AGENDA ITEM or FINAL CONTRACT REVIEW SUBMITTAL FORM

Agenda Item: 2016 Audit Presentation

Action Requested: Motion

Parties to the Agreement:

Term Begins: **Term Ends:** **Grant Contract #:**

Summary:

Review and accept by motion the 2016 audit

Fiscal Impact:

Submitted by: Linda Nienhueser **Submitter's Email Address:** lnienhueser@gunnisoncounty.org

Finance Review: ○ Required ◉ Not Required

Comments:

Reviewed by: Discharge Date:

County Attorney Review: ○ Required ◉ Not Required

Comments:

Reveiwed by: Discharge Date: Certificate of Insurance Required

Yes ○ No ○

County Manager Review:

Comments:

Reveiwed by: GUNCOUNTY1\mbirnie Discharge Date: 8/4/2017

○ Consent Agenda ○ Regular Agenda ○ Worksession Time Allotted: 30

Agenda Date: 9/12/2017

Revised April 2015

McMahan and Associates, L.L.C.
Certified Public Accountants and Consultants

Chapel Square, Bldg C
245 Chapel Place, Suite 300
P.O. Box 5850, Avon, CO 81620

Web Site: www.mcmahancpa.com
Main Office: (970) 845-8800
Facsimile: (970) 845-8108
E-mail: mcmahan@mcmahancpa.com

To the Board of County Commissioners
Gunnison County, Colorado

We have audited the financial statements of Gunnison County, Colorado (the "County") as of and for the year ended December 31, 2016. Professional standards require that we provide you with the following information related to our audit.

Qualitative Aspects of Accounting Policies

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the County are described in the Note I to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year. We noted no transactions entered into by the County during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

- Estimated allowance for uncollectible receivables at December 31, 2016, which management has based on industry practice and experience, including actual collections since year-end.
- Estimated useful lives for capital assets subject to depreciation, which management has based on industry practice and experience.
- Estimated remaining useful life of landfill, which management has based on industry practice and experience.

We evaluated the key factors and assumptions used to develop these estimates and found them reasonable in relation to the financial statements taken as a whole.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management.

Material misstatements detected as a result of audit procedures include entries related to the following:

- To accrue USDA Forest Reserve revenue received in 2017 on the Road & Bridge Fund.
- To include additional capital contributions on the Airport Operations Fund.
- To adjust self-funded deposits on the Risk Management Fund.

Corrected and Uncorrected Misstatements (continued)

Management has corrected all such misstatements prior to finalization of the 2016 audited financial statements.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

As is required in all audit engagements, we have requested certain representations from management that are included in the management representation letter dated.

This report is intended solely for the information and use of the Board of County Commissioners, management, and others within the County and is not intended to be, and should not be, used by anyone other than those specified parties.

Sincerely,

McMahan and Associates, L.L.C.

McMahan and Associates, L.L.C.
July 25, 2017

Gunnison County

Financial Report

December 31, 2016

Gunnison County, Colorado
Financial Report
December 31, 2016

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Gunnison County, Colorado
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December 31, 2016

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Gunnison County, Colorado
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McMahan and Associates, L.L.C.
Certified Public Accountants and Consultants

Chapel Square, Bldg C
245 Chapel Place, Suite 300
P.O. Box 5850, Avon, CO 81620

Web Site: www.mcmahancpa.com
Main Office: (970) 845-8800
Facsimile: (970) 845-8108
E-mail: mcmahan@mcmahancpa.com

INDEPENDENT AUDITOR'S REPORT

To the Board of County Commissioners
Gunnison County, Colorado

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Gunnison County, Colorado (the "County"), as of and for the year ended December 31, 2016, 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of the Gunnison Valley Hospital and Health Care Center, the discretely presented component unit of Gunnison County, which represents 100 percent of the assets, net position, and revenues of the aggregate discretely presented component unit. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for Gunnison Valley Hospital and Health Care Center, is based on the report of the other auditors. 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 includes performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including 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 County's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. 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 financial statement presentation.

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

Member: American Institute of Certified Public Accountants

Paul J. Backes, CPA, CGMA
Michael N. Jenkins, CA, CPA, CGMA
Daniel R. Cudahy, CPA, CGMA

Avon: (970) 845-8800
Aspen: (970) 544-3996
Frisco: (970) 668-3481

INDEPENDENT AUDITOR'S REPORT
To the Board of County Commissioners
Gunnison County, Colorado

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, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Gunnison County, Colorado as of December 31, 2016, 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

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis in Section B be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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.

The budgetary comparison information in section E is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. The budgetary comparison information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's financial statements taken as a whole. The combining fund financial statements, individual fund budgetary information, and the Local Highway Finance Report listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the County's financial statements. The combining fund financial statements, the individual fund budgetary information, 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 financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Matters (continued)

Additionally, the Schedule of Passenger Facility Charges Collected and Expended in section F, and the Schedule of Expenditures of Federal Awards are presented for the purpose of additional analysis, as required by the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration, 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,* and are not a required part of the County's financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Passenger Facility Charges Collected and Expended and the Schedule of Expenditures of Federal Awards are fairly stated in all material respects in relation to the 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 July 25, 2017 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

McMahan and Associates, L.L.C.

McMahan and Associates, L.L.C.
July 25, 2017

MANAGEMENT'S DISCUSSION AND ANALYSIS

Gunnison County, Colorado

Management's Discussion and Analysis

December 31, 2016

As management of the Gunnison County (the "County"), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2016.

Financial Highlights

- On a short term view, the County's governmental funds increased $255,019. This was primarily due to increases in the General Fund, Human Services Fund, and the aggregate non-major governmental funds, and was offset by a decrease in the Road and Bridge Fund.

- On a long term view the County's governmental activities decreased net position by $503,329 due to a decrease in grants and contributions.

- On a short term view the County's business type funds available resources increased $635,980. This is mainly due to a decrease in the Solid Waste Fund and offset by increase in the Airport Operations Fund.

- On a long-term view the County's business type activities decreased net position by $1,308,501. This is mainly due to decreases in the Sewer, Water, Landfill Operations funds, and was offset by an increase in the Airport Operations fund.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are comprised of three components: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves. The County has three component units: 1) The Gunnison Valley Hospital and Health Care Center, 2) the Gunnison County Housing Authority and 3) the Gunnison River Valley Local Marketing District. The latter two entities are treated as a blended component unit, meaning they are treated as funds of the County, because their Boards are the same as the Board of County Commissioners. The Hospital is treated as a discretely presented component unit. Refer to the Hospital's separately issued 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, in a manner similar to a private-sector business.

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

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

Overview of the Financial Statements (continued)

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges, (business-type activities). The governmental activities of the County include general government, judicial, public safety, health and welfare, auxiliary services, culture and recreation, and public works. The business-type activities of the County include those relating to the airport, water systems, sewer systems, landfill, and housing operations.

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

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

Governmental Funds: Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. The County's major governmental funds include the General Fund, Road and Bridge Fund, Human Services Fund, Sales Tax Capital Improvement Fund, Airport Construction, and Capital Expenditures Fund. The County also reports a number of non-major governmental funds.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. The Balance Sheet and the Statement of Revenues, Expenditures and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County adopts an annual appropriated budget for all its Funds. A budgetary comparison statement has been provided for all funds to demonstrate compliance with this budget.

The basic major governmental fund financial statements can be found on pages C3 through C6.

Proprietary Funds: The County maintains proprietary funds commonly known as enterprise funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for its airport, water, sewer, landfill, and housing authority operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for each of the business-type services provided by the County, each of which is considered to be a major fund of the County.

The basic proprietary fund financial statements can be found on pages C7 through C9 of this report.

Overview of the Financial Statements (continued)

Fiduciary Funds: Fiduciary funds are used to account for resources held for the benefit of parties outside the government. 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. The fiduciary funds used by the County account for the County Treasurer and the Public Trustee, both of which collect and hold assets on behalf of other individuals and governments.

The basic fiduciary fund financial statements can be found on page C10 of this report.

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

Government-wide Financial Analysis

Traditionally, the largest portion of any County's investments is in its capital assets. Land, buildings, equipment, machinery, and specialized tools are necessary in order to deliver and/or provide services to the County's residents and visitors.

At the end of the 2016 fiscal year, the County is able to report positive balances in all three categories of net position, first for the government as a whole, and then as separate governmental and business-type activities.

	Governmental Activities		Business-type Activities		Total	
	2016	**2015**	**2016**	**2015**	**2016**	**2015**
Assets:						
Current and other assets	$32,507,045	30,384,262	4,688,162	5,340,531	37,195,207	35,724,793
Capital assets, net	53,316,820	54,986,989	40,507,062	41,340,395	93,823,882	96,327,384
Total Assets	85,823,865	85,371,251	45,195,224	46,680,926	131,019,089	132,052,177
Liabilities:						
Other liabilities	5,839,494	4,483,683	263,208	283,446	6,102,702	4,767,129
Long-term liabilities	25,321,754	26,129,523	5,588,279	5,745,242	30,910,033	31,874,765
Total Liabilities	31,161,248	30,613,206	5,851,487	6,028,688	37,012,735	36,641,894
Deferred Inflow of Resources:						
Deferred Inflow of Resources	7,873,285	7,465,384	-	-	7,873,285	7,465,384
Total Inflow of Resources	7,873,285	7,465,384	-	-	7,873,285	7,465,384
Net Position:						
Net investment in capital assets	27,965,908	28,793,403	36,343,080	37,007,523	64,308,988	65,800,926
Restricted	6,865,176	7,035,176	173,909	863,440	7,039,085	7,898,616
Unrestricted	11,958,248	11,464,082	2,826,748	2,781,275	14,784,996	14,245,357
Total Net Position	$46,789,332	47,292,661	39,343,737	40,652,238	86,133,069	87,944,899

Government-wide Financial Analysis (continued)

Governmental activities decreased $503,329 and the business-type activities decreased $1,308,501. Key elements of this increase were as follows:

Significant events impacting 2016 were:

- Net position as a result of governmental activities decreased $503,329, due to a decrease in grants and contributions.

- Net position as a result of business-type activities decreased $1,308,501 because total business type expenses exceeded total business type revenues. The most significant increase of $204,594 resulted in airport operations, and was offset by the two most significant decreases of $1,095,786 and $352,631 in landfill and water operations, respectively.

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Revenues:						
Program revenues:						
Charges for services	$ 2,647,258	2,754,515	3,328,734	3,257,932	5,975,992	6,012,447
Grants and contributions	12,334,508	15,335,683	137,441	24,809	12,471,949	15,360,492
General revenues:						
Sales taxes	2,285,380	2,129,805	39,776	29,705	2,325,156	2,159,510
Property taxes	8,595,658	8,131,930	-	-	8,595,658	8,131,930
Other taxes	2,305,554	2,048,325	-	-	2,305,554	2,048,325
Interest and other revenue	137,170	110,194	34,203	29,821	171,373	140,015
Total Revenues	28,305,528	30,510,452	3,540,154	3,342,267	31,845,682	33,852,719
Expenses:						
General government	9,217,303	7,908,000	-	-	9,217,303	7,908,000
Judicial	452,542	522,684	-	-	452,542	522,684
Public safety	3,438,455	3,286,772	-	-	3,438,455	3,286,772
Health and welfare	5,601,170	5,382,088	-	-	5,601,170	5,382,088
Auxiliary services	255,640	215,784	-	-	255,640	215,784
Culture and recreation	487,404	902,490	-	-	487,404	902,490
Public works	6,440,027	6,129,231	-	-	6,440,027	6,129,231
Interest on long-term debt	1,318,333	1,345,382	-	-	1,318,333	1,345,382
Airport operations	-	-	2,790,340	2,716,074	2,790,340	2,716,074
Sewer	-	-	553,392	563,080	553,392	563,080
Water	-	-	721,364	684,650	721,364	684,650
Landfill	-	-	2,096,995	1,224,485	2,096,995	1,224,485
Housing	-	-	273,271	268,237	273,271	268,237
Total Expenses	27,210,874	25,692,431	6,435,362	5,456,526	33,646,236	31,148,957
Change in Net Position before Transfers	1,094,654	4,818,021	(2,895,208)	(2,114,259)	(1,800,554)	2,703,762
Transfers	(1,586,707)	(1,985,571)	1,586,707	1,985,571	-	-
Loss on disposals	(11,276)	(254,186)	-	-	(11,276)	(254,186)
	(1,597,983)	(2,239,757)	1,586,707	1,985,571	(11,276)	(254,186)
Change in Net Position	(503,329)	2,578,264	(1,308,501)	(128,688)	(1,811,830)	2,449,576
Net Position - Beginning	47,292,661	44,714,397	40,652,238	40,780,926	87,944,899	85,495,323
Net Position - Ending	$46,789,332	47,292,661	39,343,737	40,652,238	86,133,069	87,944,899

Government-wide Financial Analysis (continued)

Financial Analysis of the County's Funds

As mentioned earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The a portion of the increase in the General Fund is attributable to Sheriff expenditures, both detention and patrol, being under budget and specific ownership revenue was more than expected.

The County's available resources for 2016 is charted below:

	Beginning Available Resources	Increase (Decrease)	Ending Available Resources	2016 Expenditures	% of EAR to Expenditures
Governmental Major Funds:					
General Fund	$ 5,187,196	282,707	5,469,903	13,060,823	42%
Road & Bridge	2,648,235	(571,749)	2,076,486	5,885,646	35%
Human Services Fund	580,377	42,594	622,971	3,948,676	16%
Sales Tax Fund	1,739,141	220,702	1,959,843	1,680,939	117%
Airport Construction Fund	109,410	(59,535)	49,875	1,559,900	3%
Capital Expenditures Fund	2,355,563	(34,141)	2,321,422	172,238	1348%
Non-Major Funds	2,207,289	374,439	2,581,728	4,582,040	56%
Business Type Funds:					
Airport Operations Fund	1,012,093	415,103	1,427,196	1,119,863	127%
Sewer Fund	1,021,772	82,127	1,103,899	453,615	243%
Water Fund	541,708	(34,205)	507,503	423,866	120%
Solid Waste Fund	2,201,196	(1,103,989)	1,097,207	2,129,350	52%
Assisted Living Fund	3,051	-	3,051	36,488	8%
Mountain View Fund	96,022	4,984	101,006	235,519	43%
Internal Service Funds:					
ISF I Fund	2,413,028	14,970	2,427,998	2,129,811	114%
ISF II Fund	638,880	41,423	680,303	763,962	89%
ISF III Fund	1,850,002	60,202	1,910,204	2,724,257	70%
	$24,604,963	(264,368)	24,340,595	40,906,993	60%

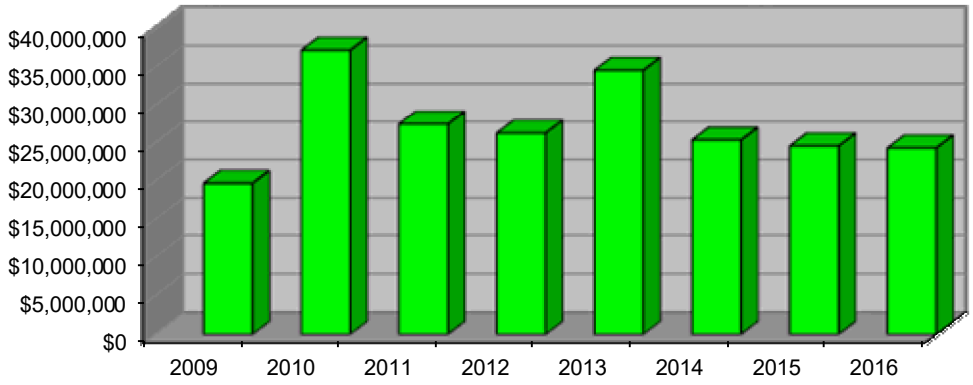
Governmental Funds: The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unreserved fund balances may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the County's governmental funds increased $255,019. This was primarily due to increases in the General Fund, Human Services Fund, and non-major governmental funds, and was offset by a decrease in the Road and Bridge Fund

Government-wide Financial Analysis (continued)

Financial Analysis of the County's Funds

The following chart represents the County's available resources for the past several years.



Proprietary Funds: The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The County's proprietary funds decreased net position by $1,249,077.

Budget Variances in the General Fund: The General Fund budget was amended during the year by $13,792. Actual expenditures were $1,285,522 less than the amended budget.

Capital Assets: The County's capitalization policy pertains to assets with a purchase value of $4,000 or greater. Assets of lesser value are treated as operational expenditures. Additional information as well as a detailed classification of the County's net capital assets can be found in the Notes to the Financial Statement in Section D of this report.

Long-term Debt: As of the end of the current fiscal year, the County's long-term liabilities totaled $32,226,839. Additional information as well as a detailed classification of the County's total long-term liabilities can be found in the Notes to the Financial Statements in section D of this report.

Next Year's Budget and Rates: The County's General Fund balance at the end of fiscal year 2016 totaled $5,469,903. The 2017 budget anticipates decreasing this balance by $715,464.

Request for Information

This financial report is designed to provide a general overview of the County's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Gunnison County, County Finance Director, 200 E. Virginia Avenue, Gunnison, CO 81230

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Gunnison County
Statement of Net Position
December 31, 2016

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Hospital
Assets:				
Cash and investments - Unrestricted	18,061,272	3,270,768	21,332,040	5,350,945
Cash and investments - Restricted	2,336,530	999,427	3,335,957	30,413,777
Due from other governments	2,938,001	41,266	2,979,267	-
Accounts, taxes, and other receivables	8,383,416	427,665	8,811,081	5,639,640
Prepaid expenses	87,990	17,417	105,407	392,752
Inventory	631,455	-	631,455	1,113,300
Internal balances	68,381	(68,381)	-	-
Goodwill, net	-	-	-	585,942
Capital Assets:				
Capital assets, not depreciated	1,587,031	14,653,160	16,240,191	-
Capital assets, net	51,729,789	25,853,902	77,583,691	19,040,960
Total Assets	85,823,865	45,195,224	131,019,089	62,537,316
Deferred Outflows of Resources:				
Deferred outflow from interest rate swap	-	-	-	240,987
Total Deferred Outflows of Resources	-	-	-	240,987
Liabilities:				
Accounts payable	2,204,513	243,091	2,447,604	1,706,616
Accrued expenses	633,314	20,117	653,431	3,902,234
Deposits	785,290	-	785,290	-
Accrued interest	-	64,725	64,725	-
Unearned grant revenue	834,846	-	834,846	
Interest rate swap	-	-	-	240,987
Non-current Liabilities:				
Due within one year:				
Accrued compensated absences	540,949	48,147	589,096	-
Leases	124,937	-	124,937	-
Bonds	-	49,463	49,463	860,000
Certificates of participation	695,000	-	695,000	-
Loans	20,645	58,314	78,959	-
Due in more than one year:				
Accrued compensated absences	811,424	72,221	883,645	-
Leases	410,623	-	410,623	-
Bonds	-	2,603,070	2,603,070	8,665,054
Certificates of participation	24,055,526	-	24,055,526	-
Landfill closure and postclosure costs	-	1,239,204	1,239,204	-
Loans	44,181	1,453,135	1,497,316	-
Total Liabilities	31,161,248	5,851,487	37,012,735	15,374,891
Deferred Inflows of Resources:				
Unavailable property tax revenue	7,873,285	-	7,873,285	-
Total Deferred Inflows of Resources	7,873,285	-	7,873,285	-
Net Position:				
Net investment in capital assets	27,965,908	36,343,080	64,308,988	9,515,906
Restricted for:				
Emergencies	659,000	-	659,000	-
Debt service	375,004	-	375,004	2,635,718
Other purposes	5,831,172	173,909	6,005,081	1,607,792
Unrestricted	11,958,248	2,826,748	14,784,996	33,643,996
Total Net Position	46,789,332	39,343,737	86,133,069	47,403,412

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

Gunnison County, Colorado
Statement of Activities
For the Year Ended December 31, 2016

		Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Unit
					Primary Governments			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Hospital
Functions/Programs:								
Primary Government:								
Governmental Activities:								
General government	9,217,303	1,942,768	408,146	-	(6,866,389)		(6,866,389)	
Judicial	452,542	-	-	-	(452,542)		(452,542)	
Public safety	3,438,455	166,570	226,019	-	(3,045,866)		(3,045,866)	
Health and welfare	5,601,170	139,399	4,908,690	-	(553,081)		(553,081)	
Auxiliary services	255,640	45,404	-	-	(210,236)		(210,236)	
Culture and recreation	487,404	22,661	77,579	-	(387,164)		(387,164)	
Public works	6,440,027	330,456	4,342,976	1,372,460	(394,135)		(394,135)	
Interest on long-term debt	1,318,333	-	-	-	(1,318,333)		(1,318,333)	
Total Governmental Activities	27,210,874	2,647,258	9,963,410	1,372,460	(13,227,746)		(13,227,746)	
Business-type Activities:								
Airport	2,790,340	1,273,756	14,792	-		(1,501,792)	(1,501,792)	
Sewer	553,392	512,448	-	14,500		(26,444)	(26,444)	
Water	721,364	327,330	-	-		(394,034)	(394,034)	
Landfill	2,096,995	945,504	62,763	38,648		(1,050,080)	(1,050,080)	
Housing	273,271	269,696	6,738	-		3,163	3,163	
Total Business-type Activities	6,435,362	3,328,734	84,293	53,148		(2,969,187)	(2,969,187)	
Total Primary Government	33,646,236	5,975,992	10,047,703	1,425,608	(13,227,746)	(2,969,187)	(16,196,933)	
Component Unit:								
Hospital	39,067,149	45,726,863	-	90,387				6,750,101
General Revenues and Transfers:								
Taxes:								
Property taxes					8,595,658	-	8,595,658	670,277
Specific ownership taxes					537,151	-	537,151	-
Sales taxes					2,285,380	39,776	2,325,156	-
Marketing and promotion taxes					1,723,475	-	1,723,475	-
Other taxes					44,928	-	44,928	-
Investment earnings					137,170	34,203	171,373	109,650
Grants and contributions not restricted to specific programs					998,638	-	998,638	243,040
Transfers					(1,586,707)	1,586,707	-	-
Gain (loss) on asset disposals					(11,276)	-	(11,276)	(7,697)
Total General Revenues and Transfers					12,724,417	1,660,686	14,385,103	1,015,270
Change in Net Position					(503,329)	(1,308,501)	(1,811,830)	7,765,371
Net Position - Beginning of Year					47,292,661	40,652,238	87,944,899	39,638,041
Net Position - End of Year					46,789,332	39,343,737	86,133,069	47,403,412

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

FUND FINANCIAL STATEMENTS

Gunnison County, Colorado
Governmental Funds
Balance Sheet
December 31, 2016

	General Fund	Road and Bridge Fund	Human Services Fund	Sales Tax Capital Improvement Fund	Airport Construction Fund	Capital Expenditures Fund	Non-major Governmental Funds	Total Governmental Funds
Assets:								
Cash and investments - Unrestricted	5,967,186	1,728,418	782,605	1,647,200	161,982	981,210	2,372,494	13,641,095
Cash and investments - Restricted	845,325	-	-	-	-	1,345,622	145,583	2,336,530
Accounts receivable	8,032,585	8,042	304,228	-	8,462	-	22,108	8,375,425
Prepaid expenses	-	-	-	-	-	-	40,515	40,515
Due from other governments	378,489	880,697	142,345	451,031	694,056	-	343,382	2,890,000
Due from other funds	147,087	-	-	42,805	-	-	14,978	204,870
Total Assets	15,370,672	2,617,157	1,229,178	2,141,036	864,500	2,326,832	2,939,060	27,488,435
Liabilities, Deferred Inflow of Resources, and Fund Balances:								
Liabilities:								
Accounts payable	1,074,191	42,919	225	181,193	748,534	-	40,163	2,087,225
Accrued liabilities	383,851	-	-	-	66,091	-	-	449,942
Deposits	504,715	280,575	-	-	-	-	-	785,290
Unearned grant revenue	64,727	-	529,075	-	-	5,393	245,238	844,433
Due to other funds	-	217,177	76,907	-	-	17	71,931	366,032
Total Liabilities	2,027,484	540,671	606,207	181,193	814,625	5,410	357,332	4,532,922
Deferred Inflow of Resources:								
Unavailable property tax revenue	7,873,285	-	-	-	-	-	-	7,873,285
Total Deferred Inflow of Resources	7,873,285	-	-	-	-	-	-	7,873,285
Fund Balances:								
Non-spendable	-	-	-	-	-	-	40,515	40,515
Spendable:								
Restricted	659,000	2,076,486	-	1,959,843	-	1,345,622	1,778,284	7,819,235
Committed	845,325	-	-	-	-	-	54,896	900,221
Assigned	-	-	622,971	-	49,875	975,800	731,274	2,379,920
Unassigned	3,965,578	-	-	-		-	(23,241)	3,942,337
Total Fund Balances	5,469,903	2,076,486	622,971	1,959,843	49,875	2,321,422	2,581,728	15,082,228
Total Liabilities, Deferred Inflow of Resources, and Fund Balances	15,370,672	2,617,157	1,229,178	2,141,036	864,500	2,326,832	2,939,060	27,488,435

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

Gunnison County, Colorado
Reconciliation of Governmental Funds Balance Sheet
to the Statement of Net Position
December 31, 2016

Total Governmental Fund Balances		15,082,228
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. However, in the Statement of Net Position, the cost of those assets are capitalized and expensed over their estimated lives through annual depreciation expense.		
Cost of capital assets	87,726,747	
Less accumulated depreciation	(34,409,927)	53,316,820
Internal service funds are used by management to charge the costs of the motor pool, equipment costs and health insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position. This represents the net equity of the internal service funds less the fixed assets and long-term liabilities which are included in this reconciliation.		5,093,569
Long-term liabilities, including leases payable, bonds payable, compensated absences, and interest payable are not due and payable in the current period and, therefore, are not reported in the funds. The following liabilities are are reported in the government-wide Statement of Net Position.		
Accrued compensated absences	(1,352,373)	
COPS	(24,750,526)	
Leases	(535,560)	
Loans	(64,826)	(26,703,285)
Net Position of Governmental Activities		46,789,332

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

Gunnison County, Colorado
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
December 31, 2016

	General Fund	Road and Bridge Fund	Human Services Fund	Sales Tax Capital Improvement Fund	Airport Construction Fund	Capital Expenditure Fund	Non-major Governmental Funds	Total Governmental Funds
Revenues:								
Taxes	8,601,662	190,876	301,156	1,885,804	-	-	2,206,890	13,186,388
Licenses and permits	553,368	-	-	-	-	-	-	553,368
Intergovernmental	1,439,236	4,687,662	3,673,951	-	1,372,460	-	797,417	11,970,726
Charges for services	1,513,419	81,486	-	-	125,200	-	72,299	1,792,404
Fines and forfeitures	-	(3,385)	-	7,681	-	-	7,804	12,100
Investment income	79,520	22,323	5,538	8,157	2,705	(478)	11,726	129,491
Contributions	171,157	-	6,097	-	-	-	76,182	253,436
Miscellaneous	183,443	60,803	4,527	-	-	-	157,059	405,832
Total Revenues	12,541,805	5,039,765	3,991,269	1,901,642	1,500,365	(478)	3,329,377	28,303,745
Expenditures:								
General government	7,242,165	-	-	41,663	-	3	1,632,352	8,916,183
Judicial	313,307	-	-	-	-	139,235	-	452,542
Public safety	3,085,632	-	-	-	-	-	-	3,085,632
Health and welfare	833,976	-	3,854,151	-	-	-	792,891	5,481,018
Auxiliary services	253,847	-	-	-	-	-	-	253,847
Culture and recreation	296,378	-	-	-	-	-	147,821	444,199
Public works	194,392	5,622,302	-	-	1,536,271	-	-	7,352,965
Debt service	14,325	-	-	113,386	23,629	-	2,008,976	2,160,316
Total Expenditures	12,234,022	5,622,302	3,854,151	155,049	1,559,900	139,238	4,582,040	28,146,702
Excess (Deficiency) of Revenues Over Expenditures	307,783	(582,537)	137,118	1,746,593	(59,535)	(139,716)	(1,252,663)	157,043
Other Financing Sources (Uses):								
Transfers in	801,731	274,131	-	-	-	138,575	1,941,254	3,155,691
Transfers (out)	(826,807)	(263,343)	(94,524)	(1,525,889)	-	(33,000)	(314,152)	(3,057,715)
Total Other Financing Sources (Uses)	(25,076)	10,788	(94,524)	(1,525,889)	-	105,575	1,627,102	97,976
Net Change in Fund Balances	282,707	(571,749)	42,594	220,704	(59,535)	(34,141)	374,439	255,019
Fund Balances - Beginning of Year	5,187,196	2,648,235	580,377	1,739,139	109,410	2,355,563	2,207,289	14,827,209
Fund Balances - End of Year	5,469,903	2,076,486	622,971	1,959,843	49,875	2,321,422	2,581,728	15,082,228

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

Gunnison County
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities
For the Year Ended December 31, 2016

Net Changes In Fund Balances - Total Governmental Funds		255,019
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 as depreciation expense. This is the amount by which capital outlay exceeded depreciation expense in the current period for all governmental activities excluding internal service funds which is shown separately below:		
Depreciation expense	(2,620,117)	
Gain (loss) on disposals, net	(11,276)	
Capital outlay	1,018,394	(1,612,999)
The internal service funds are used by management to charge the costs of the motor pool, equipment costs and health insurance to individuals funds. The net revenue of these funds is reported with governmental activities in the Statement of Activities.		59,426
Capitalization of bond premiums is recognized as a liability in Statement of Net Position but is recognized over time in the Statement of Activities:		
Amortization expense		17,621
Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.		825,054
Long-term payables represent amounts payable which have been incurred but not yet payable. This represents the change in amounts due to the Gunnison Valley Animal Shelter.		33,333
Compensated absences 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. This represents the change in compensated balances during the past year for governmental funds.		
Liability at December 31, 2016	1,277,307	
Liability at December 31, 2015	1,196,524	(80,783)
Change in Net Position of Governmental Activities		(503,329)

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

Gunnison County, Colorado
Proprietary Funds
Statement of Net Position
December 31, 2016

	Business-type Activities - Enterprise Funds							Governmental Activities - Internal Service Funds
	Airport Operations Fund	Gunnison County Sewer Fund	Gunnison County Water Fund	Landfill Operations Fund	Gunnison County Housing Auth. Assisted Lvg.	Gunnison County Housing Auth. Mtn. View	Totals	
Assets:								
Current Assets:								
Cash and investments - Unrestricted	1,434,061	1,244,707	230,582	210,987	3,051	147,380	3,270,768	4,420,177
Cash and investments - Restricted	-	96,160	35,680	825,518	-	42,069	999,427	-
Accounts receivable, net of allowance for uncollectible accounts where applicable	152,969	51,792	66,397	122,079	-	34,427	427,664	7,992
Due from other governments	2,619	-	-	38,648	-	-	41,267	48,000
Prepaid expenses	15,125	263	498	1,533	-	-	17,419	47,475
Due from other funds	18,470	-	188,497	-	-	-	206,967	233,598
Inventory, at cost	-	-	-	-	-	-	-	631,455
Total Current Assets	1,623,244	1,392,922	521,654	1,198,765	3,051	223,876	4,963,512	5,388,697
Non-current Assets:								
Construction-in-progress	3,282,396	-	-	38,648	-	-	3,321,044	-
Land, property and equipment	50,152,019	7,340,046	10,128,915	336,070	2,037,513	1,875,269	71,869,832	19,856,102
Less accumulated depreciation	(21,999,784)	(3,682,432)	(6,834,528)	(239,000)	(580,458)	(1,347,612)	(34,683,814)	(11,369,484)
Total Non-current Assets	31,434,631	3,657,614	3,294,387	135,718	1,457,055	527,657	40,507,062	8,486,618
Total Assets	33,057,875	5,050,536	3,816,041	1,334,483	1,460,106	751,533	45,470,574	13,875,315
Liabilities:								
Current Liabilities:								
Accounts payable	109,794	59,344	3,464	24,036	-	46,452	243,090	117,280
Accrued liabilities	-	12,760	1,573	-	-	70,509	84,842	173,785
Due to other funds	-	216,916	-	52,523	-	5,909	275,348	4,055
Debt obligations, due within one year	-	46,120	25,664	-	21,535	14,458	107,777	-
Total Current Liabilities	109,794	335,140	30,701	76,559	21,535	137,328	711,057	295,120
Non-current Liabilities:								
Accrued compensated absences	86,254	-	9,114	25,000	-	-	120,368	75,067
Loans	-	35,530	38,306	-	350,715	1,028,584	1,453,135	-
Revenues bonds	-	1,530,309	1,072,761	-	-	-	2,603,070	-
Landfill closure and postclosure costs	-	-	-	1,239,204	-	-	1,239,204	-
Total Non-current Liabilities	86,254	1,565,839	1,120,181	1,264,204	350,715	1,028,584	5,415,777	75,067
Total Liabilities	196,048	1,900,979	1,150,882	1,340,763	372,250	1,165,912	6,126,834	370,187
Net Position:								
Net investment in capital assets	31,434,631	2,045,655	2,157,656	135,718	1,084,805	(515,385)	36,343,080	8,486,618
Restricted	-	96,160	35,680	-	-	42,069	173,909	-
Unrestricted	1,427,196	1,007,742	471,823	(141,998)	3,051	58,937	2,826,751	5,018,510
Total Net Position	32,861,827	3,149,557	2,665,159	(6,280)	1,087,856	(414,379)	39,343,740	13,505,128

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

Gunnison County, Colorado
Proprietary Funds
Statement of Revenues, Expenses and Changes in Fund Net Position
For the Year Ended December 31, 2016

	Business-type Activities - Enterprise Funds							Governmental Activities - Internal Service Funds
	Airport Operations Fund	Gunnison County Sewer Fund	Gunnison County Water Fund	Landfill Operations Fund	Gunnison County Housing Auth. Assisted Lvg.	Gunnison County Housing Auth. Mtn. View	Totals	
Operating Revenues:								
Rent, net	936,733	-	-	-	36,488	229,248	1,202,469	1,830,658
Other	44,631	4,098	2,791	213,044	-	10,699	275,263	351,666
Charges and fees	292,392	508,350	324,539	795,223	-	-	1,920,504	3,447,841
Total Operating Revenues	1,273,756	512,448	327,330	1,008,267	36,488	239,947	3,398,236	5,630,165
Operating Expenses:								
Operations and maintenance	839,988	238,488	222,476	2,074,629	-	124,641	3,500,222	4,693,543
Administration	165,081	-	73,539	-	-	-	238,620	149,469
Depreciation and amortization	1,785,261	244,724	399,484	22,367	38,063	62,438	2,552,337	668,670
Total Operating Expenses	2,790,330	483,212	695,499	2,096,996	38,063	187,079	6,291,179	5,511,682
Operating Income (Loss)	(1,516,574)	29,236	(368,169)	(1,088,729)	(1,575)	52,868	(2,892,943)	118,483
Non-operating Revenues (Expenses):								
Gain (loss) on disposal of capital assets	-	-	-	-	-	-	-	11,039
Grant revenue	14,792	-	-	-	-	-	14,792	48,000
Sales tax	39,776	-	-	-	-	-	39,776	-
Investment revenue	6,633	8,797	1,115	17,091	-	557	34,193	30,336
Interest expense	-	(70,181)	(25,865)	-	(16,135)	(31,995)	(144,176)	-
Total Non-operating Revenues (Expenses)	61,201	(61,384)	(24,750)	17,091	(16,135)	(31,438)	(55,415)	89,375
Income (Loss) Before Contributions and Transfers	(1,455,373)	(32,148)	(392,919)	(1,071,638)	(17,710)	21,430	(2,948,358)	207,858
Capital Contributions	1,536,251	14,500	-	38,648	-	-	1,589,399	-
Transfers In	200,000	-	61,216	-	-	-	261,216	11,000
Transfers (Out)	(76,284)	(50,752)	(20,928)	(62,796)	-	-	(210,760)	(159,432)
Change in Net Position	204,594	(68,400)	(352,631)	(1,095,786)	(17,710)	21,430	(1,308,503)	59,426
Total Net Position - Beginning of Year	32,657,233	3,217,957	3,017,790	1,089,506	1,105,566	(435,809)	40,652,243	13,445,702
Total Net Position - End of Year	32,861,827	3,149,557	2,665,159	(6,280)	1,087,856	(414,379)	39,343,740	13,505,128

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

Gunnison County, Colorado
Proprietary Funds
Statement of Cash Flows
For the Year Ended December 31, 2016

	Business-type Activities - Enterprise Funds							
	Airport Operations Fund	Gunnison County Sewer Fund	Gunnison County Water Fund	Landfill Operations Fund	Gunnison County Housing Auth. Assisted Lvg.	Gunnison County Housing Auth. Mtn. View	Totals	Governmental Activities - Internal Service Funds
Cash Flows from Operating Activities:								
Cash received from charges for services	1,200,944	498,720	315,890	728,719	36,488	211,148	2,991,909	5,225,144
Cash received from other sources	44,631	4,098	2,791	213,044	-	10,699	275,263	351,666
Cash payments to vendors for goods and services	(467,598)	(205,059)	(209,464)	(2,070,809)	-	(136,351)	(3,089,281)	(4,035,682)
Cash payments to employees for services	(529,451)	(35,899)	(90,965)	(949)	-	(614)	(657,878)	(761,655)
Net Cash Provided (Used) by Operating Activities	248,526	261,860	18,252	(1,129,995)	36,488	84,882	(479,987)	779,473
Cash Flows from Non-capital Financing Activities:								
Taxes	39,776	-	-	-	-	-	39,776	-
Transfers from (to) other funds, net	83,955	(49,299)	62,404	(29,698)	-	(414)	66,948	(202,610)
Net Cash Provided (Used) by Non-capital Financing Activities	123,731	(49,299)	62,404	(29,698)	-	(414)	106,724	(202,610)
Cash Flows from Capital and Related Financing Activities:								
Capital grants	14,792	-	-	-	-	-	14,792	48,000
Capital contributions	-	14,500	-	-	-	-	14,500	-
Interest paid on debt	-	(70,181)	(25,865)	-	(16,135)	(31,995)	(144,176)	-
Principal paid on loans and leases	-	(44,650)	(25,004)	-	(20,353)	(78,883)	(168,890)	-
Proceeds from debt	-	-	-	-	-	-	-	-
Purchase of capital assets	(38,500)	(49,545)	(56,054)	-	-	-	(144,099)	(615,585)
Cash from sale of assets	-	-	-	-	-	-	-	15,125
Net Cash Provided (Used) by Capital and Related Financing Activities	(23,708)	(149,876)	(106,923)	-	(36,488)	(110,878)	(427,873)	(552,460)
Cash Flows from Investing Activities:								
Cash from investment income	6,633	8,797	1,115	17,091	-	557	34,193	30,336
Net Cash Provided (Used) by Investing Activities	6,633	8,797	1,115	17,091	-	557	34,193	30,336
Net Increase (Decrease) in Cash	355,182	71,482	(25,152)	(1,142,602)	-	(25,853)	(766,943)	54,739
Cash - Beginning of Year	1,078,879	1,269,385	291,414	2,179,107	3,051	215,302	5,037,138	4,365,438
Cash - End of Year	1,434,061	1,340,867	266,262	1,036,505	3,051	189,449	4,270,195	4,420,177
Reconciliation of Operating Income (Loss) to Net Cash Provided (used) by Operating Activities:								
Operating income (loss)	(1,516,574)	29,236	(368,169)	(1,088,729)	(1,575)	52,868	(2,892,943)	118,483
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:								
Depreciation and amortization	1,785,261	244,724	399,484	22,367	38,063	62,438	2,552,337	668,670
Changes in assets and liabilities:								
(Increase) decrease in accounts receivable	(28,181)	(9,630)	(8,649)	(66,504)	-	(18,099)	(131,063)	(53,356)
(Increase) decrease in prepaid expenses	-	-	-	(1)	-	-	(1)	(25,034)
(Increase) decrease in inventory	-	-	-	-	-	-	-	48,877
Increase (decrease) in accounts payable	3,883	(4,494)	(3,296)	(4,255)	-	(15,556)	(23,718)	11,436
Increase (decrease) in accrued liabilities	-	2,024	(95)	8,076	-	3,231	13,236	7,124
Increase (decrease) in compensated absences	4,137	-	(1,023)	(949)	-	-	2,165	3,273
Net Cash Provided (Used) by Operating Activities	248,526	261,860	18,252	(1,129,995)	36,488	84,882	(479,987)	779,473
Non-Cash Investing, Capital, and Financing Activities:								
Contribution of fixed assets	1,536,251	-	-	38,648	-	-	1,574,899	-

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

Gunnison County, Colorado
Fiduciary Funds
Statement of Assets and Liabilities
December 31, 2016

	County Treasurer Agency Fund	Public Trustee Agency Fund
Assets:		
Cash	26,443,984	38,454
Less: cash held for County funds	(23,109,821)	-
Total Assets	3,334,163	38,454
Liabilities:		
Due to other governments and agencies	3,334,163	-
Due to (from) governmental funds	-	(7)
Held by Trustee	-	38,461
Total Liabilities	3,334,163	38,454

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

NOTES TO THE FINANCIAL STATEMENTS

I. Summary of Significant Accounting Policies

Gunnison County (the "County") is a statutory county located in western Colorado. An elected Board of Commissioners is responsible for setting policy, appointing administrative personnel and the adoption of an annual budget in accordance with state statutes. The County's operations include sheriff protection, health and human services, culture and recreation, road maintenance, an airport, water and sewer services, a housing administration, and a landfill.

The County's financial statements are prepared in accordance with generally accepted accounting principles ("GAAP"). The Governmental Accounting Standards Board ("GASB") is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established by GAAP used by the County are discussed below.

A. Reporting Entity

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

The financial statements of component units have been included in the financial reporting entity either as blended or discretely presented component units.

1. Blended Component Units

The Gunnison County Housing Authority (the "Housing Authority") - Gunnison SeniorHousing Project, an entity legally separate from the County, is governed by the Gunnison County Board of County Commissioners. For financial reporting purposes, the Authority is reported as if it was part of the County's operations because its purpose is to finance and provide low income senior housing to the citizens of the County.

In 2003, the County's electorate approved the creation of the Gunnison River Valley Local Marketing District (the "District"). The District was created for the organization, promotion, marketing, and management of public events; activities in support of business recruitment, management and development; and coordinating tourism promotion activities within the District's boundaries. The County's Board of County Commissioners sits as *ex officio* as the District's Board. For financial reporting purposes, the District is reported as a blended component unit and resembles the reporting for other special revenue funds.

I. Summary of Significant Accounting Policies (continued)

A. Reporting Entity (continued)

2. Discretely Presented Component Unit

The component unit columns in the combined financial statements include the financial data of the County's discretely presented component unit. This unit is reported in a separate column to emphasize that it is legally separate from the County.

The Gunnison Valley Hospital and Health Care Center - The Gunnison Valley Hospital and Health Care Center Board is appointed by the County, is fiscally dependent on the County because they cannot issue debt without the approval of the County, and its operational and capital budgets and its annual property tax mill levy are approved by the County. The completed financial statements of the Hospital and Health Care Center can be obtained directly from their administrative office at:

Administrative Office
Gunnison Valley Hospital
214 East Denver Avenue
Gunnison, CO 81230

3. Intergovernmental Agreements

The County has entered into various governmental agreements that do not meet the criteria for inclusion in these financial statements as component units or as joint ventures.

The County receives funding from local, state, and federal government sources and must comply with all requirements of these funding sources. However, the County is not included in any other governmental reporting entity.

B. Government-wide and Fund Financial Statements

The County's basic financial statements include both government-wide (financial activities of the overall County, except for fiduciary activities) and fund financial statements (reporting the County's individual funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. Governmental activities are generally financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or part by fees charged to external parties.

1. Government-wide Financial Statements

In the government-wide Statement of Net Position, both the governmental and business-type activities columns are (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The primary government is reported separately from certain legally separate component units for which the primary government is financially accountable. The County's net position is reported in three parts – net investment in capital assets; restricted net position; and unrestricted net position.

I. Summary of Significant Accounting Policies (continued)

B. Government-wide and Fund Financial Statements (continued)

1. Government-wide Financial Statements (continued)

The government-wide Statement of Activities reports both the gross and net cost of each of the County's non-fiduciary functions (e.g., public safety, culture and recreation, etc.) and business-type activities (e.g., water, sewer, landfill, etc.). The functions are also supported by general government revenues (property and sales taxes, intergovernmental revenue, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function or business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The government-wide focus is on the sustainability of the County as an entity and the change in the County's net position resulting from the current year's activities.

2. Fund Financial Statements

The financial transactions of the County are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The fund focus is on current available resources and budget compliance.

The County reports the following major governmental funds:

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

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

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

The *Sales Tax Capital Improvement Fund* accounts for the collection of sales tax restricted for capital expenditures.

The *Airport Construction Fund* accounts for grants and construction expenditures relating to the County's airport. The constructed assets are contributed to the Airport Operations Fund.

The *Capital Expenditures Fund* accounts for the accumulation of resources for future capital expenditures.

I. Summary of Significant Accounting Policies (continued)

B. Government-wide and Fund Financial Statements (continued)

2. Fund Financial Statements (continued)

The County reports the following major proprietary funds:

The *Airport Operations Fund* accounts for the operations of the Gunnison County Airport.

The *Gunnison County Sewer Fund* is used to account for the operations of sewer facilities operated by the County in unincorporated areas of the County.

The *Gunnison County Water Fund* is used to account for the operations of water system facilities operated by the County in unincorporated areas of the County.

The *Landfill Operations Fund* accounts for the operations of the County's landfill and recycling program.

The *Gunnison County Housing Authority* is used to account for the activities of the Authority, a blended component unit of the County. Two funds are included which account for operations of an assisted living center and an elderly housing complex.

Additionally, the County reports the following fund types:

Internal services funds account for the rental of motor vehicles and heavy equipment, the usage of gravel and other construction materials, the rental of computer equipment, and to account for health insurance and unemployment claims. These services are provided to other County funds and departments on a cost reimbursement basis.

Agency funds are used to account for the collection and distribution of property and other taxes between the County's funds and other governments and agencies. Agency funds are also used to account for the activities of the County Trustee and segregate these activities into a separate fund as required by State of Colorado statutes.

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

Measurement focus refers to whether financial statements measure changes in current resources only (current financial focus) or changes in both current and long-term resources (long-term economic focus). Basis of accounting refers to the point at which revenues, expenditures, or expenses are recognized in the accounts and reported in the financial statements. Financial statement presentation refers to classification of revenues by source and expenses by function.

I. Summary of Significant Accounting Policies (continued)

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

1. Long-term Economic Focus and Accrual Basis

Both the governmental and business-type activities in the government-wide financial statements and the proprietary and fiduciary financial statements use the long-term economic focus and are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred, regardless of the timing of the related cash flows. On the accrual basis, revenue from property taxes is recognized in the year for which taxes are levied. Revenue from grants and donations is recognized in the year in which all eligibility requirements have been satisfied.

2. Current Financial Focus and Modified Accrual Basis

The governmental fund financial statements use the current financial focus and are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. The County considered all revenues reported in the governmental funds to be available if they are collected within sixty days after year-end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general ling-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of long-term liabilities and acquisitions under capital leases are reported as other financing sources.

3. Financial Statement Presentation

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County's enterprise fund are charges to customers for sales. Operating expenses for the enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenue and expense notes meeting this definition are reported as non-operating revenues and expenses.

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

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts

1. Cash, Cash Equivalents, and Investments

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within 3 months of the acquisition date.

Restricted cash and cash equivalents represent amounts restricted by bond indentures and other binding commitments.

Investments are stated at fair value. The change in fair value of investments is recognized as an increase or decrease to investment assets and investment income.

The County follows Colorado statutes specifying specific investment instruments meeting defined rating criteria in which local governments may invest, which 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
- Banker's acceptances of certain banks
- Commercial paper
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market mutual funds
- Guaranteed investment contract
- Local government investment pools

2. Receivables

Receivables are reported net of an allowance for uncollectible accounts, whenever applicable.

3. Property Taxes

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

4. Interfund Receivables and Payables

Balances at year-end between funds are reported as “due to / from other funds” in the fund financial statements. Any residual balances not eliminated between the governmental and business-type activities are reported as “internal balances” in the government-wide financial statements.

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts (continued)

5. Inventories

Inventories are carried at cost. The Internal Service Fund I inventory includes gravel held for County use. The cost value of such inventory is recorded as an expenditure at the time of use.

6. Prepaid Expenses

Payments made to vendors for services that will benefit periods beyond December 31, 2016 are recorded as prepaid expenses.

7. Capital Assets

Capital assets, which include land, buildings, building improvements, equipment, and vehicles, are reported in the applicable governmental columns in the government-wide financial statements. Capital assets are defined by the County as assets with an initial cost of $4,000 or more and an estimated useful life in excess of two years for all assets other than equipment. Such assets are recorded at historical cost. Donated capital assets are recorded at estimated fair 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 asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Capital outlay for projects is capitalized as projects are constructed. Interest incurred during the construction phase is capitalized as part of the value of the assets constructed in the business-type activities.

Infrastructure, buildings, and equipment are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Infrastructure	15 - 30
Buildings and improvements	15 - 40
Machinery and equipment	3 - 10
Vehicles	10

The book value of property and equipment transferred to the City of Gunnison for additional capacity at their wastewater treatment facility are being amortized on the straight-line method over a period of twenty-five (25) years. The term of the agreement is indefinite and does not include treatment costs.

8. Unavailable Property Taxes

Property taxes in the State of Colorado are assessed in one year as a lien on the property, but not collected by the governmental units until the subsequent year. In accordance with generally accepted accounting principles, the assessed but uncollected property taxes have been recorded in the accompanying financial statements as a receivable and as deferred inflow of resources.

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts (continued)

9. Compensated Absences

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

10. Recognition of Grant Revenue

Where the expenditure of funds is the prime factor for determining eligibility for grant funds, revenue is recognized at the time the expenditure is incurred.

11. Bond Premiums and Discounts

On the government-wide Statement of Net Position and the proprietary fund type Statement of Net Position, bond premiums and discounts are netted with the related bond. On the government-wide and proprietary fund type Statement of Activities, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. At the governmental fund reporting level, bond premiums and discounts are reported as other financing sources and uses, separately from the face amount of the bonds issued.

12. Fund Equity

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

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

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts (continued)

12. Fund Equity (continued)

Net Position - Net position represent the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. This net position amount also is adjusted by any bond issuance deferred amounts. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net position is reported as unrestricted.

The County applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

13. Deferred Outflows and Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The County has no items that qualify for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has only one item that qualifies for reporting in this category. Accordingly, unavailable property tax revenue is deferred and recognized as an inflow of resources in the period that the amounts become available and earned.

14. Interfund Transactions

Quasi-external (i.e., internal service fund) transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers.

I. Summary of Significant Accounting Policies (continued)

E. Significant Accounting Policies

1. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

2. Legal Provisions and Authorization of Deposits

As previously noted, the County is governed by state statutes as to the type of institutions and investments with which it may deposit funds and transact business.

Cash and investments include amounts in demand deposits as well as investments. The funds of the County are invested by the County Treasurer. The County Treasurer accounts for the transactions of each individual fund of the County and maintains a separate ledger for each County fund and all other governments and agencies within the County for which the County Treasurer collects and disburses funds.

The cash and investments of the County's component units are invested by each entity within the guidelines set forth by their respective Boards of Trustees.

II. Reconciliation of Government-wide and Fund Financial Statements

A. Explanation of Certain Differences between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position

The governmental fund Balance Sheet includes a reconciliation (Page C4) between *fund balance – total governmental funds* and *net position of governmental activities* as reported in the government-wide Statement of Net Position. One element of that reconciliation explains that “Internal Service Funds are used by management to charge the costs of the motor pool, equipment costs and health insurance to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Position. This represents the net equity of the internal service funds less the fixed assets.”

B. Explanation of Certain Differences between the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balance and the Government-wide Statement of Activities

The governmental fund Statement of Revenues, Expenditures and Changes in Fund Balance includes a reconciliation (Page C6) between *Net Changes in Fund Balances* and *Changes in Net Position* as reported in the government-wide Statement of Activities. One element of that reconciliation explains that “Internal Service Funds are used by management to charge the costs of the motor pool, equipment costs and health insurance to individual funds. The revenues and expenditures of the internal service funds are included in the governmental activities in the Statement of Activities. This represents the net revenues and expenditures of the internal service funds less the depreciation on fixed assets.”

III. Stewardship, Compliance, and Accountability

A. Legal Compliance - Budgets

Property taxes become a lien on the property as of January 1 of the year assessed. Taxes levied in one year are collected in the succeeding year. Thus taxes certified in 2015 were collected in 2016 and taxes certified in 2016 will be collected in 2017. Taxes are due on January 1st in the year of collection; however, they may be paid in either one installment (no later than April 30th) or two equal installments (not later than February 28 and June 15th) without interest or penalty. Taxes which are not paid within the prescribed time bear interest at the rate of one percent (1%) per month until paid. Unpaid amounts and the accrued interest thereon become delinquent on June 15th. Expenditures may not legally exceed budgeted appropriations at the fund level. During the year, supplementary appropriations were necessary. Appropriations lapse at the end of each calendar year.

B. Budgetary Information

As required by Colorado statutes, the County follows these procedures in establishing the budgetary data reflected in the financial statements.

(1) For the 2016 budget, prior to August 25, 2015, the County Assessor sent to the County Finance Director a certified assessed valuation of all taxable property within the County.

(2) Based on this assessed valuation, the County Finance Director computed a rate of levy which when levied would raise the amounts, along with other revenues, necessary to fund the County operating requirements. The levy rate and proposed budget was submitted to the County Commissioners before December 22.

(3) Notice was published within ten (10) days which contained: availability of proposed budget for public inspection, date and time of budget adoption meeting, and that any County taxpayer may file objection prior to adoption of the budget.

(4) The final budget and appropriating resolution was adopted prior to December 31.

(5) After adoption of the budget resolution, the County may make by resolution the following changes: (i) supplemental appropriations to the extent of revenues in excess of the estimated in the budget; (ii) emergency appropriations; and (iii) reduction of appropriations for which originally estimated revenues are insufficient. At any time during the year, the County may, by resolution, transfer part of all of any unexpended funds from one department or fund to another.

III. Stewardship, Compliance, and Accountability (continued)

B. Budgetary Information (continued)

Supplemental appropriations for the County during 2016 resulted in the budget amendments as follows:

	Original Budget	Budget Amendments	Final Budget
General Fund	$ 14,279,625	(13,792)	14,265,833
Road & Bridge	5,871,129	521,000	6,392,129
Human Services	4,343,052	9,857	4,352,909
Sales Tax Capital Improvement	1,745,287	403,706	2,148,993
Airport Construction	838,167	5,040,241	5,878,408
Capital Expenditures	289,863	(6,000)	283,863
Conservation Trust	71,540	25,000	96,540
Public Health	668,109	179,466	847,575
Mosquito Control	91,025	400	91,425
Housing Authority Administration	65,275	16,658	81,933
Airport Operations	1,264,163	32,300	1,296,463
Sewer	534,471	1	534,472
Water	357,087	130,247	487,334
Solid Waste	1,450,764	880,230	2,330,994
Mountain View	222,272	64,468	286,740
ISF-I	2,504,442	203,000	2,707,442
ISF-III	2,814,983	363,000	3,177,983

C. Possible Violations of State Statutes - Budgets

The following fund(s) had expenditures over budget; this may be a violation of Colorado state statutes:

	Final Budget	Actual	(Over) Budget
Risk Management	$ 82,300	181,784	(99,484)

D. TABOR Amendment – Revenue and Spending Limitation Amendment

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

III. Stewardship, Compliance, and Accountability (continued)

D. TABOR Amendment – Revenue and Spending Limitation Amendment (continued)

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

TABOR also requires local governments to establish emergency reserves to be used for declared emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. These reserves are required to be 3% or more of fiscal year spending (excluding bonded debt service). The County has reserved year-end fund balance in the General Fund for emergencies as required under Tabor in the amount of $659,000.

The initial base for local government spending and revenue limits is December 31, 1992. Future spending and revenue limits are determined based on the prior year's fiscal year spending adjusted for inflation in the prior calendar year plus annual local growth. Fiscal year spending is generally defined as expenditures and reserve increases with certain exceptions. Revenue, if any, in excess of the fiscal year spending limit must be refunded in the next fiscal year unless voters approve retention of such revenue.

On November 5, 1996, the County's electorate approved the following ballot question:

> *"May Gunnison County, without any increase in County rates and without exceeding the property tax revenue limit, keep and spend for County services and capital expenditures, in 1996 and each year thereafter, any excess revenues from grants, fees, interest, sales tax, and all other revenue sources without being limited by the restrictions of Article X, Section 20 of the Colorado Constitution (commonly known as Amendment 1 and/or the "Tabor Amendment")".*

On November 7, 2000 the County's electorate approved the following ballot question:

> *"May Gunnison County be authorized to collect, keep, and expend all revenues it receives from its property tax levy in 2001 and each year thereafter as a revenue change pursuant to Article X, Section 20 of the Colorado Constitution provided that nothing in this question authorizes the County to increase its permanent rate of levy without prior voter approval".*

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

E. Deficit Fund Balance and Net Position

The Landfill Operations Fund and Gunnison County Housing Authority Mountain View Fund, and had a deficit net position at December 31, 2016 of $6,280, $414,379, respectively. The Public Health Fund had a deficit fund balance at December 31, 2016 of $7,484

IV. Detailed Notes on All Funds

A. Deposits and Investments

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

	Standard & Poors Rating	Carrying Amounts	Less than one year	Less than five years
Deposits:				
Cash on hand	*Not Rated*	$ 162,760	162,760	-
Checking	*Not Rated*	3,533,597	3,533,597	-
Savings	*Not Rated*	4,149,342	4,149,342	-
Certificates of deposit	*Not Rated*	11,292,788	2,872,225	8,420,563
Investments:				
Pools	*AAAm*	1,798,624	1,798,624	-
Agencies - FHLB	*AA+*	1,520,620	-	1,520,620
Agencies - FFCB	*AA+*	1,219,901	-	1,219,901
Agencies - FHLMC	*AA+*	1,480,747	-	1,480,747
Agencies - FNMA	*AA+*	875,244	-	875,244
Treasuries	*AA+*	484,845	-	484,845
Deposits held by Trustee	*Not Rated*	1,522,146	1,522,146	-
Total		$ 28,040,614	14,038,694	14,001,920

Reconciliation to Statement of Net Position:	
Cash and cash equivalents - Unrestricted	$ 21,332,040
Cash and cash equivalents - Restricted	3,335,957
Fiduciary Funds	3,372,617
Total	$ 28,040,614

The Investment Pool represents investments in COLOTRUST and CSAFE which are 2a7-like pools. The fair value of the pool is determined by the pool's share price. The County has no regulatory oversight for the pool.

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

IV. Detailed Notes on All Funds (continued)

A. Deposits and Investments (continued)

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

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

Restricted Cash and Investments. At December 31, 2016, the County had restricted the following cash and investments:

Purpose	Total	Fund
Water Resource Protection	$ 88,062	General
Workforce Impact Fees	681,066	General
Courthouse Renovation	76,197	General
2010 Certificates of Participation - Interest Subsidy	145,583	Debt Service
2010 Certificates of Participation - Bond Reserve Fund	1,345,622	Capital Expend.
2005 & 2006 N. Gunnison Revenue Bonds - Bond Reserve Funds	96,160	Sewer
2013 Antelope Hills - Bond Reserve Fund	35,680	Water
Landfill Closure and Post-closure	825,518	Solid Waste
Replacement Reserve	42,069	Mountain View
	$ 3,335,957	

Fair Value of Investments

The County measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- *Level 1:* Quoted prices for identical investments in active markets;
- *Level 2:* Observable inputs other than quoted market prices; and,
- *Level 3:* Unobservable inputs.

IV. Detailed Notes on All Funds (continued)

A. Deposits and Investments (continued)

Fair Value of Investments (continued)

At December 31, 2016, the County had the following recurring fair value measurements:

Investments Measured at Fair Value	12/31/16	Fair Value Measurements Using Level 1	Level 2	Level 3
Debt Securities:				
U.S. Treasurery	$ 484,845	484,845	-	-
U.S. Agencies	5,096,512	5,096,512	-	-
Negotiable certificates of deposit	8,616,727	-	8,616,727	-
U.S. Fund Money Market	1,491,209	-	1,491,209	-
Total	$ 15,689,293	5,581,357	10,107,936	-

Investments Measured at Net Asset Value	12/31/16
Investment Pools:	
Colotrust Plus	$ 308,369
C-Safe	1,490,254
Total	$ 1,798,624

Debt and equity securities classified in Level 1 are valued using prices quoted in active markets for those securities. Negotiable certificates of deposits and money market funds in Level 2 are valued using the following approaches:

- Negotiable Certificates of Deposit: matrix pricing based on the certificate of deposit's relationship to benchmark quoted prices;
- Money Market Funds: published fair value per share (unit) for each fund.

B. Component Unit - Gunnison Valley Hospital and Gunnison Health Care Center Deposits and Investments

At December 31, 2016, the Gunnison Valley Hospital and Gunnison Health Care Center's cash deposits had a bank balance of $6,550,495.

Gunnison Valley Hospital and Gunnison Health Care Center's may legally invest in direct obligations of and other obligations guaranteed as to principal by the U.S. Treasury and U.S. agencies and instrumentalities and in-bank repurchase agreements. It may also invest to a limited extent in corporate bonds and equity securities.

IV. Detailed Notes on All Funds (continued)

B. Component Unit - Gunnison Valley Hospital and Gunnison Health Care Center Deposits and Investments (continued)

At December 31, 2016, the Gunnison Valley Hospital and Gunnison Health Care Center had the following investments and maturities:

	Carrying Amounts	Less than one year	1 - 5 years	6 - 10 years	More than 10 years
Deposits	$ 5,454,589	5,454,589	-		
Investments:					
Cash and cash equivalents	48,550	48,550	-	-	-
Money markets	8,650,456	8,650,456	-	-	-
Mutual funds	258,914	258,914	-	-	-
Certificates of deposit	78,606	-	78,606	-	-
Municipal bonds	4,340,204	753,458	3,586,746	-	-
Corporate bonds	4,812,049	992,080	3,771,681	21,253	27,035
Equities	1,025,823	1,025,823	-	-	-
Government fixed income	11,095,531	2,645,350	8,358,095	-	92,086
Total	$ 35,764,722	19,829,220	15,795,128	21,253	119,121

Reconciliation to Statement of Net Position:	
Cash and cash equivalents - Unrestricted	$ 5,350,945
Cash and cash equivalents - Restricted	30,413,777
Total	$ 35,764,722

At December 31, 2016, the Gunnison Valley Hospital and Gunnison Health Care Center had the following recurring fair value measurements:

Investments Measured at Fair Value	12/31/16	Fair Value Measurements Using Level 1	Level 2	Level 3
Mutual funds	$ 258,914	258,914	-	-
Certificates of deposit	78,606	78,606	-	-
Municipal bonds	4,340,204	-	4,340,204	-
Corporate bonds	4,812,049	-	4,812,049	-
Equities	1,025,823	1,025,823	-	-
Government fixed income	11,095,531	11,095,531	-	-
Total	$ 21,352,213	12,199,960	9,152,253	-

IV. Detailed Notes on All Funds (continued)

C. Receivables

Receivables as of year-end for the County's funds are as follows:

	General	Road & Bridge	Human Services	Sales Tax Capital Improvement
Receivables:				
Taxes	$ 7,873,285	-	303,335	-
Accounts	-	7,710	-	-
Other	159,300	332	893	-
Intergovernmental	378,489	880,697	142,345	451,031
Allowance for doubtful accts	-	-	-	-
Total receivables	$ 8,411,074	888,739	446,573	451,031

	Airport Construction	Capital Expenditures	Non-major Governmental	Total
Receivables:				
Taxes	$ -	-	-	8,176,620
Accounts	-	-	-	7,710
Other	8,462	-	22,108	191,095
Intergovernmental	694,056	-	343,382	2,890,000
Allowance for doubtful accts	-	-	-	-
Total receivables	$ 702,518	-	365,490	11,265,425

	Airport Operations	Sewer	Water	Landfill Operations
Receivables:				
Accounts	$ 145,246	51,792	186	90,761
Other	7,723	-	66,211	31,318
Intergovernmental	2,619	-	-	38,648
Allowance for doubtful accts	-	-	-	-
Total receivables	$ 155,588	51,792	66,397	160,727

	Assisted Living	Mountain View	Internal Service Funds	Total
Receivables:				
Accounts	$ -	-	3,901	291,886
Other	-	34,427	4,091	143,770
Intergovernmental	-	-	48,000	89,267
Allowance for doubtful accts	-	-	-	-
Total receivables	$ -	34,427	55,992	524,923

Governmental funds report *unavailable property tax revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Deferred inflows of resources include property taxes levied in 2016 but not available until 2017. Governments also defer revenue recognition in connection with funds that have been received, but not yet earned.

IV. Detailed Notes on All Funds (continued)

D. Capital Assets

Capital asset activity for the year ended December 31, 2016 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	$ 1,333,832	-	-	1,333,832
Construction in progress	329,057	-	(75,858)	253,199
Total capital assets, not being depreciated	1,662,889	-	(75,858)	1,587,031
Capital assets, being depreciated:				
Infrastructure	23,336,222	852,597	-	24,188,819
Improvements	1,481,079	23,558	-	1,504,637
Buildings	45,947,578	154,417	-	46,101,995
Equipment	14,261,212	679,265	(596,210)	14,344,267
Total capital assets being depreciated	85,026,091	1,709,837	(596,210)	86,139,718
Less accumulated depreciation for:				
Infrastructure	(13,528,604)	(1,430,404)	-	(14,959,008)
Improvements	(618,455)	(93,899)	-	(712,354)
Buildings	(5,900,444)	(1,147,662)	-	(7,048,106)
Equipment	(11,654,488)	(616,823)	580,850	(11,690,461)
Total accumulated depreciation	(31,701,991)	(3,288,788)	580,850	(34,409,929)
Total capital assets being depreciated, net	53,324,100	(1,578,951)	(15,360)	51,729,789
Governmental activities capital assets, net	$ 54,986,989	(1,578,951)	(91,218)	53,316,820
Business-type activities:				
Capital assets, not being depreciated:				
Land	$ 11,332,117	-	-	11,332,117
Construction in progress	1,746,144	1,574,899	-	3,321,043
Total capital assets not being depreciated	13,078,261	1,574,899	-	14,653,160
Capital assets, being depreciated:				
Improvements	28,695,760	-	-	28,695,760
Buildings	10,610,321	-	-	10,610,321
Utility treatment transmission systems	16,698,563	105,598	-	16,804,161
Equipment	4,388,968	38,506	-	4,427,474
Total capital assets being depreciated	60,393,612	144,104	-	60,537,716
Less accumulated depreciation for:				
Improvements	(14,503,320)	(1,382,352)	-	(15,885,672)
Buildings	(5,035,841)	(307,887)	-	(5,343,728)
Utility treatment transmission systems	(9,510,973)	(612,676)	-	(10,123,649)
Equipment	(3,081,344)	(249,421)	-	(3,330,765)
Total accumulated depreciation	(32,131,478)	(2,552,336)	-	(34,683,814)
Total capital assets being depreciated, net	28,262,134	(2,408,232)	-	25,853,902
Business-type activities capital assets, net	$ 41,340,395	(833,333)	-	40,507,062

IV. Detailed Notes on All Funds (continued)

D. Capital Assets (continued)

The County had the following depreciation expense for the following functions:

Governmental Activities:	
General government	$ 768,958
Public safety	356,666
Health and welfare	79,203
Culture and recreation	86,282
Public works	1,997,679
Total Governmental Activities	$ 3,288,788
Business-type Activities:	
Airport	$ 1,785,261
Sewer	244,724
Water	399,484
Landfill	22,367
Housing	100,500
Total Business-type Activities	$ 2,552,336

E. Component Unit - Gunnison Valley Hospital and Health Care Center - Capital Assets

Capital assets consist of the following at December 31, 2016:

	Beginning Balance	Additions	Deletions	Ending Balance
Land and improvements	$ 911,194	-	-	911,194
Building leasehold improvements	23,446,824	222,666	-	23,669,490
Equipment	13,462,516	1,548,120	(776,190)	14,234,446
Construction in progress	155,085	1,329,630	(417,782)	1,066,933
Total property and equipment	37,975,619	3,100,416	(1,193,972)	39,882,063
Less: accumulated depreciation	(20,027,794)	(1,557,822)	744,513	(20,841,103)
Capital assets, net	$ 17,947,825	1,542,594	(449,459)	19,040,960

Capital assets are depreciated on a straight-line basis over the estimated useful lives of each asset. Assets under capital lease obligations are depreciated over the shorter of the lease term or their respective estimated useful lives.

IV. Detailed Notes on All Funds (continued)

F. Interfund Transfers, Receivables, and Payables (continued)

Interfund balances at December 31, 2016, consisted of the following amounts and represent charges for services or reimbursable expenses. These remaining balances resulted from the time lag between the dates that (1) interfund goods or services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting period, and (3) payments between funds are made. The County expects to repay all interfund balances within one year.

Transfers are used to 1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, 2) move unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, and, 3) provide additional resources for current operations or debt service.

The following represents interfund balances and transfers at December 31, 2016. All amounts presented below are owed to / received from or transferred through the County Treasurer Agency Fund.

	Due from County	Due to County	Transfer in	Transfer (out)
General Fund	$ 147,087	-	801,731	(826,807)
Road and Bridge Fund	-	217,177	274,131	(263,343)
Human Services Fund	-	76,907	-	(94,524)
Sales Tax Capital Improvements Fund	42,805	-	-	(1,525,889)
Capital Expenditures	-	17	138,575	(33,000)
Non-major Governmental Funds	14,978	71,931	1,941,254	(314,152)
Airport Operations	18,470	-	200,000	(76,284)
Sewer Fund	-	216,916	-	(50,752)
Water Fund	188,497	-	61,216	(20,928)
Landfill operations	-	52,523	-	(62,796)
Mountain View	-	5,909	-	-
Internal Service Funds	233,598	4,055	11,000	(159,432)
	$ 645,435	645,435	3,427,907	(3,427,907)

G. Operating Leases

The government is committed under various leases for buildings, office space and data processing equipment. These leases are considered, for accounting purposes, to be operating leases.

IV. Detailed Notes on All Funds (continued)

H. Long-term Liabilities – Governmental Activities

1. Pitchfork Property Loan

On December 28, 2001, the County signed an agreement with Colorado Housing Authority for the purchase of land to be resold to local families to provide affordable housing. The original agreement financed $63,173, with repayment to occur by December 31, 2005. On December 1, 2005, there was a modification to this agreement which refinanced $30,665. New terms require monthly payments of $211, and provides for interest at 4.00%. The agreement maturity date is July 30, 2023.

2. Airport Construction Loan

On October 20, 2009, the County signed a loan agreement for a Broom Truck. The loan totaled $188,238 and requires annual payments each July of $23,627. The loan carries and interest rate of 4.60% and matures on July 15, 2019.

3. 2010 Taxable Certificates of Participation (Series B)

On September 2, 2010, the County issued $17,270,000 in Certificates of Participation with interest ranging from 2.25% to 6.125%. The net proceeds of $17,022,464 (after payment of $247,536 in underwriting fees and other issuance costs) were deposited with a Trustee to provide for construction of a public safety center and public works facility. The Certificates of Participation are paid through a lease purchase agreement with the County. The lease is subject to annual appropriation. The issue requires semi-annual payment on January 1st and July 1st from $202,500 to $487,500 until December 1, 2040.

These certificates are Qualified Build America Bonds, which indicates the certificates are not tax-exempt. Under the Build America Program, the County may apply for interest cost subsidies from the federal government. Such subsidies will be used by the County to pay debt service on these certificates. During the fiscal year ended December 31, 2016, the County recognized revenue of $295,529 related to this subsidy.

These certificates are secured by a Reserve Fund. In accordance with certificates indentures, the County has restricted cash and net position, less retainage payable, equal to $1,345,622 at December 31, 2016

These 2010B certificates are subject to redemption prior to maturity at the option of the County at par plus accrued interest without a redemption premium.

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IV. Detailed Notes on All Funds (continued)

H. Long-term Liabilities – Governmental Activities (continued)

4. 2010 Energy Improvement Lease

On August 1, 2010, the County entered into lease purchase agreements for the purchase and construction of various building improvements throughout the County. The purchased assets included heating, lighting, and air-conditioning controls at a cost of $1,168,919. The lease agreements provide for a reduction of payments if certain budgeted energy savings are not realized. A portion of the debt has been recorded on the Airport Operations Fund and the Housing Authority Fund with the remaining amount included in the Government-wide Statement of Net Position – Governmental Activities column. The lease purchase has a ten year term. Semi-annual payments are required on February 1 and August 1 of each year through August 1, 2020.

5. 2013 Certificates of Participation

On December 30, 2013, the County issued $9,710,000 in Certificates of Participation with interest ranging from 2.00% to 5.25%. The net proceeds of $9,999,100 (which include an original issue premium of $289,100 and after payment of $168,125 in underwriting fees and other issuance costs) were deposited with a Trustee to be used to construct, renovate and equip a new, state-of-the art County courthouse and administrative office building, and landscaping and parking development. The Certificates of Participation are paid through a lease purchase agreement with the County. The lease is subject to annual appropriation. The issue requires semi-annual payment on June 1st and December 1st from $255,000 to $635,000 until December 1, 2038.

The certificates maturing on and after December 1, 2014, are subject to optional redemption prior to maturity at the option of the County, on December 1, 2013, at par plus accrued interest without a redemption premium.

The certificates maturing on December 1, 2038 are subject to mandatory sinking fund redemption at par, plus accrued interest to redemption date.

I. Long-term Liabilities – Business-type Activities

1. Impact Assistance Loan Funds - Somerset

During the year ended December 31, 2003, the County received $100,000 from the Colorado Department of Local Affairs for the assistance financing the installation of a new water treatment system for the community of Somerset, Colorado. The loan is payable in 20 annual installments of $8,024, including interest at the rate of 5% per annum, beginning September 1, 2004.

The County levies the necessary charges, fees and assessments to raise revenues for repayment of the loan as well as for operational and maintenance costs of the wastewater treatment facilities.

IV. Detailed Notes on All Funds (continued)

I. Long-term Liabilities – Business-type Activities (continued)

2. Antelope Hills Water Line Extension Loan

In 2012, the County received interim financing to cover the costs of the Antelope Hills water line extension project. Funds received during the year totaled $808,147 and are due in full when the County receives additional funding for the project from the USDA. The loan carries an interest rate of 2.5% and has no set maturity. During 2013, the County drew down additional funds totaling $283,654 before the interim loan was repaid in full from the proceeds of the permanent financing – the Antelope Hills Water Taxable Revenue Bonds (2013).

3. 2013 Antelope Hills Water Taxable Revenue Bonds (U.S.D.A)

The County issued $1,154,230 of Taxable Revenue Bonds, on September 13, 2013, bearing interest at 2.125%. The bonds require quarterly payments of $10,735 each March 18th, June 18th, September 18th, and December 18th. The bonds are subject to optional redemption. The bonds mature in 2053.

As special, limited obligations of the County, principal and interest on the bonds are payable solely from Net Pledge Revenues; as defined in the bond documents. Such net revenue includes income from operation and use of the system and other legally available revenue after the payment of operation and maintenance expense of the system.

The County is also required to establish a debt reserve account (with the County Treasurer) by depositing $567 each month for the life of bond. The reserve account totaled $35,680 at December 31, 2016.

The bond documents include a Rate Maintenance Covenant, which requires the County to establish service rates at a level sufficient to cover operating and maintenance expense, as well as 100% of each fiscal year's debt service requirements.

4. Mineral Impact Loan

On November 4, 2004 the County took out a mineral impact loan with the Colorado Department of Local Affairs for $200,000. The loan is financed by the Sewer Fund and the proceeds were used for the North Gunnison County sewer reconstruction project. The loan requires payments totaling $19,108 annually through 2019 with a 5% interest rate.

5. 2005 & 2006 Sewer Refunding and Improvement Revenue Bonds (U.S.D.A)

The County issued $1,519,270 of Gunnison County Sewer Fund, North Gunnison Sewer Project Refunding Bonds, on October 15, 2005, bearing interest at 4.25%. The bonds require semi-annual payments of $39,669 each June 1 and December 1. The bonds are subject to optional redemption without any additional premium. The bonds mature in 2044.

In 2006 the County issued and additional revenue bond totaling $322,000 with an interest rate of 4.25%. The Bonds require payments of $8,408 and mature in 2046.

IV. Detailed Notes on All Funds (continued)

I. Long-term Liabilities – Business-type Activities (continued)

5. 2005 & 2006 Sewer Refunding and Improvement Revenue Bonds (U.S.D.A) (continued)

These bonds are secured by a Reserve Fund. In accordance with bond agreement, the County has restricted cash of $96,160 at December 31, 2016.

The bond documents include a Rate Maintenance Covenant, which requires the County to establish service rates at a level sufficient to cover operating and maintenance expense, as well as 100% of each fiscal year's debt service requirements.

6. Gunnison County Housing Authority

Primary Mortgage. In 2003 the Housing Authority, a blended component unit of the County, agreed to a mortgage, which is subject to a first deed of trust including a lien on, and pledge of, the gross revenues derived and to be derived from operation of the Mountain View housing project, payable to the Colorado Housing Finance Authority in the amount of $528,100. The loan requires $3,082 per month, including interest at 5.75%, with payment on October 1, 2033. The County had an outstanding balance of $397,681 at December 31, 2016.

Surplus Cash. During the year ended December 31, 2003, the Housing Authority received $378,864 from the Secretary of Housing and Urban Development, Washington D.C. evidenced by a Note Payable and secured by the Mountain View Apartments. The maturity date of the Note is November 1, 2033 with an interest rate of 1.0% per annum, to accrue on the original principal balance until maturity. The County had an outstanding balance of $378,864 at December 31, 2016. The Authority is required to establish a reserve fund to accumulate funds at a rate of $425 per month for the replacement and major maintenance costs.

Contingent Payable. During the year ended December 31, 2003, the Housing Authority received $624,011 from the Secretary of Housing and Urban Development, Washington D.C., evidenced by a Note Payable and secured by the Mountain View Apartments. The maturity date of the Note is November 1, 2033 with an interest rate of 1.0% per annum, annually, on the unpaid principal balance until paid. The County had an outstanding balance of $266,497 at December 31, 2016.

IV. Detailed Notes on All Funds (continued)

I. Long-term Liabilities – Business-type Activities (continued)

7. Landfill Closure and Post-Closure Liability

In accordance with EPA requirements the County has conducted a study to estimate its liability to close the landfill and monitor it for thirty years thereafter. These costs are reflected as the landfill accepts waste. The County's landfill has used 84% to date of the currently developed cell's capacity and has 10 years left on its currently developed cell. Additional cells will be opened as needed. The landfill liability recorded at year end is $1,239,204. The estimated total current cost of closure and post-closure care remaining to be recognized is $234,210. The estimated total amount of the landfill closure and post-closure cost is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfill were acquired as of December 31, 2016. However, the actual cost of closure and post-closure may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

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

J. Long-term Liabilities - Compensated Absences

The County has a policy of allowing the accumulation of paid vacation and sick leave, subject to certain maximum limits. In accordance with GAAP, the County's approximate liability for vacation pay earned by employees at December 31, 2016 has been reflected in the proprietary type fund financial statements and in the governmental activities column of the government-wide financial statements. Compensated absences for governmental activities are generally liquidated by the General Fund.

IV. Detailed Notes on All Funds (continued)

K. Long-term Liabilities – Activity and Debt Service Schedules

Long-term liability activity for the year ended December 31, 2016 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Internal Service Fund:					
Compensated Absences	$ 71,794	3,273	-	75,067	30,026
Other Governmental Debt:					
Pitchfork Loan	16,576	-	(1,898)	14,678	1,975
Airport Construction	84,563	-	(19,737)	64,826	20,645
Certificates of Participation - 2010	16,040,000	-	(425,000)	15,615,000	430,000
Energy Improvement Lease - 2010	639,300	-	(118,419)	520,881	122,962
Certificates of Participation - 2013	9,180,000	-	(260,000)	8,920,000	265,000
Unamortized bond premiums	233,147	-	(17,621)	215,526	-
Compensated Absences	1,196,524	80,783	-	1,277,307	510,923
Total Governmental Activities Long-term Liabilities	$ 27,461,904	84,056	(842,675)	26,703,285	1,381,531
Business-type Activities:					
Impact Assistance Loan Funds - Water	$ 49,276	-	(5,155)	44,121	5,815
DOLA Mineral Impact Loan	67,756	-	(15,720)	52,036	16,506
North Gunnison Sewer Revenue Bond - 2005	1,304,506	-	(24,211)	1,280,295	24,693
North Gunnison Sewer Revenue Bond - 2006	284,347	-	(4,719)	279,628	4,921
Antelope Hills Water Revenue Bonds - 2013	1,112,459	-	(19,849)	1,092,610	19,849
Gunnison County Housing Authority:					
Mortgage - Primary Mortgage	412,472	-	(14,791)	397,681	14,458
Mortgage - Surplus Cash	330,589	-	(64,092)	266,497	-
Mortgage - Contingent Payable	378,864	-	-	378,864	-
Note Payable - Palisades Living Center	392,603	-	(20,353)	372,250	21,535
Accrued Liability for Landfill Closure Costs	1,231,128	8,076	-	1,239,204	-
Compensated Absences	118,203	2,165	-	120,368	48,147
Total Business-type Activities Long-term Liabilities	$ 5,682,203	10,241	(168,890)	5,523,554	155,924

IV. Detailed Notes on All Funds (continued)

K. Long-term Liabilities – Activity and Debt Service Schedules (continued)

Debt service requirements at December 31, 2016 were as follows:

	Governmental Funds		Business-Type	
Dates	Principal	Interest	Principal	Interest
2017	$ 840,588	1,321,958	71,784	94,392
2018	861,329	1,296,291	74,597	91,578
2019	887,304	1,265,716	77,529	88,646
2020	889,889	1,232,204	61,480	85,589
2021	772,317	1,199,633	63,712	83,356
2022 - 2026	4,288,958	5,435,968	326,330	381,780
2027 - 2031	5,215,000	4,214,360	373,744	321,477
2032 - 2036	6,465,000	2,602,557	445,555	249,666
2037 - 2041	4,915,000	672,351	532,422	162,799
2042 - 2046	-	-	457,578	70,116
2047 - 2051	-	-	195,635	18,907
2052 - 2053	-	-	68,324	1,571
	$ 25,135,385	19,241,038	2,748,690	1,649,877

	Housing Authority		Total	
Dates	Principal	Interest	Principal	Interest
2017	35,993	37,477	948,365	1,453,828
2018	37,753	35,717	973,679	1,423,587
2019	39,601	33,869	1,004,434	1,388,231
2020	321,732	31,962	1,273,101	1,349,754
2021	18,187	18,795	854,216	1,301,784
2022 - 2026	108,367	76,544	4,723,655	5,894,292
2027 - 2031	144,373	40,538	5,733,117	4,576,374
2032 - 2036	709,286	9,984	7,619,841	2,862,206
2037 - 2041	-	-	5,447,422	835,149
2042 - 2046	-	-	457,578	70,116
2047 - 2051	-	-	195,635	18,907
2052 - 2053	-	-	68,324	1,571
	1,415,292	284,884	29,035,408	21,155,321

IV. Detailed Notes on All Funds (continued)

L. Long-term Liabilities – Component Unit

1. Hospital Revenue Bonds -

Series 2010 Revenue Bonds, remaining annual maturities of $300,000 to $480,000, through September 1, 2023, bearing interest at 65% of monthly LIBOR plus 1.95%, payable semiannually.

The Series 2010 Bonds are issued pursuant to and are secured by the Bond Resolution. The Bonds are limited obligations payable solely from the net revenues derived from operations of the Hospital and Health Care Center.

Series 2012 Revenue Refunding Bonds, remaining annual maturities of $435,000 to $595,000, through July 1, 2023, bearing interest at 2.7% payable semiannually. The Bonds were issued to advance refund the Series 1998 Bonds.

The Series 2012 Revenue Refunding Bonds are issued pursuant to and are secured by the Bond Resolution. The Bonds are limited obligations payable solely from the net revenues derived from operations of the Hospital and Health Care Center.

The indenture agreements for the Series 2010 and 2012 Revenue Bonds require that certain funds be established with the trustee. Accordingly, these funds are included as assets held by trustee for debt service in the combined statements of net position. The indenture agreement also requires the Organizations to comply with certain restrictive covenants including minimum insurance coverage, maintaining a debt-service coverage ratio of at least 1.25, have 90 days of cash on hand, and restrictions on incurrence of additional debt. Management believes the Organizations were in compliance with the restrictive covenants at December 31, 2016.

The County was required to guarantee the debt service payments in connection with the issuance of the Series 2012 Revenue Refunding Bonds as additional security for the Bond. The County was required to establish a reserve account ("County Reserve Fund") in the amount of $750,000 with CoBiz Bank. Should the County Reserve Fund be utilized to pay the debt service the County will be required to replenish the fund. The Hospital pledges to reimburse the County, on a subordinate basis to the 2010 and 2012 Bonds. As a provision of the guarantee agreement, the County Reserve Fund was reduced to $0 as of December 31, 2015.

2. Interest Rate Swap Agreement

– In connection with the Series 2010 Revenue Bonds, the Hospital entered into a interest rate swap agreement with the intention of effectively changing the Hospital's variable interest rate to a synthetic fixed rate of 4.025%. The agreement was entered into on August 27, 2010, and is scheduled to end on September 1, 2023. As of December 31, 2016, the agreement had a fair value of $(240,987). The value is calculated using the par-value method.

IV. Detailed Notes on All Funds (continued)

L. Long-term Liabilities – Component Unit (continued)

3. **Capital Lease Obligations** – The Hospital is obligated under a lease for equipment that is accounted for as a capital lease. The assets under capital leases at December 31, 2015 totaled $2,345,081, net of accumulated depreciation of $2,136,705. The capital lease entered into requires a monthly payment of $37,064, at an interest rate of 2.59%. The lease term is through May 2016.

4. **Activity and Debt Service Schedules** – The Gunnison Valley Hospital and Health Care Center have the following long-term liability activity for the year ended December 31, 2016:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Hospital revenue bonds	$ 10,375,054	-	(850,000)	9,525,054	860,000
Capital lease obligations	183,904	-	(183,904)	-	-
Total Long-term Liabilities	$ 10,558,958	-	(1,033,904)	9,525,054	860,000

Debt service requirements at December 31, 2016 were as follows:

	Revenue Bonds	
Dates	**Principal**	**Interest**
2017	$ 860,000	338,709
2018	935,000	307,596
2019	955,000	275,841
2020	975,000	243,546
2021	1,045,000	209,382
2022 - 2023	4,755,054	190,992
	$ 9,525,054	1,566,066

M. Fund Balance Disclosures

The County classifies governmental fund balances as follows:

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

Spendable Fund Balance:

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

IV. Detailed Notes on All Funds (continued)

M. Fund Balance Disclosures (continued)

Spendable Fund Balance (continued):

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

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

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

The County uses restricted amounts to be spent first when both restricted and restricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the County would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

The County does not have a formal minimum fund balance policy. However, the County's budget includes a calculation of a targeted reserve positions and the Administration calculates targets and report them annually to the Board.

IV. Detailed Notes on All Funds (continued)

M. Fund Balance Disclosures (continued)

As of December 31, 2016, fund balances are composed of the following:

	General Fund	Other Governmental Funds	Total Governmental Funds	Description
Non-spendable:				
Prepaid expenses	$ -	40,515	40,515	
Restricted:				
Emergency reserve	659,000	-	659,000	Legislative Restriction
Road and Bridge	-	2,076,486	2,076,486	Legislative Restriction
Sales Tax Capital Improvement	-	1,959,843	1,959,843	Ballot Restriction
Capital Expenditure	-	1,345,622	1,345,622	Debt Restriction
Conservation Trust	-	79,396	79,396	Legislative Restriction
Land Preservation	-	465,555	465,555	Ballot Restriction
Local Marketing District	-	1,087,750	1,087,750	Ballot Restriction
Debt Service	-	145,583	145,583	Debt Restriction
Committed:				
Water Resource Protection	88,062	-	88,062	BOCC Resolution
Workforce Impact Fees	681,066	-	681,066	BOCC Resolution
Courthouse Renovation	76,197	-	76,197	BOCC Resolution
Mosquito Control	-	10,709	10,709	BOCC Resolution
Sage Grouse	-	44,187	44,187	BOCC Resolution
Assigned:				
Human Services	-	622,971	622,971	Legislative Restriction
Airport Construction	-	49,875	49,875	General Designation
Capital Expenditure	-	975,800	975,800	General Designation
Risk Management	-	530,541	530,541	General Designation
Housing Authority Administration	-	200,733	200,733	General Designation
Unassigned				
Unassigned	3,965,578	(23,241)	3,942,337	
Total Fund Balances	$ 5,469,903	9,635,566	15,082,228	

V. Other Information

A. Pension Plans

The County is a member of the Colorado County Officials and Employees Retirement Association ("CCOERA") which offers a defined contribution pension plan 401(a), and a Section 457 deferred compensation plan. CCOERA was organized in 1966 pursuant to state statutes, and includes counties, municipalities and special districts. The 401(a) plan requires mandatory pre-tax contributions, which are established by the employer, up to a maximum of 6%.

1. Defined Contribution Pension Plan

Under a defined contribution pension plan, the benefits a participant will receive depend upon separation from employment; include the total of all employee contributions, the returns earned on investments of those contributions, and the vested percentage of the employer match.

Participation is mandatory for all regular employees who work 1040 or more hours per year and contributions begin the first day of the month after the date of employment. Eligible employees contribute three percent (3%) of their base pay which is matched by the County. The plan has a five (5) year vesting period and is distributed upon the employee's separation from employment. Participants may also voluntarily contribute up to ten percent (10%) of an employee's base pay as an after-tax contribution in the plan.

During the year, the County's required and actual contributions amounted to $294,381 which was three percent (3%) of its current year covered payroll of $9,812,710. The County's total payroll for 2016 was $8,977,724. The County's employees contributed $284,857. The County had no outstanding liabilities at December 31, 2016.

No pension provision changes occurred during the year that affected the required contributions made by the County or its employees.

2. Deferred Compensation Plan

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan provides for salary deferral, in which the County will match up to the first two percent (2%) of base pay for all employees who work 1040 or more hours per year. All employees can voluntarily contribute tax sheltered or after-tax base pay to the 457 plan up to the current year maximum amount which is determined annually by the IRS.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are to be held in trust for the exclusive benefit of the plan participants and their beneficiaries. Amounts contributed to the Deferred Compensation Plan are not available to employees until separation from employment or unforeseeable emergency. CCOERA also now offers loans on account balances above $5,000.

V. Other Information (continued)

A. Pension Plans (continued)

2. Deferred Compensation Plan (continued)

For 2016, the County contributed $153,685 to the Deferred Compensation Plan on behalf of participating employees, which represents the required 2% contribution based on 2016 covered payroll of $9,780,437. The County had no outstanding liabilities at December 31, 2016.

The County has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor. The County does not administer the plan and is not the Trustee of the plan.

B. Other Employee Benefits

1. Post Employment Health Care Benefits

All County employees covered by COBRA insurance may continue their health insurance due to a reduction in work hours or termination of employment. Employees who elect continued coverage must pay the County for premiums from the termination date of coverage and monthly thereafter. No cost to the County is recognized as employees reimburse 102% of their premium cost to the County.

2. Cafeteria Plan

The County offers a cafeteria compensation plan organized under IRS Section 125 that includes the following benefits: medical disability, accident and/or term life insurance, health expense reimbursement and child care benefits. No cost to the County is recognized as the plan is a salary reduction plan.

C. Retirement Plan - Component Unit - Gunnison Valley Hospital and Health Care Center

The Organizations participate in the Colorado County Officials and Employees Retirement Association's defined contribution plan (the "Plan"). The Hospital contributes 5% and the Center contributes 3% on behalf of the employees who participate in the Plan. Employees become eligible for the Plan after working the lesser of one year or 1,040 hours and are vested in the contributions to the Plan over a five-year period. Employer plan contributions for the years ended December 31, 2016 were $526,621 for the Hospital and $113,334 for the Center.

V. Other Information (continued)

D. Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the County carries commercial insurance.

The County mitigates risk through the following self-insurance pools and funds:

1. Colorado Counties Casualty and Property Pool

The County is exposed to various risks of loss related to property and casualty losses. The County joined together with other counties in the State of Colorado to form the Colorado Counties Casualty and Property Pool ("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 intergovernmental agreement of formation of CAPP provides that the pool will be financially self-sustaining through member contributions and additional assessments, if necessary, and the pool will purchase excess insurance through commercial companies for members' claims in excess of a specified self-insured retention, which is determined each policy year.

The County participates in CAPP's Partially Self-Funded Program whereby the County self funds a portion of its anticipated property and casualty claims.

2. Unemployment Insurance

The County has established Internal Service Funds to account for its risk associated with unemployment claims.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include amounts for claims that have been incurred but not reported (IBNRs). Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of pay-outs and other economic and social factors. The County had no liability for anticipated unemployment claims at December 31, 2016.

3. Self-Insurance Unemployment Pool

The County is designated as a Reimbursable Employer for unemployment claims. A reserve has been established to reimburse the State for unemployment claims as they arise, instead of paying unemployment tax on a quarterly basis.

4. Self-Insurance Health Insurance Pool

The County has established an internal service fund to account for partially self-funded employee health insurance costs. The County accumulates resources to pay health insurance costs, but carries a stop loss policy for individuals of $50,000 and an aggregate stop loss minimum exposure of $1,659,850 with Berkley Life and Health Insurance Company.

V. Other Information (continued)

E. Commitments and Contingencies

1. Lawsuits

The County is currently the defendant in several lawsuits. Based upon the opinion of its legal counsel, any material claims would be covered by insurance.

2. Grants

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

3. Gunnison Valley Animal Shelter Guarantee

The County was required to guarantee the debt service payments in connection with the issuance of the Gunnison Valley Animal Shelter's Loan Agreement in the amount of $220,000. The loan is for the Gunnison Valley Animal Welfare League for its animal shelter project in the Gold Basin Industrial Park on Basin Park Drive.

F. Comparative Information

Certain amounts in 215 have been reclassified to conform to the 2016 presentation

REQUIRED SUPPLEMENTARY INFORMATION

Gunnison County
COLORADO

Gunnison County, Colorado
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for the Year Ended December 31, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Taxes	8,558,350	8,558,350	8,601,662	43,312	8,146,576
Licenses and permits	315,995	315,995	553,368	237,373	458,082
Intergovernmental	1,534,397	1,639,668	1,439,236	(200,432)	2,596,943
Charges for services	1,194,646	1,194,736	1,513,419	318,683	1,391,387
Investment income	48,350	48,350	79,520	31,170	62,065
Contributions	684,141	434,141	171,157	(262,984)	228,493
Miscellaneous	131,205	131,205	183,443	52,238	163,304
Total Revenues	12,467,084	12,322,445	12,541,805	219,360	13,046,850
Expenditures:					
General government	8,144,409	8,079,912	7,242,165	837,747	7,264,439
Judicial	313,307	313,307	313,307	-	302,847
Public Safety	3,305,537	3,292,931	3,085,632	207,299	2,954,649
Health and welfare	1,084,247	900,206	833,976	66,230	878,939
Auxiliary services	251,611	287,217	253,847	33,370	222,183
Culture and recreation	395,895	435,895	296,378	139,517	699,444
Public works	168,795	195,752	194,392	1,360	177,547
Debt service	14,324	14,324	14,325	(1)	280,131
Total Expenditures	13,678,125	13,519,544	12,234,022	1,285,522	12,780,179
Excess (Deficiency) of Revenues Over Expenditures	(1,211,041)	(1,197,099)	307,783	1,504,882	266,671
Other Financing Sources (Uses):					
Transfers in	1,110,808	1,018,132	801,731	(216,401)	1,875,885
Transfers (out)	(601,500)	(746,289)	(826,807)	(80,518)	(4,489,720)
Sale of capital assets	-	-	-	-	267,374
Total Other Financing Sources (Uses)	509,308	271,843	(25,076)	(296,919)	(2,346,461)
Net Change in Fund Balances	(701,733)	(925,256)	282,707	1,207,963	(2,079,790)
Fund Balances - Beginning of Year			5,187,196		7,266,986
Fund Balances - End of Year			5,469,903		5,187,196

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

Gunnison County, Colorado
General Fund
Schedule of Revenues - Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for the Year Ended December 31, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Taxes:					
General property taxes	8,230,000	8,230,000	8,236,093	6,093	7,769,982
Specific ownership tax	300,000	300,000	346,275	46,275	337,771
Delinquent tax and interest	28,350	28,350	19,294	(9,056)	38,823
Total Taxes	8,558,350	8,558,350	8,601,662	43,312	8,146,576
Licenses and Permits:					
Liquor licenses	4,700	4,700	4,167	(533)	4,623
Building permits	190,000	190,000	291,036	101,036	254,928
Other licenses and permits	121,295	121,295	258,166	136,871	198,531
Total Licenses and Permits	315,995	315,995	553,369	237,374	458,082
Intergovernmental:					
Payment in lieu of taxes	-	-	-	-	41,022
Federal Grants	696,375	696,375	608,468	(87,907)	581,140
State Grants	790,114	895,385	797,147	(98,238)	1,823,891
Local Grants	47,908	47,908	33,621	(14,287)	150,890
Total Intergovernmental	1,534,397	1,639,668	1,439,236	(200,432)	2,596,943
Charges for Services:					
Clerk and recorder	318,000	318,000	405,767	87,767	367,122
Sheriff's fees	53,602	53,602	84,776	31,174	74,077
Treasurer's fees	630,794	630,794	757,436	126,642	724,536
Other Fees	104,150	104,150	134,375	30,225	116,537
Assessor's Fees	10,000	10,000	9,117	(883)	6,877
Public Health Fees	14,500	14,590	11,891	(2,699)	16,547
Useful Public Service	32,000	32,000	37,088	5,088	33,322
Court Fines & Fees	31,600	31,600	72,968	41,368	52,369
Total Charges for Services	1,194,646	1,194,736	1,513,418	318,682	1,391,387
Other Revenue:					
Investment income	48,350	48,350	79,520	31,170	62,065
Contributions	684,141	434,141	171,157	(262,984)	228,493
Miscellaneous	131,205	131,205	183,443	52,238	163,304
Total Other Revenue	863,696	613,696	434,120	(179,576)	453,862
Total Revenues	12,467,084	12,322,445	12,541,805	219,360	13,046,850

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

Gunnison County, Colorado
General Fund
Schedule of Expenditures - Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for the Year Ended December 31, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
General Government:					
Commissioners	933,105	939,866	733,679	206,187	677,256
Board Support	94,704	98,234	93,941	4,293	111,193
Executive Management	347,385	357,264	307,255	50,009	293,510
Public Information	106,068	106,773	84,784	21,989	75,639
Clerk	47,551	47,551	43,160	4,391	30,641
Motor Vehicle	256,622	256,622	223,197	33,425	257,099
Recording	197,213	197,213	188,709	8,504	154,309
Elections	400,960	291,334	246,524	44,810	227,818
Revenue (Treasurer)	278,320	278,320	259,830	18,490	206,930
Investments (Treasurer)	15,143	15,143	13,255	1,888	12,424
Human Resources	152,281	152,281	130,136	22,145	149,411
Wildlife Conservation	136,141	156,141	134,401	21,740	135,853
Liquor License	645,958	645,958	597,146	48,812	653,495
County Attorney	8,675	8,675	7,418	1,257	-
Facilities & Grounds	740,804	745,058	718,353	26,705	638,094
Project Services	77,247	77,247	69,776	7,471	69,472
Assessment Administration	360,789	360,789	344,181	16,608	302,139
Appraisal	510,803	510,803	499,668	11,135	491,545
Development Review	563,279	563,279	555,919	7,360	502,676
Oil and Gas Permitting	35,406	35,406	24,805	10,601	37,597
Long Range Planning and Projects	144,429	144,429	114,299	30,130	106,436
Codes & Regulations	35,317	35,317	31,310	4,007	29,282
Accounting & Auditing	432,369	432,369	394,063	38,306	391,787
Planning & Analysis	93,171	93,171	80,162	13,009	104,539
Compensated Absences	14,119	14,119	-	14,119	135,948
Weather Modification	11,040	11,040	10,000	1,040	64,937
Other General Fund Expenditures	1,499,110	1,499,110	1,319,553	179,557	1,400,269
Energy Efficiency Intiatives	6,400	6,400	16,641	(10,241)	4,140
Total General Government	8,144,409	8,079,912	7,242,165	837,747	7,264,439
Judicial:					
District Attorney	313,307	313,307	313,307	-	302,847
Total Judicial	313,307	313,307	313,307	-	302,847
Public Safety:					
Detention Services	922,938	922,938	839,346	83,592	783,060
Enforcement	616,686	616,686	525,739	90,947	469,161
Operational Support	878,134	865,528	894,736	(29,208)	866,313
Courtroom Security	50,442	50,442	38,574	11,868	56,917
Investigations	161,371	161,371	148,493	12,878	138,304
Major Incident Response	36,481	36,481	32,543	3,938	34,763
Operational Support-Detention	310,165	310,165	303,434	6,731	322,120
Education and Support	3,174	3,174	3,174	-	-
Emergency Management	67,216	67,216	61,749	5,467	58,662
Coroner	110,659	110,659	114,538	(3,879)	98,385
Youth Intervention Services	148,271	148,271	123,306	24,965	126,964
Total Public Safety	3,305,537	3,292,931	3,085,632	207,299	2,954,649
Health and Welfare:					
Substance Abuse Prevention	219,987	219,987	221,392	(1,405)	251,792
Program Support	35,229	35,229	37,730	(2,501)	39,683
Senior Resources	428,534	188,269	189,494	(1,225)	196,983
Child & Family Health	276,540	287,322	216,746	70,576	254,985
Community Health Services	-	-	-	-	1,111
Family Planning	123,957	169,399	168,614	785	134,385
Total Health and Welfare	1,084,247	900,206	833,976	66,230	878,939
Auxiliary Services:					
Alternative Services	49,302	61,908	60,113	1,795	41,312
Adult Programming	41,510	59,764	61,510	(1,746)	33,715
Youth Development	151,092	155,838	127,880	27,958	142,832
Veterans	9,707	9,707	4,344	5,363	4,324
Total Auxiliary Services	251,611	287,217	253,847	33,370	222,183
Culture and Recreation:					
Fairgrounds Management	242,251	267,251	255,956	11,295	229,972
Trails - Parks	148,837	148,837	23,331	125,506	463,339
Landfill	2,265	2,265	265	2,000	2,387
Historic Preservation	2,542	17,542	16,826	716	3,746
Total Culture and Recreation	395,895	435,895	296,378	139,517	699,444
Public Works:					
Weed Management	168,510	195,467	194,080	1,387	177,078
Other Public Works	285	285	312	(27)	469
Total Public Works	168,795	195,752	194,392	1,360	177,547
Debt Service:					
Principal	-	-	-	-	258,317
Interest	14,324	14,324	14,325	(1)	21,814
Total Debt Service	14,324	14,324	14,325	(1)	280,131
Total Expenditures	13,678,125	13,519,544	12,234,022	1,285,522	12,780,179

