and deferred revenue accounts were not accurately reconciled during 2015.

Recommendation: The County should strengthen its system of internal controls with adopted policies and procedures for recording transactions, reconcile monthly activity to identify and correct errors in a timely manner, and incorporate a review process to ensure the accuracy of financial records throughout the year.

Management's Response: See corrective action plan.

Finding 2015-002: Jail Commissary Account

Type of finding: Internal Control (material weakness) and Material Noncompliance

Condition/Cause: The Sheriff's Department system of internal controls does not include the appropriate design, documentation, and monitoring of control activities to ensure the correct recording of financial transactions and compliance with laws and regulations which could have a direct and material effect on the determination of financial statement amounts.

Criteria: A system of internal controls includes the design, documentation, and monitoring of control activities over budgeting, the application of accounting principles, antifraud programs, non-routine transactions, financial statement preparation and safeguarding of assets.

Effect: As a result of this condition the following areas were affected:

1. The jail commissary activity was not reconciled during 2015, resulting in overdrawing the bank account. Inmate deposits were spent inappropriately.
2. The Sheriff's Department obtained a jail commissary credit card during 2015, and payments of \$28,211 were made directly from the jail commissary bank account during 2015, rather than the General Fund. The County did not retain credit card statements and related transaction receipts to document the allowable use of funds. This may be a violation of Colorado Revised Statute 6-17-104, the Uniform Records Retention Act.
3. The jail commissary bank account activity, including receipts and disbursements were not properly accounted for in the Treasurer's Agency Fund during the year, and the balance of inmate deposits at December 31, 2015 is not accurately reflected in the financial statements of the County. This may be a violation of Colorado Revised Statute 30-10-707.
4. Revenues from fees and commissary sales income and disbursements for purchases on the credit card account were not properly accounted for in the General Fund during the year.

Recommendation: We recommend the County evaluate the control structure and implement segregation of duties in the Sheriff's Department, adopt written fiscal policies and procedures to ensure the jail commissary account is reconciled and provided to the County Treasurer for inclusion in the Fund ledger in a timely manner, and all supporting documentation for County expenditures is maintained.

Management's Response: See corrective action plan.

ALAMOSA COUNTY, COLORADO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2015

Section III – Federal Award Findings and Questioned Costs

None

ALAMOSA COUNTY, COLORADO
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
December 31, 2015

Section II – Financial Statement Findings

Finding 2014-001: Local Marketing District Promissory Note

Type of finding: Internal Control (material weakness) and Compliance (material noncompliance)

Condition: The Alamosa County Events and Facilities Local Marketing District Fund obtained long-term financing in the form of a four year commercial loan during 2014.

Status: Implemented

Section III – Federal Award Findings and Questioned Costs

**Finding 2014-002: Foster Care – Title IV-E, CFDA No. 93.658,
U.S. Department of Health and Human Services
(Repeat of Finding 2013-001, 12-01, and 11-02)**

Passed through Colorado Department of Human Services

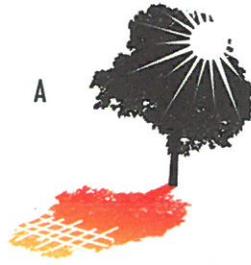
Compliance Requirement: Eligibility

Grant No.: Not applicable

Type of finding: Internal Control Over Compliance (significant deficiency) and Noncompliance

Condition: We examined four of 39 foster care child case files. The child placement agreement was missing from the case file for two of the four case files examined.

Status: Implemented



CORRECTIVE ACTION PLAN

Oversight Agency: U.S. Department of Health and Human Services

Alamosa County, Colorado respectfully submits the following corrective action plan for the year ended December 31, 2015.

Independent Accountants: Wall, Smith, Bateman Inc.
 Certified Public Accountants
 700 Main Street, Suite 200, P.O. Box 809
 Alamosa, CO 81101

Audit period: Year ended December 31, 2015

The findings from the December 31, 2015 schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule. Section I of the schedule, Summary of Auditors’ Results, does not include findings and is not addressed.

Section II – Financial Statement Findings

Finding 2015-001: Internal Control Over Financial Reporting

Type of finding: Internal Control (material weakness)

Recommendation: The County should strengthen its system of internal controls with adopted policies and procedures for recording transactions, reconcile monthly activity to identify and correct errors in a timely manner, and incorporate a review process to ensure the accuracy of financial records throughout the year.