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

Gunnison County, Colorado
Special Revenue Funds
Road and Bridge Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for the Year Ended December 31, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Taxes:					
Specific ownership tax	170,000	170,000	190,876	20,876	181,876
Total Taxes	170,000	170,000	190,876	20,876	181,876
Intergovernmental:					
Payment in lieu of taxes	500,000	753,183	753,183	-	546,173
Local grants	500	500	4,894	4,394	1,436
Federal grants	639,216	639,216	521,041	(118,175)	85,633
State grants	50,000	50,000	50,766	766	50,285
Highway users trust fund	2,600,000	2,790,000	2,797,449	7,449	2,770,181
Forest service	-	-	160,291	160,291	435,368
Mineral leasing	360,000	400,000	400,038	38	369,291
Total Intergovernmental	4,149,716	4,632,899	4,687,662	54,763	4,258,367
Charges for Services:					
Municipalities	62,427	62,427	55,868	(6,559)	46,129
Permits	10,700	10,700	18,488	7,788	18,776
Other	20	20	7,130	7,110	388
Total Charges for Services	73,147	73,147	81,486	8,339	65,293
Other:					
Fines and forfeitures	40	40	(3,385)	(3,425)	-
Investment income	9,000	32,000	22,323	(9,677)	13,351
Miscellaneous	49,821	49,821	60,803	10,982	115,882
Total Other Revenue	58,861	81,861	79,741	(2,120)	129,233
Total Revenues	4,451,724	4,957,907	5,039,765	81,858	4,634,769
Expenditures:					
Road construction	277,867	538,867	287,459	251,408	2,125
Bridges	496,192	496,192	342,620	153,572	5,800
Winter maintenance	959,295	959,295	852,853	106,442	733,488
Operational support	521,035	521,035	436,933	84,102	436,050
Trails and park	653,062	653,062	522,777	130,285	130,971
Municipalities	91,173	91,173	81,611	9,562	68,886
Road maintenance	2,487,491	2,747,491	3,098,049	(350,558)	2,935,721
Total Expenditures	5,486,115	6,007,115	5,622,302	384,813	4,313,041
Excess (Deficiency) of Revenues Over Expenditures	(1,034,391)	(1,049,208)	(582,537)	466,671	321,728
Other Financing Sources (Uses):					
Transfers in	274,131	344,131	274,131	(70,000)	163,545
Transfers (out)	(385,014)	(385,014)	(263,343)	121,671	(296,487)
Total Other Financing Sources (Uses)	(110,883)	(40,883)	10,788	51,671	(132,942)
Net Change in Fund Balances	(1,145,274)	(1,090,091)	(571,749)	518,342	188,786
Fund Balances - Beginning of Year			2,648,235		2,459,449
Fund Balances - End of Year			2,076,486		2,648,235

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

Gunnison County, Colorado
Special Revenue Funds
Human Services Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for the Year Ended December 31, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Taxes:					
Property tax revenue	303,475	303,475	300,439	(3,036)	283,234
Delinquent tax and interest	400	400	717	317	1,482
Intergovernmental:					
EBT reimbursements	4,124,730	4,135,629	3,628,646	(506,983)	3,559,228
Other	35,000	35,000	45,305	10,305	38,915
Other:					
Investment income	-	-	5,538	5,538	-
Contributions	2,975	2,975	6,097	3,122	7,040
Miscellaneous	1,750	1,750	4,527	2,777	2,661
Total Revenues	4,468,330	4,479,229	3,991,269	(487,960)	3,892,560
Expenditures:					
Youth and family prevention services	125,392	140,249	133,210	7,039	125,732
Self-sufficiency development	238,276	238,276	208,974	29,302	216,590
Program support	663,517	663,517	666,899	(3,382)	613,050
Children and family services	943,889	938,889	904,035	34,854	804,929
Child support enforcement	83,386	83,386	83,470	(84)	82,602
Public assistance	2,152,233	2,152,233	1,849,037	303,196	1,978,778
Community health services	2,359	2,359	8,526	(6,167)	4,501
Total Expenditures	4,209,052	4,218,909	3,854,151	364,758	3,826,182
Excess (Deficiency) of Revenues Over Expenditures	259,278	260,320	137,118	(123,202)	66,378
Other Financing Sources (Uses):					
Transfers (out)	(134,000)	(134,000)	(94,524)	39,476	(49,037)
Total Other Financing Sources (Uses)	(134,000)	(134,000)	(94,524)	39,476	(49,037)
Net Change in Fund Balances	125,278	126,320	42,594	(83,726)	17,341
Fund Balances - Beginning of Year			580,377		563,036
Fund Balances - End of Year			622,971		580,377

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

Gunnison County, Colorado
Special Revenue Funds
Sales Tax Capital Improvement Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for the Year Ended December 31, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Taxes:					
Sales tax	1,734,000	1,847,000	1,885,804	38,804	1,760,697
Fines and forfeitures	6,800	6,800	7,681	881	8,965
Investment Income	5,000	5,000	8,157	3,157	7,915
Total Revenues	1,745,800	1,858,800	1,901,642	42,842	1,777,577
Expenditures:					
General Government:					
Sales tax	52,152	52,152	38,895	13,257	38,158
Energy efficiency initiatives	3,000	3,000	2,768	232	2,910
Debt Service:					
Principal	148,828	148,828	118,419	30,409	160,836
Interest	(35,442)	(35,442)	(5,033)	(30,409)	1,331
Total Expenditures	168,538	168,538	155,049	13,489	203,235
Excess (Deficiency) of Revenues Over Expenditures	1,577,262	1,690,262	1,746,593	56,331	1,574,342
Other Financing Sources (Uses):					
Transfers (out)	(1,576,749)	(1,980,455)	(1,525,889)	454,566	(1,132,249)
Total Other Financing Sources (Uses)	(1,576,749)	(1,980,455)	(1,525,889)	454,566	(1,132,249)
Net Change in Fund Balances	513	(290,193)	220,704	510,897	442,093
Fund Balances - Beginning of Year			1,739,139		1,297,046
Fund Balances - End of Year			1,959,843		1,739,139

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

SUPPLEMENTARY INFORMATION

Gunnison County, Colorado
Capital Project Funds
Airport Construction Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for the Year Ended December 31, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Intergovernmental:					
Federal grants	607,075	5,143,292	1,323,144	(3,820,148)	2,984,729
State grants	165,739	415,739	49,316	(366,423)	162,034
Charges for Services:					
Passenger facility charges	108,000	108,000	125,200	17,200	131,726
Investment Income	1,500	1,500	2,705	1,205	1,741
Total Revenues	882,314	5,668,531	1,500,365	(4,168,166)	3,280,230
Expenditures:					
Public Works	824,538	5,864,779	1,536,271	4,328,508	2,218,418
Debt Service:					
Principal	8,869	8,869	19,737	(10,868)	18,869
Interest	4,760	4,760	3,892	868	4,760
Total Expenditures	838,167	5,878,408	1,559,900	4,318,508	2,242,047
Excess (Deficiency) of Revenues Over Expenditures	44,147	(209,877)	(59,535)	150,342	1,038,183
Other Financing Sources (Uses):					
Transfers (out)	-	-	-	-	(1,082,843)
Total Other Financing Sources (Uses)	-	-	-	-	(1,082,843)
Net Change in Fund Balances	44,147	(209,877)	(59,535)	150,342	(44,660)
Fund Balances - Beginning of Year			109,410		154,070
Fund Balances - End of Year			49,875		109,410

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

Gunnison County, Colorado
Capital Projects Funds
Capital Expenditures Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for the Year Ended December 31, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Intergovernmental:					
State grants	89,863	89,863	-	(89,863)	570,125
Investment Income	100	100	(478)	(578)	6,375
Total Revenues	89,963	89,963	(478)	(90,441)	576,500
Expenditures:					
General Government:					
Ohio City town hall	90,000	90,000	-	90,000	3,525
Other capital expenditures	-	-	3	(3)	12
Public Works:					
Public works facility construction	18,463	18,463	-	18,463	-
Judicial:					
District attorney	148,400	142,400	139,235	3,165	4,366,665
Total Expenditures	256,863	250,863	139,238	111,625	4,370,202
Excess (Deficiency) of Revenues Over Expenditures	(166,900)	(160,900)	(139,716)	21,184	(3,793,702)
Other Financing Sources (Uses):					
Transfers in	36,000	161,000	138,575	(22,425)	4,056,943
Transfers (out)	(33,000)	(33,000)	(33,000)	-	(23)
Total Other Financing Sources (Uses)	3,000	128,000	105,575	(22,425)	4,056,920
Net Change in Fund Balances	(163,900)	(32,900)	(34,141)	(1,241)	263,218
Fund Balances - Beginning of Year			2,355,563		2,092,345
Fund Balances - End of Year			2,321,422		2,355,563

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

Gunnison County, Colorado
Non-major Governmental Funds
Combining Balance Sheet
For the Year Ended December 31, 2016

	Special Revenue								Debt Service	
	Conservation Trust Fund	Public Health Fund	Mosquito Control Fund	Land Preservation Fund	Sage Grouse Fund	Risk Management Fund	Gunnison County Housing Auth. Administration	Local Marketing District	Debt Service Fund	Total Non-major Governmental Funds
Assets:										
Cash and investments - Unrestricted	151,327	290	10,709	398,959	34,186	553,769	210,237	883,245	129,772	2,372,494
Cash and investments - Restricted	-	-	-	-	-	-	-	-	145,583	145,583
Accounts receivable	-	5,778	-	-	-	-	16,330	-	-	22,108
Prepaid expenses	-	-	-	-	-	40,515	-	-	-	40,515
Due from other funds	-	2,318	-	-	10,001	-	2,659	-	-	14,978
Total Assets	151,327	80,667	10,709	465,555	44,187	594,284	229,226	1,087,750	275,355	2,939,060
Liabilities, Deferred Inflow of Resources, and Fund Balances:										
Liabilities:										
Accounts payable	-	1,380	-	-	-	23,228	15,555	-	-	40,163
Unearned grant revenue	-	86,771	-	-	-	-	12,938	-	145,529	245,238
Due to other funds	71,931	-	-	-	-	-	-	-	-	71,931
Total Liabilities	71,931	88,151	-	-	-	23,228	28,493	-	145,529	357,332
Fund Balances:										
Non-spendable	-	-	-	-	-	40,515	-	-	-	40,515
Spendable:										
Restricted	79,396	-	-	465,555	-	-	-	1,087,750	145,583	1,778,284
Committed	-	-	10,709	-	44,187	-	-	-	-	54,896
Assigned	-	-	-	-	-	530,541	200,733	-	-	731,274
Unassigned	-	(7,484)	-	-	-	-	-	-	(15,757)	(23,241)
Total Fund Balances	79,396	(7,484)	10,709	465,555	44,187	571,056	200,733	1,087,750	129,826	2,581,728
Total Liabilities, Deferred Inflow of Resources, and Fund Balances	151,327	80,667	10,709	465,555	44,187	594,284	229,226	1,087,750	275,355	2,939,060

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

Gunnison County, Colorado
Non-major Governmental Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended December 31, 2016

	Special Revenue								Debt Service	
	Conservation Trust Fund	Public Health Fund	Mosquito Control Fund	Land Preservation Fund	Sage Grouse Fund	Risk Management Fund	Gunnison County Housing Auth. Administration	Local Marketing District	Debt Service Fund	Total Non-major Governmental Funds
Revenues:										
Taxes	-	23,368	60,471	399,576	-	-	-	1,723,475	-	2,206,890
Intergovernmental	62,579	424,102	15,207	-	-	-	-	-	295,529	797,417
Charges for services	-	28,568	-	-	-	-	43,731	-	-	72,299
Fines and forfeitures	-	-	-	-	-	-	-	7,804	-	7,804
Investment income	495	62	245	863	280	4,528	1,204	4,448	(399)	11,726
Contributions	-	60	-	-	-	76,122	-	-	-	76,182
Miscellaneous	-	73,976	203	-	67,960	(1,746)	16,666	-	-	157,059
Total Revenues	63,074	550,136	76,126	400,439	68,240	78,904	61,601	1,735,727	295,130	3,329,377
Expenditures:										
General government	-	-	-	-	1,682	181,784	-	1,448,886	-	1,632,352
Health and welfare	-	661,487	90,010	-	-	-	41,394	-	-	792,891
Culture and recreation	639	-	-	147,182	-	-	-	-	-	147,821
Debt service	-	-	-	-	-	-	2,738	-	2,006,238	2,008,976
Total Expenditures	639	661,487	90,010	147,182	1,682	181,784	44,132	1,448,886	2,006,238	4,582,040
Excess (Deficiency) of Revenues Over Expenditures	62,435	(111,351)	(13,884)	253,257	66,558	(102,880)	17,469	286,841	(1,711,108)	(1,252,663)
Other Financing Sources (Uses):										
Transfers in	-	214,843	15,207	-	-	-	-	-	1,711,204	1,941,254
Transfers (out)	(71,931)	(117,900)	(1,200)	-	(75,813)	-	(29,484)	(17,824)	-	(314,152)
Total Other Financing Sources (Uses)	(71,931)	96,943	14,007	-	(75,813)	-	(29,484)	(17,824)	1,711,204	1,627,102
Net Change in Fund Balances	(9,496)	(14,408)	123	253,257	(9,255)	(102,880)	(12,015)	269,017	96	374,439
Fund Balances - Beginning of Year	88,892	6,924	10,586	212,298	53,442	673,936	212,748	818,733	129,730	2,207,289
Fund Balances - End of Year	79,396	(7,484)	10,709	465,555	44,187	571,056	200,733	1,087,750	129,826	2,581,728

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

Gunnison County, Colorado
Special Revenue Funds
Conservation Trust Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for the Year Ended December 31, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Lottery proceeds	50,000	50,000	62,579	12,579	52,060
Earnings on investments	350	350	495	145	517
Total Revenues	50,350	50,350	63,074	12,724	52,577
Expenditures:					
Other	40	40	1	39	3
Treasurer's fees	500	500	638	(138)	359
Total Expenditures	540	540	639	(99)	362
Excess (Deficiency) of Revenues Over Expenditures	49,810	49,810	62,435	12,625	52,215
Other Financing Sources (Uses):					
Transfers (out)	(71,000)	(96,000)	(71,931)	24,069	(46,525)
Total Other Financing Sources (Uses)	(71,000)	(96,000)	(71,931)	24,069	(46,525)
Net Change in Fund Balances	(21,190)	(46,190)	(9,496)	36,694	5,690
Fund Balances - Beginning of Year			88,892		83,202
Fund Balances - End of Year			79,396		88,892

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

Gunnison County, Colorado
Special Revenue Funds
Public Health Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for the Year Ended December 31, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Taxes:					
Other taxes	38,000	18,000	23,368	5,368	17,511
Intergovernmental:					
State grants	284,677	409,257	384,003	(25,254)	237,135
Local grants	17,600	34,240	40,099	5,859	16,515
Charges for Services	56,000	21,000	28,568	7,568	26,577
Investment Income	-	-	62	62	-
Contributions	33,754	300	60	(240)	600
Miscellaneous	75,000	75,000	73,976	(1,024)	73,700
Total Revenues	505,031	557,797	550,136	(7,661)	372,038
Expenditures:					
Health and welfare:					
Program support	182,435	182,435	170,680	11,755	166,033
Child and family health	120,514	124,499	117,668	6,831	120,225
Community health services	247,260	422,741	373,139	49,602	196,955
Total Expenditures	550,209	729,675	661,487	68,188	483,213
Excess (Deficiency) of Revenues Over Expenditures	(45,178)	(171,878)	(111,351)	60,527	(111,175)
Other Financing Sources (Uses):					
Transfers in	272,900	272,900	214,843	(58,057)	254,500
Transfers (out)	(117,900)	(117,900)	(117,900)	-	(113,662)
Total Other Financing Sources (Uses)	155,000	155,000	96,943	(58,057)	140,838
Net Change in Fund Balances	109,822	(16,878)	(14,408)	2,470	29,663
Fund Balances - Beginning of Year			6,924		(22,739)
Fund Balances - End of Year			(7,484)		6,924

The accompanying notes are integral part of these financial statements.

Gunnison County, Colorado
Special Revenue Funds
Mosquito Control Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for the Year Ended December 31, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Taxes:					
Property tax revenue	60,576	60,576	60,574	(2)	59,396
Delinquent tax and interest	-	-	(103)	(103)	(76)
Intergovernmental:					
Local grants	15,207	15,207	15,207	-	14,906
Investment income	150	150	245	95	156
Miscellaneous	250	250	203	(47)	202
Total Revenues	76,183	76,183	76,126	(57)	74,584
Expenditures:					
Operations	89,825	90,225	90,010	215	88,239
Total Expenditures	89,825	90,225	90,010	215	88,239
Excess (Deficiency) of Revenues Over Expenditures	(13,642)	(14,042)	(13,884)	158	(13,655)
Other Financing Sources (Uses):					
Transfers in	15,207	15,207	15,207	-	14,906
Transfers (out)	(1,200)	(1,200)	(1,200)	-	(1,113)
Total Other Financing Sources (Uses)	14,007	14,007	14,007	-	13,793
Net Change in Fund Balances	365	(35)	123	158	138
Fund Balances - Beginning of Year			10,586		10,448
Fund Balances - End of Year			10,709		10,586

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

Gunnison County, Colorado
Special Revenue Funds
Land Preservation Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for the Year Ended December 31, 2015)

	2016			2015
	Original and Final Budget	Actual	Variance Positive (Negative)	Actual
Revenues:				
Taxes:				
Sales tax	345,119	399,576	54,457	369,108
Investment Income	700	863	163	800
Total Revenues	345,819	400,439	54,620	369,908
Expenditures:				
Culture and Recreation:				
Land preservation	399,095	147,182	251,913	469,617
Total Expenditures	399,095	147,182	251,913	469,617
Excess (Deficiency) of Revenues Over Expenditures	(53,276)	253,257	306,533	(99,709)
Other Financing Sources (Uses):				
Transfers (out)	-	-	-	(15,000)
Total Other Financing Sources (Uses)	-	-	-	(15,000)
Net Change in Fund Balances	(53,276)	253,257	306,533	(114,709)
Fund Balances - Beginning of Year		212,298		327,007
Fund Balances - End of Year		465,555		212,298

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

Gunnison County, Colorado
Special Revenue Funds
Sage Grouse Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for the Year Ended December 31, 2015)

	2016			2015
	Original and Final Budget	Actual	Variance Positive (Negative)	Actual
Revenues:				
Investment income	200	280	80	332
Miscellaneous	65,000	67,960	2,960	70,960
Total Revenues	65,200	68,240	3,040	71,292
Expenditures:				
General government	2,100	1,682	418	1,916
Total Expenditures	2,100	1,682	418	1,916
Excess (Deficiency) of Revenues Over Expenditures	63,100	66,558	3,458	69,376
Other Financing Sources (Uses):				
Transfers (out)	(85,814)	(75,813)	10,001	(83,570)
Total Other Financing Sources (Uses)	(85,814)	(75,813)	10,001	(83,570)
Net Change in Fund Balances	(22,714)	(9,255)	13,459	(14,194)
Fund Balances - Beginning of Year		53,442		67,636
Fund Balances - End of Year		44,187		53,442

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

Gunnison County, Colorado
Special Revenue Funds
Risk Management Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for the Year Ended December 31, 2015)

	2016			2015
	Original and Final Budget	Actual	Variance Positive (Negative)	Actual
Revenues:				
Investment Income	2,150	4,528	2,378	3,853
Contributions	63,500	76,122	12,622	63,500
Miscellaneous	-	(1,746)	(1,746)	-
Total Revenues	65,650	78,904	13,254	67,353
Expenditures:				
General Government:				
CAPP Insurance Claims	42,000	181,636	(139,636)	10,215
Other expenses	40,300	148	40,152	127
Total Expenditures	82,300	181,784	(99,484)	10,342
Net Change in Fund Balances	(16,650)	(102,880)	(86,230)	57,011
Fund Balances - Beginning of Year		673,936		616,925
Fund Balances - End of Year		571,056		673,936

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

Gunnison County, Colorado
Special Revenue Funds
Gunnison County Housing Authority Administration
Schedule of Revenues, Expenditures and Available Resources
Budget (Non-GAAP Basis) and Actual
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for the Year Ended December 31, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Intergovernmental:					
Federal grants	-	-	-	-	6,952
Charges for Services:					
Fees	42,987	42,987	43,731	744	57,752
Investment Income	175	175	1,204	1,029	(63)
Miscellaneous	9,500	9,500	16,666	7,166	17
Total Revenues	52,662	52,662	61,601	8,939	64,658
Expenditures:					
Health and Welfare	33,196	48,854	41,394	7,460	49,219
Debt Service:					
Principal	1,895	2,895	2,738	157	1,823
Interest	700	700	-	700	704
Total Expenditures	35,791	52,449	44,132	8,317	51,746
Excess (Deficiency) of Revenues Over Expenditures	16,871	213	17,469	17,256	12,912
Other Financing Sources (Uses):					
Transfers in	10,000	10,000	-	(10,000)	-
Transfers (out)	(29,484)	(29,484)	(29,484)	-	(19,717)
Total Other Financing Sources (Uses)	(19,484)	(19,484)	(29,484)	(10,000)	133,009
Net Change in Fund Balances	(2,613)	(19,271)	(12,015)	7,256	145,921
Fund Balances - Beginning of Year			212,748		66,827
Fund Balances - End of Year			200,733		212,748

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

Gunnison County, Colorado
Special Revenue Funds
Local Marketing District
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for the Year Ended December 31, 2015)

	2016			2015
	Original and Final Budget	Actual	Variance Positive (Negative)	Actual
Revenues:				
Marketing and promotion tax	1,300,000	1,723,475	423,475	1,490,055
Fines and forfeitures	5,000	7,804	2,804	17,568
Earnings on investments	2,500	4,448	1,948	3,536
Total Revenues	1,307,500	1,735,727	428,227	1,511,159
Expenditures:				
General Government:				
Contracted services	1,432,250	1,424,804	7,446	1,293,285
Other	20,170	24,082	(3,912)	23,169
Total Expenditures	1,452,420	1,448,886	3,534	1,316,454
Excess (Deficiency) of Revenues Over Expenditures	(144,920)	286,841	431,761	194,705
Other Financing Sources (Uses):				
Transfers (out)	(17,824)	(17,824)	-	(18,312)
Total Other Financing Sources (Uses)	(17,824)	(17,824)	-	(18,312)
Net Change in Fund Balances	(162,744)	269,017	431,761	176,393
Fund Balances - Beginning of Year		818,733		642,340
Fund Balances - End of Year		1,087,750		818,733

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

Gunnison County, Colorado
Debt Service Funds
Debt Service Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for the Year Ended December 31, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Federal grants	297,646	297,646	295,529	(2,117)	297,646
Earnings on investments	2,500	2,500	(399)	(2,899)	663
Total Revenues	300,146	300,146	295,130	(5,016)	298,309
Expenditures:					
Debt Service:					
Principal	685,000	685,000	685,000	-	670,000
Interest	1,317,738	1,317,738	1,317,738	-	1,334,250
Other debt service	4,030	4,030	3,500	530	3,530
Total Expenditures	2,006,768	2,006,768	2,006,238	530	2,007,780
Excess (Deficiency) of Revenues Over Expenditures	(1,706,622)	(1,706,622)	(1,711,108)	(4,486)	(1,709,471)
Other Financing Sources (Uses):					
Transfers in	1,566,622	1,711,204	1,711,204	-	1,409,488
Total Other Financing Sources (Uses)	1,566,622	1,711,204	1,711,204	-	1,409,488
Net Change in Fund Balances	(140,000)	4,582	96	(4,486)	(299,983)
Fund Balances - Beginning of Year			129,730		429,713
Fund Balances - End of Year			129,826		129,730

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

Gunnison County, Colorado
Enterprise Funds
Airport Operations Fund
Schedule of Revenues, Expenditures and Available Resources
Budget (Non-GAAP Basis) and Actual
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for the Year Ended December 31, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Operating Revenues:					
Airport fees	391,000	391,000	398,217	7,217	359,027
Terminal & hanger rent	443,283	443,283	488,243	44,960	486,165
Parking fees & fines	73,300	73,300	79,648	6,348	80,142
Grants	41,500	41,500	54,568	13,068	33,434
Other	274,462	274,462	307,647	33,185	293,608
Total Operating Revenues	1,223,545	1,223,545	1,328,323	104,778	1,252,376
Operating Expenditures:					
Operational support	204,733	204,733	165,091	39,642	221,630
Strategic development	39,994	39,994	38,507	1,487	-
Airside	679,920	692,220	592,976	99,244	-
Landside	256,032	256,032	202,885	53,147	-
Terminal operations	7,000	7,000	5,620	1,380	182,003
Runway & grounds maintenance.	-	-	-	-	218,490
Snow removal	-	-	-	-	112,824
Aircraft rescue	-	-	-	-	110,793
Security	-	-	-	-	72,107
Wildlife	-	-	-	-	45,453
Capital outlay	500	20,500	38,500	(18,000)	16,682
Total Operating Expenditures	1,188,179	1,220,479	1,043,579	176,900	979,982
Operating Income (Loss)	35,366	3,066	284,744	281,678	272,394
Non-operating Revenues (Expenditures):					
Transfers in	-	200,000	200,000	-	-
Transfers (out)	(76,284)	(76,284)	(76,284)	-	(65,862)
Investment revenue	2,800	2,800	6,643	3,843	5,543
Total Non-operating Revenues (Expenditures)	(73,484)	126,516	130,359	3,843	(60,319)
Change in Net Position - Budget Basis	(38,118)	129,582	415,103	285,521	212,075
Available Resources - Beginning of Year			1,012,093		800,018
Available Resources - End of Year			1,427,196		1,012,093
Available resources at year-end is computed as follows:					
Current assets			1,623,244		1,221,410
Current liabilities			(109,794)		(127,200)
Accrued compensated absences			(86,254)		(82,117)
			1,427,196		1,012,093

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

Gunnison County, Colorado
Enterprise Funds
Gunnison County Sewer Fund
Schedule of Revenues, Expenditures and Available Resources
Budget (Non-GAAP) Basis and Actual
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for the Year Ended December 31, 2015)

	2016			2015
	Orignal and Final Budget	Actual	Variance Positive (Negative)	Actual
Revenues:				
Dos Rios Division:				
Tap fees	5,500	-	(5,500)	5,500
User fees	187,910	187,438	(472)	173,820
Late fees	1,500	2,043	543	1,817
Other revenue	3,000	8,545	5,545	6,566
Total Dos Rios Division	197,910	198,026	116	187,703
Somerset Division:				
User fees	20,870	20,866	(4)	18,143
Late fees	80	246	166	110
Other revenue	100	78	(22)	18
Total Somerset Division	21,050	21,190	140	18,271
Antelope Hills Division:				
Tap fees	-	5,500	5,500	-
User fees	44,180	44,228	48	44,180
Late fees	400	610	210	649
Other revenue	100	66	(34)	49
Total Antelope Hills Division	44,680	50,404	5,724	44,878
North Gunnison Division:				
Tap fees	6,000	9,000	3,000	18,531
User fees	255,680	255,817	137	255,512
Late fees	1,000	1,178	178	1,604
Other revenue	300	128	(172)	171
Total North Gunnison Division	262,980	266,123	3,143	275,818
Tomichi Division:				
User fees	16,189	-	(16,189)	10,448
Total Tomichi Division	16,189	-	(16,189)	10,448
Total Revenues	542,809	535,743	(7,066)	537,118
Expenditures:				
Dos Rios Division:				
Operations	138,992	117,547	21,445	126,567
Transfers to other funds	43,488	28,056	15,432	31,341
Capital outlay	45,000	49,545	(4,545)	7,746
Total Dos Rios Division	227,480	195,148	32,332	165,654
Somerset Division:				
Operations	18,082	9,945	8,137	9,530
Transfers to other funds	1,297	808	489	921
Total Somerset Division	19,379	10,753	8,626	10,451
Antelope Hills Division:				
Operations	26,367	18,207	8,160	13,244
Transfers to other funds	8,490	5,891	2,599	6,362
Total Antelope Hills Division	34,857	24,098	10,759	19,606
North Gunnison Division:				
Operations	96,751	84,017	12,734	87,847
Transfers to other funds	23,572	15,190	8,382	16,643
Capital outlay	1,000	-	1,000	-
Debt service	115,244	114,831	413	114,850
Total North Gunnison Division	236,567	214,038	22,529	219,340
Tomichi Division:				
Operations	14,892	8,771	6,121	9,643
Transfers to other funds	1,297	808	489	921
Total Tomichi Division	16,189	9,579	6,610	10,564
Total Expenditures	534,472	453,616	80,856	425,615
Change in Net Position - Budget Basis	8,337	82,127	73,790	111,503
Available Resources - Beginning of Year		1,021,772		910,269
Available Resources - End of Year		1,103,899		1,021,772
Available resources at year-end is computed as follows:				
Current assets		1,392,922		1,311,808
Current liabilities		(335,143)		(334,150)
Current portion of long-term obligations		46,120		44,114
		1,103,899		1,021,772

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

Gunnison County, Colorado
Enterprise Funds
Gunnison County Water Fund
Schedule of Revenues, Expenditures and Available Resources
Budget (Non-GAAP) Basis and Actual
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for the Year Ended December 31, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Operating Revenues:					
User fees	283,800	293,800	303,205	9,405	298,909
Availability fees	7,550	7,550	7,302	(248)	7,388
Contributions	6,000	6,000	-	(6,000)	9,000
Earnings on investments	1,600	1,600	1,115	(485)	2,770
Other	15,160	32,160	16,823	(15,337)	4,396
Total Operating Revenues	314,110	341,110	328,445	(12,665)	322,463
Operating Expenditures:					
Dos Rios Division:					
Operating expenses	101,916	232,163	208,984	23,179	175,554
Capital outlay	70,000	70,000	56,053	13,947	17,835
Somerset Division:					
Debt service	8,024	8,024	2,397	5,627	2,660
Antelope Hills Division:					
Operating expenses	26,844	26,844	13,492	13,352	8,267
Debt service	42,940	42,940	48,473	(5,533)	48,190
Utilities Administration:					
Operating expenses	86,435	86,435	73,539	12,896	76,272
Total Operating Expenditures	336,159	466,406	402,938	63,468	328,778
Operating Income (Loss)	(22,049)	(125,296)	(74,493)	50,803	(6,315)
Non-operating Revenues (Expenditures):					
Transfers in	88,608	88,608	61,216	(27,392)	29,029
Transfers (out)	(20,928)	(20,928)	(20,928)	-	(37,644)
Total Non-operating Revenues (Expenditures)	67,680	67,680	40,288	(27,392)	(8,615)
Change in Net Position - Budget Basis	45,631	(57,616)	(34,205)	23,411	(14,930)
Available Resources - Beginning of Year			541,708		556,638
Available Resources - End of Year			507,503		541,708
Available resources at year-end is computed as follows:					
Current assets			521,653		560,274
Current liabilities			(30,700)		(33,400)
Current portion of long-term obligations			25,664		24,971
Accrued compensated absences			(9,114)		(10,137)
			507,503		541,708

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

Gunnison County, Colorado
Enterprise Funds
Landfill Operations Fund
Schedule of Revenues, Expenditures and Available Resources
Budget (Non-GAAP Basis) and Actual
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for the Year Ended December 31, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Operating Revenues:					
Landfill:					
Disposal fees	726,600	756,600	774,470	17,870	797,096
Other	33,590	33,590	25,384	(8,206)	21,884
Total Landfill Revenues	760,190	790,190	799,854	9,664	818,980
Recycling:					
Recycling surcharge	-	-	-	-	-
Recycled material sales	113,000	113,000	148,447	35,447	122,043
Total Recycling Revenues	113,000	113,000	148,447	35,447	122,043
Total Operating Revenues	873,190	903,190	948,301	45,111	941,023
Operating Expenditures:					
Landfill Expenditures:					
Closure and postclosure	2,157	2,157	1,841	316	41
Operations and maintenance	1,089,418	1,773,266	1,747,876	25,390	919,890
Total Landfill Expenditures	1,091,575	1,775,423	1,749,717	25,706	919,931
Recycling Expenditures:					
Operations	296,643	318,870	278,188	40,682	266,954
Capital outlay	-	174,155	38,648	135,507	-
Total Recycling Expenditures	296,643	493,025	316,836	176,189	266,954
Total Operating Expenditures	1,388,218	2,268,448	2,066,553	201,895	1,186,885
Operating Income (Loss)	(515,028)	(1,365,258)	(1,118,252)	247,006	(245,862)
Non-operating Revenues (Expenditures):					
Grant revenue	-	-	59,966	59,966	-
Transfers in	-	196,382	-	(196,382)	-
Transfers (out)	(62,796)	(62,796)	(62,796)	-	(102,178)
Investment revenue	8,900	8,900	17,093	8,193	14,225
Total Non-operating Revenues (Expenditures)	(53,896)	142,486	14,263	(128,223)	(87,953)
Change in Net Position - Budget Basis	(568,924)	(1,222,772)	(1,103,989)	118,783	(333,815)
Available Resources - Beginning of Year			2,201,196		2,535,011
Available Resources - End of Year			1,097,207		2,201,196

Available resources at year-end is computed as follows:

Current assets	1,198,765	2,274,858
Current liabilities	(76,558)	(47,713)
Accrued compensated absences	(25,000)	(25,949)
	1,097,207	2,201,196

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

Gunnison County, Colorado
Enterprise Funds
Gunnison County Housing Authority - Assisted Living
Schedule of Revenues, Expenditures and Available Resources
Budget (Non-GAAP Basis) and Actual
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for the Year Ended December 31, 2015)

	2016			2015
	Original and Final Budget	Actual	Variance Positive (Negative)	Actual
Operating Revenues:				
Palisade Assisted Living:				
Donations and debt service reimbursements	36,488	36,488	-	36,488
Total Operating Revenues	36,488	36,488	-	36,488
Operating Expenditures:				
Principal payments	19,899	20,353	(454)	19,570
Interest payments	16,589	16,135	454	16,918
Total Operating Expenditures	36,488	36,488	-	36,488
Change in Net Position - Budget Basis	-	-	-	-
Available Resources - Beginning of Year		3,051		3,051
Available Resources - End of Year		3,051		3,051

Available resources at year-end is computed as follows:		
Current assets	3,051	3,051
Current liabilities	(21,535)	(20,622)
Current portion of long-term obligations	21,535	20,622
	3,051	3,051

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

Gunnison County, Colorado
Enterprise Funds
Gunnison County Housing Authority - Mountain View
Schedule of Revenues, Expenditures and Available Resources
Budget (Non-GAAP Basis) and Actual
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for the Year Ended December 31, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Operating Revenues:					
Mountain View Apartments:					
Tenant payments	96,885	96,885	103,667	6,782	92,392
Assistance payment	142,000	142,000	134,638	(7,362)	139,200
Vacancies	(4,900)	(4,900)	(9,058)	(4,158)	(2,954)
Other revenue	3,800	10,550	10,699	149	3,907
Total Operating Revenues	237,785	244,535	239,946	(4,589)	232,545
Operating Expenditures:					
Mountain View Apartments:					
Operations	140,290	152,290	124,641	27,649	133,826
Capital outlay	-	-	-	-	126,731
Principal on debt	42,909	95,377	78,883	16,494	12,266
Interest on debt	29,073	29,073	31,995	(2,922)	28,180
Total Operating Expenditures	212,272	276,740	235,519	41,221	301,003
Operating Income (Loss)	25,513	(32,205)	4,427	36,632	(68,458)
Non-operating Revenues (Expenditures):					
Transfers (out)	(10,000)	(10,000)	-	10,000	-
Investment revenue	290	290	557	267	508
Total Non-operating Revenues (Expenditures)	(9,710)	(9,710)	557	10,267	508
Change in Net Position - Budget Basis	15,803	(41,915)	4,984	46,899	(67,950)
Available Resources - Beginning of Year			96,022		163,972
Available Resources - End of Year			101,006		96,022

Available resources at year-end is computed as follows:

Current assets	223,876	231,630
Current liabilities	(137,328)	(149,260)
Current portion of long-term obligations	14,458	13,652
	101,006	96,022

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

Gunnison County, Colorado
Internal Service Funds
Combining Statement of Net Position
For the Year Ended December 31, 2016

	Internal Service Fund I	Internal Service Fund II	Internal Service Fund III	Total
Current Assets:				
Cash	1,664,195	678,811	2,077,171	4,420,177
Accounts receivable, net of allowance for uncollectible accounts, where applicable	884	3,901	3,207	7,992
Due from other governments	48,000	-	-	48,000
Prepaid expenses	2,096	45,379	-	47,475
Due from other funds	222,925	-	10,673	233,598
Inventory, at cost	624,899	6,556	-	631,455
Total Current Assets	2,562,999	734,647	2,091,051	5,388,697
Non-current Assets:				
Land, property and equipment	18,175,295	1,680,807	-	19,856,102
Less: Accumulated depreciation	(9,853,435)	(1,516,049)	-	(11,369,484)
Total Non-current Assets	8,321,860	164,758	-	8,486,618
Total Assets	10,884,859	899,405	2,091,051	13,875,315
Liabilities:				
Current Liabilities:				
Accounts payable	84,605	27,017	5,662	117,284
Accrued liabilities	-	-	173,785	173,785
Due to other funds	-	4,055	-	4,055
Total Current Liabilities	84,605	31,072	179,447	295,124
Non-current Liabilities:				
Accrued compensated absences	50,395	23,273	1,399	75,067
Total Non-current Liabilities	50,395	23,273	1,399	75,067
Total Liabilities	135,000	54,345	180,846	370,191
Net Position:				
Net investment in capital assets	8,321,860	164,758	-	8,486,618
Restricted	626,995	51,935	-	678,930
Unrestricted	1,801,005	628,367	1,910,204	4,339,576
Total Net Position	10,749,860	845,060	1,910,204	13,505,124

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

Gunnison County, Colorado
Internal Service Funds
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
For the Year Ended December 31, 2016

	Internal Service Fund I	Internal Service Fund II	Internal Service Fund III	Total
Operating Revenues:				
Rent, net	1,830,658	-	-	1,830,658
Charges and fees	3,204	571	347,891	351,666
Other	239,491	789,394	2,418,956	3,447,841
Total Operating Revenues	2,073,353	789,965	2,766,847	5,630,165
Operating Expenses:				
Operations and maintenance	1,441,293	529,445	2,722,805	4,693,543
Administration	88,173	61,296	-	149,469
Depreciation and amortization	567,273	101,397	-	668,670
Total Operating Expenses	2,096,739	692,138	2,722,805	5,511,682
Operating Income (Loss)	(23,386)	97,827	44,042	118,483
Non-operating Revenues (Expenses):				
Gain (loss) on disposal of capital assets	11,039	-	-	11,039
Grant revenue	48,000	-	-	48,000
Investment revenue	8,304	4,419	17,613	30,336
Total Non-operating Revenues (Expenses)	67,343	4,419	17,613	89,375
Income (Loss) Before Transfers	43,957	102,246	61,655	207,858
Transfers In	-	11,000	-	11,000
Transfers (Out)	(75,432)	(82,548)	(1,452)	(159,432)
Change in Net Position	(31,475)	30,698	60,203	59,426
Total Net Position - Beginning of Year	10,781,335	814,362	1,850,001	13,445,698
Total Net Position - End of Year	10,749,860	845,060	1,910,204	13,505,124

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

Gunnison County, Colorado
Internal Service Funds
Combining Statement of Cash Flows
For the Year Ended December 31, 2016

	Internal Service Fund I	Internal Service Fund II	Internal Service Fund III	Total
Cash Flows from Operating Activities:				
Cash received from charges for services	2,021,265	787,903	2,415,976	5,225,144
Cash received from other sources	3,204	571	347,891	351,666
Cash payments to vendors for goods and services	(1,021,886)	(284,900)	(2,728,896)	(4,035,682)
Cash payments to employees for services	(441,856)	(310,488)	(9,311)	(761,655)
Net Cash Provided (Used) by Operating Activities	560,727	193,086	25,660	779,473
Cash Flows from Non-capital Financing Activities:				
Transfers from (to) other funds, net	(93,346)	(91,419)	(17,845)	(202,610)
Net Cash Provided (Used) by Non-capital Financing Activities	(93,346)	(91,419)	(17,845)	(202,610)
Cash Flows from Capital and Related Financing Activities:				
Capital grants	48,000	-	-	48,000
Purchase of capital assets	(524,913)	(90,672)	-	(615,585)
Cash from sale of assets	15,125	-	-	15,125
Net Cash Provided (Used) by Capital and Related Financing Activities	(461,788)	(90,672)	-	(552,460)
Cash Flows from Investing Activities:				
Cash from investment income	8,304	4,419	17,613	30,336
Net Cash Provided (Used) by Investing Activities	8,304	4,419	17,613	30,336
Net Increase (Decrease) in Cash	13,897	15,414	25,428	54,739
Cash - Beginning of Year	1,650,299	663,397	2,051,742	4,365,438
Cash - End of Year	1,664,196	678,811	2,077,170	4,420,177
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Operating income (loss)	(23,386)	97,827	44,042	118,483
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation and amortization	567,273	101,397	-	668,670
Changes in Assets and Liabilities:				
(Increase) decrease in accounts receivable	(48,884)	(1,491)	(2,981)	(53,356)
(Increase) decrease in prepaid expenses	185	(25,219)	-	(25,034)
(Increase) decrease in inventory	52,335	(3,458)	-	48,877
Increase (decrease) in accounts payable	15,059	20,301	(23,924)	11,436
Increase (decrease) in accrued liabilities	-	-	7,124	7,124
Increase (decrease) in compensated absences	(1,855)	3,729	1,399	3,273
Net Cash Provided (Used) by Operating Activities	560,727	193,086	25,660	779,473

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

Gunnison County, Colorado
Internal Service Funds
Internal Service Fund I
Schedule of Revenues, Expenditures and Available Resources
Budget (Non-GAAP Basis) and Actual
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for the Year Ended December 31, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Operating Revenues:					
Equipment rent	1,522,783	1,522,783	1,830,658	307,875	1,813,379
Material and gravel sales	200,000	200,000	236,261	36,261	133,282
Other revenues	750	750	6,434	5,684	380
Total Operating Revenues	1,723,533	1,723,533	2,073,353	349,820	1,947,041
Operating Expenditures:					
Gravel pit maintenance	52,648	52,648	-	52,648	-
Fleet maintenance	1,554,550	1,757,550	1,283,524	474,026	1,279,450
Materials	268,500	268,500	242,653	25,847	181,387
Property and equipment purchases	550,200	550,200	525,089	25,111	300,747
Equipment lease payments	3,112	3,112	3,112	-	3,112
Total Operating Expenditures	2,429,010	2,632,010	2,054,378	577,632	1,764,696
Operating Income (Loss)	(705,477)	(908,477)	18,975	927,452	182,345
Non-operating Revenues (Expenditures):					
Sale of capital assets	10,000	10,000	15,125	5,125	9,900
Grant revenue	-	48,000	48,000	-	-
Investment income	6,000	6,000	8,304	2,304	10,438
Transfers in	-	-	-	-	1,082,843
Transfers (out)	(75,432)	(75,432)	(75,432)	-	(1,198,679)
Total Non-operating Revenues (Expenditures)	(59,432)	(11,432)	(4,003)	7,429	(95,498)
Change in Net Position - Budget Basis	(764,909)	(919,909)	14,972	934,881	86,847
Available Resources - Beginning of Year			2,413,026		2,326,179
Available Resources - End of Year			2,427,998		2,413,026
Available resources at year-end is computed as follows:					
Current assets			2,562,999		2,534,824
Current liabilities			(84,606)		(69,546)
Accrued compensated absences			(50,395)		(52,250)
			2,427,998		2,413,028

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

Gunnison County, Colorado
Internal Service Funds
Internal Service Fund II
Schedule of Revenues, Expenditures and Available Resources
Budget (Non-GAAP Basis) and Actual
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for the Year Ended December 31, 2015)

	2016			2015
	Original and Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Operating Revenues:				
Data processing	445,905	453,802	7,897	442,872
Mapping	179,669	179,674	5	179,674
Telephone system	71,232	71,022	(210)	70,896
Photocopy and postage	84,300	82,859	(1,441)	94,125
Other	500	2,609	2,109	1,338
Total Operating Revenues	781,606	789,966	8,360	788,905
Operating Expenditures:				
GIS Mapping:				
Operations	175,297	165,720	9,577	166,851
Telephone System:				
Operations	40,081	33,866	6,215	36,904
Capital outlay	4,500	-	4,500	-
Photocopy and Postage:				
Operations	80,581	73,685	6,896	78,114
Capital outlay	-	770	(770)	-
Help Desk:				
Operations	178,258	102,367	75,891	155,331
Capital outlay	6,000	-	6,000	-
IT Infrastructure:				
Operations	339,676	265,915	73,761	301,852
Systems Development:				
Operations	11,000	14,704	(3,704)	7,106
Capital outlay	-	7,542	(7,542)	3,153
IT Training:				
Operations	20,177	16,845	3,332	11,668
Total Operating Expenditures	855,570	681,414	174,156	761,278
Operating Income (Loss)	(73,964)	108,552	182,516	27,627
Non-operating Revenues (Expenditures):				
Sale of capital assets	-	-	-	4,100
Transfers in	11,000	11,000	-	11,000
Transfers (out)	(82,548)	(82,548)	-	(87,888)
Investment revenue	2,000	4,419	2,419	3,811
Total Non-operating Revenues (Expenditures)	(69,548)	(67,129)	2,419	(68,977)
Change in Net Position - Budget Basis	(143,512)	41,423	184,935	(41,350)
Available Resources - Beginning of Year		638,881		680,231
Available Resources - End of Year		680,304		638,881
Available resources at year-end is computed as follows:				
Current assets		734,647		689,066
Current liabilities		(31,071)		(30,642)
Accrued compensated absences		(23,273)		(19,544)
		680,303		638,880

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

Gunnison County, Colorado
Internal Service Funds
Internal Service Fund III
Schedule of Revenues, Expenditures and Available Resources
Budget (Non-GAAP Basis) and Actual
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for the Year Ended December 31, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Operating Revenues:					
Premium contributions	2,676,148	2,676,148	2,741,287	65,139	2,311,202
Miscellaneous	5,000	5,000	25,560	20,560	83,161
Total Operating Revenues	2,681,148	2,681,148	2,766,847	85,699	2,394,363
Operating Expenditures:					
Operations	2,813,531	3,176,531	2,722,805	453,726	1,908,660
Total Operating Expenditures	2,813,531	3,176,531	2,722,805	453,726	1,908,660
Operating Income (Loss)	(132,383)	(495,383)	44,042	539,425	485,703
Non-operating Revenues (Expenditures):					
Transfers (out)	(1,452)	(1,452)	(1,452)	-	(1,442)
Investment revenue	6,400	6,400	17,613	11,213	9,586
Total Non-operating Revenues (Expenditures)	4,948	4,948	16,161	11,213	8,144
Change in Net Position - Budget Basis	(127,435)	(490,435)	60,203	550,638	493,847
Available Resources - Beginning of Year			1,850,003		1,356,156
Available Resources - End of Year			1,910,206		1,850,003

Available resources at year-end is computed as follows:

Current assets	2,080,378	2,051,971
Current liabilities	(170,174)	(201,968)
	1,910,204	1,850,003

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

Gunnison County, Colorado
Agency Funds
County Treasurer Agency Fund
Schedule of Changes in Assets and Liabilities
For the Year Ended December 31, 2016

	Balance Beginning of Year	Additions	Deletions	Balance End of Year
Assets:				
Cash	25,402,418			26,443,984
	}	42,322,256	(41,586,668) {	
Less: Cash held for County funds	(22,803,843)			(23,109,821)
Total Assets	2,598,575	42,322,256	(41,586,668)	3,334,163
Liabilities:				
Due to other governments and agencies	2,598,575	42,322,256	(41,586,668)	3,334,163
Total Liabilities	2,598,575	42,322,256	(41,586,668)	3,334,163

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

Gunnison County, Colorado
Agency Funds
Public Trustee Agency Fund
Schedule of Changes in Assets and Liabilities
For the Year Ended December 31, 2016

	Balance Beginning of Year	Additions	Deletions	Balance End of Year
Assets:				
Cash	31,379	74,575	(67,500)	38,454
Total Assets	31,379	74,575	(67,500)	38,454
Liabilities:				
Due (from) to governmental funds	(22)	-	15	(7)
Held by Trustee	31,401	74,575	(67,515)	38,461
Total Liabilities	31,379	74,575	(67,500)	38,454

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

LOCAL HIGHWAY FINANCE REPORT

Gunnison County
COLORADO

ANNUAL HIGHWAY FINANCE REPORT - CY16

Step 1: Enter your email and select your City or County from the list below.
Step 2: Click on "Start" to edit/update your data.
Step 3: Click on "Submit" at the bottom of the form to edit/update your data.

Your Email Address: lnienhueser@gunnisoncounty.org

Select County: Gunnison County

Start

II - RECEIPTS FOR ROAD AND STREET PURPOSES

Please no commas or dollar signs for the input

A. Receipts from local sources

2. General Fund Appropriations:	$	0.00
3. Other local imposts: *from A.3. 'Total' below)*	$	251,637.78
4. Miscellaneous local receipts: *from A.4. 'Total' below)*	$	379,379.22
5. Transfers from toll facilities	$	0.00
6. Proceeds of sale of bonds and notes		
a. Bonds - Original Issues:	$	0.00
b. Bonds - Refunding Issues:	$	0.00
c. Notes:	$	0.00
SubTotal:	$	631,017.00

B. Private Contributions $ 0.00

II - RECEIPTS FOR ROAD AND STREET PURPOSES (Detail)

Please no commas or dollar signs for the input

A.3. Other local imposts

a. Property Taxes and Assessments	$	0.00
b. Other Local Imposts		

1. Sales Taxes:	$ 0.00
2. Infrastructure and Impact Fees:	$ 0.00
3. Liens:	$ 0.00
4. Licenses:	$ 0.00
5. Specific Ownership and/or Other:	$ 251637.78
Total: *(a + b) carried to 'Other local imposts' above)*	$ 251,637.78

A.4. Miscellaneous local receipts
Please no commas or dollar signs for the input

a. Interest on Investments:	$ 22323.36
b. Traffic fines & Penalities:	$ 0.00
c. Parking Garage Fees:	$ 0.00
d. Parking Meter Fees:	$ 0.00
e. Sale of Surplus Property:	$ 0.00
f. Charges for Services:	$ 25371.64
g. Other Misc. Receipts:	$ 51708.19
h. Other:	$ 279976.03
Total: *(a through h) carried to 'Misc local receipts' above)*	$ 379,379.22

C. Receipts from State Government
Please no commas or dollar signs for the input

1. Highway User Taxes:	$ 2797449.10
3. Other State funds:	
c. Motor Vehicle Registrations:	$ 50766.00
d. Other (Specify): Comments: undefined	$ 0.00
e. Other (Specify): Comments: undefined	$ 0.00
Total: *(1+3c,d,e)*	$ 2,848,215.10

D. Receipts from Federal Government
Please no commas or dollar signs for the input

2. Other Federal Agencies

a. Forest Service:	$ 164975.00
b. FEMA:	$ 0.00
c. HUD:	$ 0.00

d. Federal Transit Administration:	$ 0.00
e. U.S. Corp of Engineers	$ 0.00
f. Other Federal:	$ 1509286.96
Total: *(2a-f)*	$ 1,674,261.96

III - DISBURSEMENTS FOR ROAD AND STREET PURPOSES

Please no commas or dollar signs for the input

A. Local highway disbursements

1. Capital outlay: *(from A.1.d. 'Total Capital Outlay' below)*	$ 787,531.78
2. Maintenance:	$ 3224381.02
3. Road and street services	
a. Traffic control operations:	$ 0.00
b. Snow and ice removal:	$ 852852.83
c. Other:	$ 0.00
4. General administration & miscellaneous	$ 712567.47
5. Highway law enforcement and safety	$ 0.00
Total: *(A.1-5)*	$ 5,577,333.10

Please no commas or dollar signs for the input

B. Debt service on local obligations

1. Bonds	
a. Interest	$ 0.00
b. Redemption	$ 0.00
2. Notes	
a. Interest	$ 0.00
b. Redemption	$ 0.00
SubTotal: *(1+2)*	$ 0.00

Please no commas or dollar signs for the input

C. Payments to State for Highways:	$ 0.00

D. Payments to Toll Facilities: $ 0.00

Total Disbursements: *(A+B+C+D)* $ 5,577,333.10

Please no commas or dollar signs for the input

III - DISBURSEMENTS FOR ROAD AND STREET PURPOSES - (Detail)

Please no commas or dollar signs for the input

	A. ON NATIONAL HIGHWAY SYSTEM	B. OFF NATIONAL HIGHWAY SYSTEM	C. TOTAL
A.1. Capital Outlay			
a. Right-Of-Way Costs:	$ 0.00	$ 0.00	$ 0.
b. Engineering Costs:	$ 0.00	$ 45644.07	$ 45,644.
c. Construction			
1. New Facilities:	$ 0.00	$ 0.00	$ 0.
2. Capacity Improvements:	$ 0.00	$ 342620.34	$ 342,620.
3. System Preservation:	$ 0.00	$ 275168.41	$ 275,168.
4. System Enhancement:	$ 0.00	$ 124098.96	$ 124,098.
5. Total Construction:			$ 741,887.
d. Total Capital Outlay: *(Lines A.1.a. + 1.b. + 1.c.5)*			$ 787,531.

IV. LOCAL HIGHWAY DEBT STATUS

Please no commas or dollar signs for the input

	OPENING DEBT	AMOUNT ISSUED	REDEMPTIONS	CLOSING DE
A. Bonds (Total)	$ 0.00	$ 0.00	$ 0.00	$ 0.(
1. Bonds (Refunding Portion)		$ 0.00	$ 0.00	$ 0.(
B. Notes (Total):	$ 0.00	$ 0.00	$ 0.00	$ 0.(

V - LOCAL ROAD AND STREET FUND BALANCE

Please no commas or dollar signs for the input

A. Beginning Balance	B. Total Receipts	C.Total Disbursements	D. Ending Balance	E. Reconciliati
$ 2340857.55	$ 5,153,494.06	$ 5,577,333.10	$ 1917018.51	$ 0.0

Notes & Comments:

undefined

Please enter your name: Linda Nienhueser

Please provide a telephone number where you may be reached: (970)641-7622

Save Print Report

Note: Printing your form will *NOT* save it. Save *BEFORE* printing.

FORM FHWA-536e(Version 3.00) - CY16

SINGLE AUDIT REPORTS AND SCHEDULES

McMahan and Associates, L.L.C.
Certified Public Accountants and Consultants

Chapel Square, Bldg C
245 Chapel Place, Suite 300
P.O. Box 5850, Avon, CO 81620

Web Site: www.mcmahancpa.com
Main Office: (970) 845-8800
Facsimile: (970) 845-8108
E-mail: mcmahan@mcmahancpa.com

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

To the Board of County Commissioners
Gunnison County, Colorado

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Gunnison County, Colorado (the "County") as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated July 25, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit on 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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe that a material weakness, yet important enough to merit attention by those charged with governance.

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

INDEPENDENT AUDITOR'S REPORT
To the Board of County Commissioners
Gunnison County, Colorado

Compliance and Other Matters

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

Purpose of this Report

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

McMahan and Associates, L.L.C.

McMahan and Associates, L.L.C.
July 25, 2017

McMahan and Associates, L.L.C.
Certified Public Accountants and Consultants

Chapel Square, Bldg C
245 Chapel Place, Suite 300
P.O. Box 5850, Avon, CO 81620

Web Site: www.mcmahancpa.com
Main Office: (970) 845-8800
Facsimile: (970) 845-8108
E-mail: mcmahan@mcmahancpa.com

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; ON COMPLIANCE WITH THE PASSENGER FACILITY CHARGE PROGRAM; REPORT ON INTERNAL CONTROL OVER -COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND THE *PASSENGER FACILITY CHARGE AUDIT GUIDE FOR PUBLIC AGENCIES*

To the Board of County Commissioners
Gunnison County, Colorado

Report on Compliance for Each Major Program

We have audited the Gunnison County'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, 2016 and its compliance with the compliance requirements described in the *Passenger Facility Charge Audit Guide for Public Agencies* (the "Guide"), issued by the Federal Aviation Administration, for its Passenger Facility Charge program for the year ended December 31, 2016. 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 the requirements of laws, regulations, contracts, and grants applicable to its federal programs and to the Passenger Facility Charge program.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs and to the Passenger Facility Charge program 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* (the "Uniform Guidance") and the Guide. 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 and on the Passenger Facility Charge 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 and on the Passenger Facility Charge program. However, our audit does not provide a legal determination on the County's compliance with those requirements.

INDEPENDENT AUDITOR'S REPORT
To the Board of County Commissioners
Gunnison County, Colorado

Opinion on Each Major Federal Program and Passenger Facility Charge Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and on Passenger Facility Charge program for the year ended December 31, 2016.

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 types of requirements that could have a direct and material effect on each major federal program and on the Passenger Facility Charge program to determine our auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and Passenger Facility Charge 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 no 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 or the Passenger Facility Charge program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a 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 or the Passenger Facility Charge program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program or the Passenger Facility Charge program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charges with governance.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to indentify 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 in 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 and the Guide. Accordingly, this report is not suitable for any other purpose.

McMahan and Associates, L.L.C.

McMahan and Associates, L.L.C.
July 25, 2017

Gunnison County, Colorado
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2016

Part I: Summary of Auditor's Results

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weakness identified	None noted
Significant deficiency identified	None noted
Noncompliance material to financial statements noted	None noted

Federal Awards

Internal control over major programs:	
Material weakness identified	None noted
Significant deficiency identified	None noted
Type of auditor's report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Title 2 U.S.Code of Federal Regulations Part 200	None noted
Major program:	
Airport Improvements Projects	CFDA# 20.106
Dollar threshold used to identify Type A from Type B programs	$750,000
Identified as low-risk auditee	Yes

Part II: Findings Related to Financial Statements

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

Part III: Findings Related to Federal Awards

Internal control findings	None noted
Compliance findings	None noted
Questioned costs	None noted
Auditor-assigned reference number	Not applicable

Gunnison County, Colorado
SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2016

There were no findings for the fiscal year ended December 31, 2015.

Gunnison County, Colorado
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2016

Program Title	Pass through Entity Identifying Number	Federal CFDA Number	Major Program	Expenditures	
Department of Agriculture:					
Passed through Colorado Department of Public Health and Environment:					
Women, Infant, Children	AB15L	10.557	No	$ 56,684	***C***
Women, Infant, Children (non-cash vouchers)	AB15L	10.557	No	111,473	***C***
Food Assistance-Administration	Unidentified	10.561	No	91,048	
Passed through U.S. Forest Service:					
Schools and Roads - Grants to States and Counties Containing Federal Lands	Unidentified	10.665	No	213,595	
Total Department of Agriculture:				472,800	
Department of Health and Human Services:					
Drug-Free Communities Support Program	Unidentified	93.276	No	118,519	
Passed through Colorado Department of Human Services:					
Guardianship assistance	DHS - FFA	93.090	No	1,289	
TANF / CO Works	DHS - FFA	93.558	No	175,389	
Title IV-D - Administration	DHS - FFA	93.563	No	105,308	
Low-income Home Energy Assistance	DHS - FFA	93.568	No	85,573	
CCDF Discretionary	DHS - FFA	93.596	No	69,768	***A***
CCDF	DHS - FFA	93.575	No	47,964	***A***
Child Welfare Services IVB	DHS - FFA	93.645	No	5,222	
Foster Care-Title IV-E	DHS - FFA	93.658	No	162,206	
Adoption	DHS - FFA	93.659	No	24,436	
Social Services Block Grant	DHS - FFA	93.667	No	102,019	
Medicaid Assistance Program	DHS - FFA	93.778	No	129,489	***B***
Nurturing parent	HC14&15A	93.590	No	22,500	
Passed through Colorado Department of Public Health and Environment:					
Public Health Emergency Preparedness	HW15&16J	93.069	No	115,459	
Hospital Preparedness Program	HW17J	93.074	No	5,794	
Family Planning	JA16L	93.217	No	39,503	
Immunizations	KA15H	93.268	No	6,243	
Prevention and Public Health Fund (Affordable Care Act)	JG15J	93.539	No	2,004	
Cancer prevention and control programs	JG15H	93.752	No	67	
Sexually Transmitted Diseases	JG15CH	93.977	No	4,500	
Public Health Nurse - Maternal and Child Health Service	ND15L	93.994	No	15,726	
Passed through Colorado Department of Local Affairs through Delta County:					
Medicaid Assistance Program	Unidentified	93.778	No	103	***B***
Total Department of Health and Human Services:				1,239,081	
Department of Transportation:					
Federal Aviation Administration:					
Airport Improvement Projects (total)	AIP 48-50	20.106	Yes	1,323,144	
Federal Highway Administration:					
Highway Research and Development Program	Unidentified	20.205	No	129,475	
				1,452,619	
Subtotal				3,164,500	

Gunnison County, Colorado
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2016
(continued)

Program Title	Pass through Entity Identifying Number	Federal CFDA Number	Major Program	Expenditures
Department of Homeland Security:				
Passed through Colorado Department of Local Affairs				
Emergency Management Performance Grant	Unidentified	97.042	No	75,597
Total Department of Homeland Security:				75,597
Department of Justice:				
Juvenile Accountability	13874405	16.523	No	34,935
Edward Byrne Memorial Justice Assistance Grant Program	Unidentified	16.738	No	22,564
Total Department of Justice:				57,499
Department of Housing and Urban Development:				
Passed through Colorado Department Housing and Finance Authority:				
Insured Loan Program	Unidentified	14.135	No	709,453
Lower Income Housing Assistance Program	Unidentified	14.871	No	134,638
Total Department of Housing and Urban Development:				844,091
Total Federal Assistance:				$ 4,141,687

Additional Information for Clusters:	**Amount**
A - Child Care Cluster (93.575 and 93.596)	117,732
B - Medicaid Cluster (93.778)	129,592
C - Women, Infant, Children Cluster (10.557)	168,157

Notes to the Schedule of Expenditures of Federal Awards For the Year Ended December 31, 2016

Note 1. Basis of Presentation:

The Schedule of Expenditures of Federal Awards includes the federal grant activity of Gunnison County and is presented on the modified accrual basis of accounting. 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. Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the general purpose financial statements.

Note 2. Determining the Value of Non-cash Awards Expended

Commodities: Fair market value of commodities at the time of receipt, or the assessed value provided by the Federal agency.
Food issuances: Fair market value of food stamps at the time of receipt, or the assessed value provided by the Federal agency.
Immunization incentive funds: Dollar amount of vaccines used, provided by the Federal agency.

Note 3. Sub-recipients

The County provided the following federal funds listed in the Schedule of Expenditures of Federal Awards to sub-recipients:

Program Title	Federal CFDA Number	Amount Provided to Subrecipients
Schools and Roads - Grants to Counties	10.665	$ 53,304

Note 4. Loans Outstanding

The County participates in the HUD Insured Loan Program. The balance of the loans at December 31, 2015 is as follows:

Program Title	Federal CFDA Number	Balance of Direct Loans
Insured Loan Program	14.135	$ 709,453

Gunnison County, Colorado
Schedule of Passenger Facility Charges Collected and Expended
For the Year Ended December 31, 2016

Program Title	Amounts for Current Year	Unliquidated Balance
Unliquidated PFC revenues, beginning of year		$ -
Revenues:		
Revenues collected from air carriers	125,200	
Total PFC Revenues	125,200	125,200
Project Expenditures:		
Construction	(125,200)	
Total PFC project expenditures	(125,200)	(125,200)
Unliquidated PFC revenues, end of year		$ -