Action taken: Director of Human Services has stated that the cash reconciliation will be conducted monthly as per outlined in the cash reconciliation format. A monthly review of all accounts will be assessed for accuracy, with any errors to be correct in a timely manner.

Director of Public Health has stated that the Public Health Finance team has strengthened internal controls to ensure the accuracy of financial records by implementing the following: Hiring and orientation of new Accountant and Finance Coordinator; Finance Coordinator review and oversight of monthly transactions completed by the Accountant; Financial policies & procedures were updated to reflect changes; cross training of duties between the Accountant and Finance Coordinator.

Responsible Parties: Catherine Salazar, Director of Human Services and Della Vieira, Director of Public Health

Finding 2015-002: Jail Commissary Account

Type of finding: Internal Control (material weakness) and Material Noncompliance

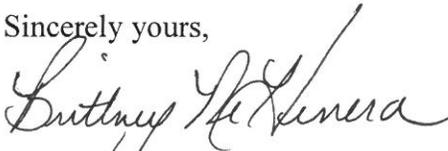
Recommendation: We recommend the County evaluate the control structure and implement segregation of duties in the Sheriff's Department, adopt written fiscal policies and procedures to ensure the jail commissary account is reconciled and provided to the Treasurer for inclusion in the Fund ledger in a timely manner, and all supporting documentation for County expenditures is maintained.

Action taken: Per Sheriff Jackson due to issues that were found in our Commissary Account, we contacted the commissary vendor, Trinity Services, to assist in account reconciliation. Upon their suggestions, many procedures have been changed. We will be meeting with CFO DeHerrera to have a line item created for the commission funds that we earn from the Commissary Account to be deposited into the general fund; and then expenses will then be vouchered out of this account. Our Policy Manual (Lexipol) will be updated with the changes.

Responsible Party: Sheriff Robert Jackson

If the U.S. Department of Health and Human Services has questions regarding this plan, please call the responsible parties listed below.

Sincerely yours,



Brittney DeHerrera
Chief Financial Officer
Alamosa County, Colorado

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

LOCAL HIGHWAY FINANCE REPORT	City or County: Alamosa County
	YEAR ENDING : December 2015

This Information From The Records Of (example - City of _ or County of Alamosa County) Prepared By: Brittney DeHerrera
Phone: 719-587-5170

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)	0
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	1,580,741
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	5,288
2. General fund appropriations		b. Snow and ice removal	9,908
3. Other local imposts (from page 2)	137,209	c. Other	6,603
4. Miscellaneous local receipts (from page 2)	129,834	d. Total (a. through c.)	21,799
5. Transfers from toll facilities		4. General administration & miscellaneous	190,178
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	9,650
a. Bonds - Original Issues		6. Total (1 through 5)	1,802,368
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)	267,043	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	1,943,590	2. Notes:	
D. Receipts from Federal Government (from page 2)	21,065	a. Interest	22,851
E. Total receipts (A.7 + B + C + D)	2,231,698	b. Redemption	65,555
		c. Total (a. + b.)	88,406
		3. Total (1.c + 2.c)	88,406
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	1,890,774

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)	559,724		65,555	494,169

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	1,673,769	2,231,698	1,890,774	2,014,693	0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT

STATE:
Colorado
YEAR ENDING (mm/yy):
December 2015

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	29,500	a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes	63,510	c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses	41,635	f. Charges for Services	
5. Specific Ownership &/or Other	2,564	g. Other Misc. Receipts	17,804
6. Total (1. through 5.)	107,709	h. Other	112,030
c. Total (a. + b.)	137,209	i. Total (a. through h.)	129,834
	(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	1,943,590	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	21,065
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations		d. Federal Transit Admin	
d. Other (Specify)		e. U.S. Corps of Engineers	
e. Other (Specify)	0	f. Other Federal	
f. Total (a. through e.)	0	g. Total (a. through f.)	21,065
4. Total (1. + 2. + 3.f)	1,943,590	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	0
(4). System Enhancement & Operation		0	0
(5). Total Construction (1) + (2) + (3) + (4)	0	0	0
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	0	0
			(Carry forward to page 1)

Notes and Comments: