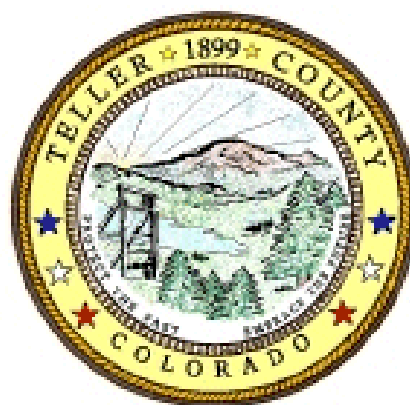




FINANCIAL STATEMENTS

For The Year Ended

DECEMBER 31, 2024



Teller County, Colorado
Annual Financial Report
For The Year Ended December 31, 2024

TABLE OF CONTENTS
Financial Section

Independent Auditors' Report	1 – 4
Management's Discussion and Analysis	i - ix
Basic Financial Statements	
Government-wide Financial Statements:	
Statement of Net Position.....	5
Statement of Activities	6
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet.....	7
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position.....	8
Statement of Revenues, Expenditures and Changes in Fund Balances	9
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities	10
Proprietary Funds:	
Statement of Net Position.....	11
Statement of Revenues, Expenses, and Changes in Fund Net Position.....	12
Statement of Cash Flows	13 - 14
Fiduciary Funds:	
Statement of Fiduciary Net Position	15
Statement of Changes in Fiduciary Net Position	16
Notes to the Basic Financial Statements	17 - 36
Required Supplementary Information	
<i>General Fund</i> - Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual	37
<i>Road and Bridge Fund</i> - Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual	38
<i>Social Services Fund</i> - Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual	39
Modified Approach for County Infrastructure Capital Assets.....	40 – 41
Notes to Required Supplementary Information.....	42

Teller County, Colorado
Annual Financial Report
For The Year Ended December 31, 2024

Supplementary Information

Combining and Individual Fund Statements and Schedules:

Governmental Funds

General Fund:

Schedule of Revenues - Budget and Actual	43 - 44
Schedule of Expenditures - Budget and Actual.....	45

Major Capital Projects Fund:

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual.....	46
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Nonmajor Special Revenue Funds:

Combining Balance Sheet	47
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	48
<i>Conservation Trust Fund</i>	
Schedule of Revenues, Expenditures and Changes in Fund	
Balances - Budget and Actual.....	49
<i>Contingent Fund</i>	
Schedule of Revenues, Expenditures and Changes in Fund	
Balances - Budget and Actual.....	50

Proprietary Funds

Enterprise Funds

Major Enterprise Funds

Wastewater Utility Fund

Schedule of Revenues, Expenses and Changes in	
Fund Net Position – Budget and Actual.....	51

Jail Fund

Schedule of Revenues, Expenses and Changes in	
Fund Net Position – Budget and Actual.....	52

Fleet Management Fund

Schedule of Revenues, Expenses and Changes in	
Fund Net Position – Budget and Actual.....	53

Special Reports Section

Highway Users Tax Fund Schedule	54 - 55
---------------------------------------	---------

Federal Financial Award Reports Section

Independent Auditors' Report On Internal Control Over Financial Reporting And On	
Compliance And Other Matters Based On An Audit Of Financial Statements	
Performed In Accordance With <i>Government Auditing Standards</i>	56 - 57
Independent Auditors' Report on Compliance For Each Major Federal Program and	
Report On Internal Control Over Compliance Required By the Uniform Guidance	58 – 61
Schedule of Expenditures of Federal Awards	62
Notes to the Schedule of Expenditures of Federal Awards	63
Schedule of Findings and Questioned Costs	64 – 65

Independent Auditors' Report

Board of County Commissioners
Teller County, Colorado
Cripple Creek, Colorado

Report On The Audit Of The Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Teller County, Colorado (the County), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the County as of December 31, 2024 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.

Basis For Opinions

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

Emphasis Of A Matter

As discussed in Note 1-B. to the financial statements, in 2024 the County adopted Governmental Accounting Standards Board (GASB) Statement Numbers 100, *Accounting Changes and Error Corrections*, and 101, *Compensated Absences*. Our opinions were not modified with respect to this matter.

Responsibilities Of Management For The Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities For The Audit Of The Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and the modified approach for County infrastructure capital assets on pages i through ix, 37 through 39 and 42 and 40 through 41, respectively, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by GASB, which 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 GAAS, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual fund statements and schedules, the Highway Users Tax Fund Schedule and the schedule of expenditures of federal awards, as required by 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*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required By *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2025 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of the County's 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 County's internal control over financial reporting and compliance.

RubinBrown LLP

June 30, 2025



MANAGEMENT'S DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Teller County, Colorado, we offer readers of the Teller County financial statements this narrative overview and analysis of the financial activities of Teller County for the fiscal year ended December 31, 2024. Consistent with the required reporting standards mandated by the Governmental Accounting Standards Board Statement #34 (GASB 34), Teller County is pleased to present our annual financial report in what we hope to be an informative and understandable format. We encourage readers to consider the information presented here while reviewing the financial statements.

GASB 101 - The objective of this statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. This adoption required the County to include leave that is 'more likely than not' to be settled in the subsequent year, including sick leave which was not previously included in the County's recognition of the liability. As a result of the implementation of GASB 101, the County's current year beginning balances have been adjusted in the information disclosed in this document.

Financial Highlights

- Total revenues and expenses for the County's governmental & proprietary funds were \$44,629,721 revenues and \$48,275,177 expenses in 2024 as compared to \$42,629,144 revenues and \$39,290,697 expenses in 2023. The change is mainly due to increases in Jail Fund inmate housing revenues and increased personnel, inmate housing and capital projects (including building and park improvements, etc) expenses.
- The County's assets and deferred outflows exceeded its liabilities and deferred inflows by \$310,172,758 (net position) for the calendar year reported. This is a decrease of approximately \$986 thousand in net position from 2023, which is primarily due to an increase in net investment in capital assets and a decrease in unrestricted net position. It is also due, in part, to the implementation of GASB 101 and construction projects using our Conservation Trust Fund monies.
- Total net position is comprised of the following:
 - (1) Net investment in capital assets of \$282,042,417, an increase of approximately \$2.58 million from 2023, which includes infrastructure, leases, property and equipment net of accumulated depreciation and reduced for outstanding debt related to the purchase or construction of capital assets. The increase in net asset value is primarily due to the various construction projects and improvements in the Jail.
 - (2) Net position of \$3,380,125 is restricted for various purposes by constraints imposed from outside the County.
 - (3) Unrestricted net position of \$24,750,216 represents the portion available to maintain the County's continuing obligations to citizens and creditors and includes a decrease of approximately \$3.55 million from 2023.
- The County's governmental funds total ending fund balances are \$26,459,443 as of December 31, 2024, which is a decrease of approximately \$4.16 million from the prior year. The largest portion of this decrease relates increases in personnel costs in the general fund, construction expenses in the Conservation Trust Fund, and increased county inmate housing expenses.
- At the end of the reported calendar year, fund balance for the General Fund was \$8,089,347, or 29.8% of total General Fund expenditures, compared to 49.9% at December 31, 2023.
- Overall, the County financial position continues to be healthy even with the decreases in fund balances. The County continues to adhere to budget policies and long-term capital plans, which include maintaining the County's operating abilities and service levels, fund balances and capital reserves.

The above financial highlights are explained in more detail in the "financial analysis" section of this document.

Overview of the Financial Statements

This Management Discussion and Analysis document introduces the County's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The County also includes in this report additional information to supplement the basic financial statements.

Government-wide Financial Statements

The County's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the County's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

The first of these government-wide statements is the *Statement of Net Position*. This is the government-wide statement of position presenting information that includes all of the County's assets, deferred outflows, liabilities and deferred inflows, 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 as a whole is improving or deteriorating. Evaluation of the overall health of the County would extend to other nonfinancial factors such as diversification of the taxpayer base or the condition of County infrastructure, in addition to the financial information provided in this report.

Comparative government-wide net position at December 31st, for the past three years has been:

2024	\$310,172,758
2023	311,158,748
2022	308,266,514

The second government-wide statement is the *Statement of Activities*, which reports how the County's net position changed during the current calendar year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the County's distinct activities or functions on revenues provided by the County's taxpayers.

Both government-wide financial statements distinguish governmental activities of the County that are principally supported by property taxes, grants and other inter-governmental revenues from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general government, public safety, public works, health and human services, and culture and recreation. Business-type activities include the wastewater and detentions facilities in Divide.

The government-wide financial statements are presented on pages 5 and 6 of this report.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The County uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the County's most significant funds rather than the County as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for non-major funds is provided in the form of combining statements in a later section of the report.

The County uses three types of funds:

Governmental funds are reported in the fund financial statements and encompass the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the County's governmental funds. These statements report short-term calendar year accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives.

The basic governmental fund financial statements are presented on pages 7 to 10 of this report.

Individual fund information for non-major governmental funds is found in combining statements in a later section of this report.

Proprietary funds are reported in the fund financial statements and generally report services for which the County charges customers a fee. The County has three proprietary funds, two are classified as enterprise funds, and one as an internal service fund. The two enterprise funds essentially encompass the same functions reported as business-type activities in the government-wide statements. Services are provided to customers external to the County organization for the wastewater utility and the jail. The internal service fund is used to track the acquisition, and provide for the replacement and maintenance of the County's fleet of vehicles and road equipment, and is classified as governmental activities in the government-wide statements.

The basic proprietary fund financial statements are presented on pages 11 to 14 of this report.

The *Fiduciary funds* are the County's custodial funds, held by the County for other organizations and entities, as presented on pages 15 and 16 of this report.

Notes to the Basic Financial Statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 17 of this report.

Other Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information concerning the County's method of reporting infrastructure assets, and budget presentations. Infrastructure asset information is included in the "required supplementary information" section that begins on page 37. Budgetary comparison statements are also included as "required supplementary information" for the County's general and special revenue major funds: the general, road and bridge and social services funds. Budgetary comparison schedules for other governmental funds can be found in a later section of this report. These statements and schedules demonstrate compliance with the County's adopted and final revised budget. As discussed, the County reports major funds in the basic financial statements. Combining and individual statements and schedules for non-major funds are presented in a subsequent section of this report beginning on page 43.

Financial Analysis of the County as a Whole

As year-to-year financial information is accumulated on a consistent basis, changes in net position may be observed and used to discuss the changing financial position of the County as a whole.

The County's net position at calendar year-end 2024 was \$310,172,758, as compared to \$311,995,542 the previous year. The following table provides a summary of the County's net position:

Summary of Net Assets for the year ended December 31, 2024
(With comparative amounts for the year ended December 31, 2023)

	2024				2023	
	Governmental Activities	Business-type Activities	Total	Percentage of Total	Total	Percentage of Total
Assets:						
Current assets	\$ 46,463,068	\$ 1,084,946	\$ 47,548,014	14%	\$ 36,929,441	12%
Long-term assets	1,708,505	-	1,708,505	1%	1,733,888	1%
Capital assets	280,304,114	2,799,882	283,103,996	85%	280,124,471	87%
Total assets	328,475,687	3,884,828	332,360,515	100%	318,787,800	100%
Liabilities:						
Current liabilities	7,020,151	715,368	7,735,519	92%	4,116,869	81%
Long-term liabilities	627,695	5,053	632,748	8%	979,719	19%
Total liabilities	7,647,846	720,421	8,368,267	100%	5,096,588	100%
Deferred Inflows of Resources:						
Unavailable lease revenue	1,641,052	-	1,641,052	12%	1,695,670	100%
Unavailable property tax revenue	12,178,438	-	12,178,438	88%	-	0%
Total Deferred Inflows	13,819,490	-	13,819,490	100%	1,695,670	100%
Net position:						
Net investment in capital assets	279,242,535	2,799,882	282,042,417	91%	279,460,166	90%
Restricted	3,380,125	-	3,380,125	1%	4,232,911	1%
Unrestricted	24,385,691	364,525	24,750,216	8%	28,302,465	9%
Total net position	\$ 307,008,351	\$ 3,164,407	\$ 310,172,758	100%	\$ 311,995,542	100%

The County continues to maintain an adequate current ratio for governmental activities however the business-type activities ratio is not very good as the Jail enterprise fund now has a negative cash balance with a liability to the general fund. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio for governmental activities is 2.23 to 1. The business-type activities report a current ratio of 1.52 to 1. For the County overall, the current ratio is 2.21 to 1, as compared to 2.87 to 1 reported at the end of 2023.

The County reports positive balances in net position for the governmental activities as well as for the combination of the wastewater utility fund and the jail fund. Net position decreased \$2,662,493 for governmental activities and increased by \$839,709 for business-type activities. This is partially due to the implementation and restatement of GASB101, which affected the governmental activities by \$711,186 and business-type activities by \$59,608. The County's overall financial position declined during calendar year 2024.

Note that 91% of the governmental activities' net position results from investment in capital assets as compared to 90% at the end of 2023. The County uses these capital assets to provide services to its citizens. Capital assets in the business-type activities also provide services, but in addition, they generate revenues for these funds. The County's percentage of total net position that is included in capital assets increased to 91%.

MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2024

Teller County, Colorado

The following table provides a summary of the County's changes in net position:

Summary of Changes in Net Assets for the year ended December 31, 2024
(With comparative amounts for the year ended December 31, 2023)

	2024				2023	
	Governmental Activities	Business-type Activities	Total	Percentage of Total	Total	Percentage of Total
Revenues:						
Program:						
Charges for services	\$ 2,179,750	\$ 4,484,210	\$ 6,663,960	15%	\$ 4,939,064	12%
Operating grants & contributions	10,908,735	269,399	11,178,134	26%	11,849,926	29%
Capital grants & contributions	278,270	1,174,458	1,452,728	3%	282,134	1%
General:						
Taxes	16,735,605	-	16,735,605	38%	16,119,804	39%
Other	7,685,827	99,950	7,785,777	18%	7,653,036	19%
Total revenues	37,788,187	6,028,017	43,816,204	100%	40,843,964	100%
Program Expenses:						
General government	13,628,185	-	13,628,185	30%	10,855,336	29%
Public safety	14,151,745	-	14,151,745	32%	11,278,084	30%
Public works	6,780,242	-	6,780,242	15%	5,863,187	16%
Health and human services	4,952,164	-	4,952,164	11%	4,641,084	13%
Culture and recreation	148,598	-	148,598	0%	129,897	0%
Interest	12,560	-	12,560	0%	15,113	0%
Wastewater utility	-	243,075	243,075	1%	199,995	1%
Jail	-	4,885,625	4,885,625	11%	4,132,240	11%
Total expenses	39,673,494	5,128,700	44,802,194	100%	37,114,936	100%
Change in net position	(1,885,307)	899,317	(985,990)		3,729,028	
Net position beginning of year	309,670,844	2,324,698	311,995,542		308,266,514	
Prior period adjustment of net position	(777,186)	(59,608)	(836,794)		-	
Net position end of year	\$ 307,008,351	\$ 3,164,407	\$ 310,172,758		\$ 311,995,542	

GOVERNMENTAL REVENUES

The County is heavily reliant on property and sales taxes to support governmental operations and capital. These taxes provided 44% of the County's governmental revenues in 2024 and 2023.

- Property taxes - 2023 total assessed value of property that generated the County's 2024 property tax revenues increased significantly. The levy on total values resulted in an increase in 2024 total property tax-related revenues assessed of \$612,641, following a 2023 decrease of \$418,165. The County did a Temporary Mill Levy Reduction/Temporary Property Tax Credit which reduced the revenues received by the County in 2024 by \$1,552,028. This was done to mitigate the impact of the large increase in valuations on the property owners.
- Local sales tax totaled \$5,910,030 in 2024, which is a decrease of about 0.2% from the prior year.

- Operating grants and contributions are the second largest revenue source with \$10.9 million in 2024 governmental revenues, a 29% increase from 2023. Charges for services and grants and contributions has decreased to 34% of governmental program expenses from 42% in 2023, with public safety and social services assistance making up the majority of program operating revenues.
- Gaming tax revenues increased by 6.0% from the prior year. The government's taxpayers and the County's other general governmental revenues comprised 65% of the governmental revenues in 2024 as compared to 63% in 2023.

GOVERNMENTAL FUNCTIONAL EXPENSES

The public safety and public works functions make up approximately 53% of the total governmental activities expenses for 2024, compared with 52% in 2023. General government totals about 34%, and health and human services about 12% of 2024 governmental expenditures as compared to 33% and 14% in 2023, respectively.

This table presents the total cost of each of the County's programs, as compared to the net costs (i.e., total cost less revenues generated by the activities). The net costs illustrate the financial burden that was placed on the County's taxpayers by each of these functions.

	Governmental Activities			
	2024		2023	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
General government	\$ 12,914,427	\$ 9,870,995	\$ 10,855,336	\$ 8,502,373
Public safety	14,151,745	10,748,651	11,278,084	6,659,290
Public works	6,780,242	4,011,747	5,863,187	3,303,621
Health and human services	4,952,164	1,024,733	4,641,084	808,099
Culture and recreation	148,598	(75,705)	129,897	(142,301)
Interest	4,703	4,703	15,113	15,113
Total	<u>\$ 38,951,879</u>	<u>\$ 25,585,124</u>	<u>\$ 32,782,701</u>	<u>\$ 19,146,195</u>

In this table, the County recognized capital asset contributions of \$278,270 in 2024 as current year program revenues but which offset expenditures that will be capitalized as Public Safety and Culture & Recreation assets. After reducing gross expenses by program revenues, public safety (which includes Community Development Services) totals 41% of the adjusted net cost of services in 2024 as compared to 35% in 2023. Public works shows approximately 15% of the 2024 net cost of services, as compared to 17% in 2023. Approximately 50.5% of the funding for the operations of the Road and Bridge Fund (in public works) is Highway User Tax Fund money received from the State.

BUSINESS-TYPE ACTIVITIES
Revenues vs. Costs

The jail enterprise fund showed net operating loss of \$36,668 in 2024, compared to a loss of \$1,044,752 in 2023. In 2024 Teller County increased marketing of our facility to obtain external revenue thru increased numbers of inmates from other entities. This helped to decrease the operating loss that occurred in 2023. The wastewater fund showed a net operating loss of \$76,346 compared to a loss of \$57,571 in 2023. This loss is primarily due to increases in liability insurance and repairs in preparation for the upcoming expansion.

Financial Analysis of the County's Funds

Governmental Funds

As discussed, governmental funds are reported in the fund statements with a short-term inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds ending fund balances are \$26,459,443, which is a decrease from \$30,625,986 at the end of 2023. The residual amount of unassigned fund balance in the County's general fund, after accounting for all levels of constraint determined according to GASB54, is \$3,338,633 as compared to \$4,993,539 at the end of 2023, indicating most of the decrease in total fund balance was restricted as to use.

Major Governmental Funds

The general fund is the County's primary operating fund and the largest source of day-to-day service delivery. Originally budgeted to decrease by about \$5.73 million, actual revenues and expenditures in the general fund resulted in a fund balance decrease of \$3,117,971, as compared to an increase of \$349,539 in 2023. Our ongoing budgetary caution resulted in general fund revenues above the 2024 adjusted budget amounts by \$1.3 million as compared to \$4.4 million above adjusted budget amounts in 2023. Some departments continued to hold the line on normal expenditures, resulting in expenses of about \$3.18 million less than budget, as compared to \$2.4 million less in 2023. These large differences between budget and actual are also due, in part, to revenue and expense uncertainties related to intergovernmental revenues, GASB 87/96 implementations and uncertain construction project expenses at year end.

Property taxes distributed to the general fund show a 1% increase from calendar year 2023, resulting from an increase in assessed values of property in the County along with a shift in the breakdown between funds. Distribution of sales taxes to the general fund increased by about 1% from the prior year. This is primarily due a shift in the breakdown between funds. General fund revenues from other governmental entities (mainly State and Federal) decreased by 24.2% from those in 2023. This is primarily due to the end of the American Rescue Act Revenues. Revenues from all types of general fund licenses and permits resulted in a total increase of 4.5% from 2023. Charges for general fund services had an increase of 14.9%, after an 8.6% decrease in 2023.

The general fund balance is considered adequate, and due to conservative budget and spending practices, it shows the equivalent of 29.8% of annual expenditures in 2024. In the general fund, most areas of expenditure increased. The increased spending was primarily a result of increased personnel expenses, information technology upgrades and public safety increases.

Total road and bridge fund revenues increased by about \$177,000. Results in the road and bridge fund show an increase in expenditures of about \$729,000 and a decrease of about \$1,114,000 in fund balance from the prior year.

In the social services fund, total revenue decreased by about \$260,000 resulting from a shift in the breakdown between funds of property tax revenue. Total expenditures and transfers out increased about \$207,000 and a decrease in fund balance of about \$199,000 from the prior year.

Proprietary Funds

The proprietary fund statements share the same focus as the government-wide statements, reporting both short-term and long-term information about financial status. This information was discussed in previous areas of the MD&A.

Budgetary Highlights

We have continued to budget to allocate funds to the capital projects fund in anticipation of accomplishing some long-term capital goals in the near future. The County's fleet replacement program has continued according to plan, taking into consideration increases in the cost of certain fleet equipment. In 2024 the County used some of our fund balances to accomplish several capital project goals while still maintaining service levels.

The General Fund – Over the course of the year, the Board of County Commissioners has found it necessary to adopt adjustments and supplemental appropriations to the 2024 general fund budget, for the following reasons:

- Revenues that were not anticipated in the originally adopted budget, that have been obtained to fund specific programs or services (ie: grants approved after adoption of the budget, increased program funding)
- Interfund transfers
- Continued reporting requirements related to GASB 87 & GASB 96
- To allow for unanticipated expenditures
- Carryover of designated funds received in 2023 but not expended until 2024

Adjustments to the general fund budget resulted in a net increase of appropriations equaling \$4,213,426.

Actual general fund revenues came in \$1,315,708 higher than the adjusted budget amounts. Some County departments continued to maintain costs through careful monitoring of expenditures, which came in about 9% lower than the adjusted budget. Comparatively, the County spent about 91% of the authorized general fund budget in 2023. Past revenue trends are taken into account while developing conservative estimates for the budget.

Other Major Governmental Funds – Over the course of the year, the Board of County Commissioners has found it necessary to adopt adjustments and supplemental appropriations to other major governmental funds' 2024 budgets. Substantial amounts were:

- The capital projects fund budget was increased by approximately \$2.44 million, primarily to allow for unanticipated expenditures in construction, equipment, and other capital expenditures.

Capital Assets and Debt Administration

Capital Assets

At December 31, 2024, the County had \$282,042,417 invested in a broad range of capital assets, including land, buildings, park facilities, roads, bridges and sewer lines, lease properties and information technology subscriptions. This is an increase of \$2,582,251. In 2006, the County had completed valuation and condition assessments of all infrastructure in our road and trail systems built prior to 2003, and included them under the “modified approach” of reporting as non-depreciable assets under GASB34. This method of reporting, assessing and tracking the County’s infrastructure has shown to be a valuable asset management tool. Due to the successful results of tracking road and trail infrastructure under the modified approach, in 2011 the County reconditioned the Wastewater infrastructure, completed a full assessment of the system, and has added that infrastructure to the assets tracked under the modified approach of reporting. The most recent assessment of all county road and trail infrastructure was performed in the three years ended December 31, 2024, and of the wastewater infrastructure in the three years ended December 31, 2023. The County will continue to perform infrastructure assessments every three years. The County's investment in capital assets, net of accumulated depreciation and amortization, for governmental and business-type activities as of December 31, 2024, was \$279,242,535 and \$2,799,882 respectively. The total change in this net investment was an increase of 0.93% for governmental and a 16.59% increase for business-type activities. See Note 4-D for additional information about changes in capital assets during the calendar year and outstanding at the end of the year. The following table provides a summary of capital asset activity:

	Capital Assets (net of depreciation & amortization)						
	Governmental Activities		Business Activities		Total		% Change
	2024	2023	2024	2023	2024	2023	
Land	\$ 3,225,910	\$ 3,225,910	\$ 101,300	\$ 101,300	\$ 3,327,210	\$ 3,327,210	0.0%
Construction in progress	2,402,059	117,739	589,333	395,476	2,991,392	513,215	482.9%
Buildings & Improvements	10,100,574	10,493,108	361,982	555,639	10,462,556	11,048,747	-5.3%
Machinery and equipment	5,518,508	5,232,604	794,555	396,426	6,313,063	5,629,030	12.2%
Leases Right-to-use assets	604,956	(6,063)	-	-	604,956	(6,063)	-10077.8%
Subscriptions Right-to-use asset	477,543	20,751	-	-	477,543	20,751	2201.3%
Infrastructure	257,974,564	257,974,564	952,712	952,712	258,927,276	258,927,276	0.0%

Long-term Debt

At the end of the calendar year, the County had outstanding debt obligations of \$2,658,635 for compensated absences, leases and subscriptions. In 2024, the County had a net increase in compensated absence balances due, of \$877,129 or 121.8%. Most of this increase is due to the implementation and restatement of GASB 101 which increased 2024 beginning balances by \$836,794. There is also a net increase in leases of \$413,275 or 212.9% and a net decrease in subscriptions of \$16,001 or 3.4%.

Outstanding Debt

	Governmental Activities		Business-type Activities		Totals		% Change
	2024	2023	2024	2023	2024	2023	
Leases	\$ 607,376	\$ 194,101	\$ -	\$ -	\$ 607,376	\$ 194,101	212.9%
Subscriptions	454,203	470,204	-	-	454,203	470,204	-3.4%
Compensated absences	1,428,636	623,875	168,420	96,052	1,597,056	719,927	121.8%
Total	<u>\$ 2,490,215</u>	<u>\$ 1,288,180</u>	<u>\$ 168,420</u>	<u>\$ 96,052</u>	<u>\$ 2,658,635</u>	<u>\$ 1,384,232</u>	<u>92.1%</u>

See Note 4-F for additional information about the County's long-term debt.

Economic Conditions Affecting the County

Recession concerns have increased significantly for 2025. Some predictions show a probability as high as 80% for a recession beginning before the end of 2025. How a recession might impact the County would depend on multiple factors, but it could definitely impact many revenue sources. The County has been able to maintain adequate fund balances which is allowing us to save for future capital purchases and buildings however those balances did decrease by over \$4,000,000 from 2023 to 2024. The County has/is applying for multiple grants to defray part of our future capital construction expenses. Currently the federal government is in the process of reviewing and reducing grants and other funding to the States & Counties. There is a lot of uncertainty as to what federal funds will remain available. Also, the State of Colorado is facing a large budget deficit which is likely to reduce some state revenues to the County as they work to balance. Significantly lower revenues will impact our capital project plans and could impact day to day operations.

Gaming tax revenue increased by approximately \$150,000 in 2024. Building-related activity increased by 5%. Sales tax was flat to 2023 with a small 0.2% decrease. To-date 2025 activity is about a 6% lower from the first three months of 2024. Sales taxes fluctuate throughout the year so this might not be a significant indicator.

Assessed values certified in 2024 for revenue collection in 2025 showed a small decrease.

The Cripple Creek & Victor Gold Mine, previously owned by the Newmont Mining Corporation was sold at the end of 2024 to SSR Mining. It continues to be a valuable member of the community. The current mine life permit runs through 2025 however an amendment is in progress to extend mining activities for up to 10 additional years. We expect the mine to continue to support future County property tax revenues.

Contacting the County's Financial Management

This financial report is designed to provide a general overview of the County's finances, comply with finance-related laws and regulations, and demonstrate the County's commitment to public accountability. If you have questions about this report or would like to request additional information, contact the County's Director of Finance or the County Administrator at the County's Centennial Building, 112 North "A" Street, Cripple Creek, CO 80813.



BASIC FINANCIAL STATEMENTS

Teller County, Colorado
Statement of Net Position
December 31, 2024

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets			
Current Assets			
Cash and investments (Note 4-A)	\$ 30,552,032	\$ 1,073,098	\$ 31,625,130
Receivables:			
Accounts	1,351,740	268,364	1,620,104
Property taxes	12,178,438	-	12,178,438
Intergovernmental	256,595	-	256,595
Leases	25,382	-	25,382
Interfund	293,629	(293,629)	-
Prepaid expenses	1,571,560	37,113	1,608,673
Inventory	233,692	-	233,692
Long-Term Assets (Note 4-B)			
Leases receivable (net of current portion)	1,708,505	-	1,708,505
Capital Assets (Note 4-D)			
Nondepreciable capital assets	263,602,533	1,643,346	265,245,879
Depreciable capital assets, net	16,701,581	1,156,536	17,858,117
Total Assets	<u>328,475,687</u>	<u>3,884,828</u>	<u>332,360,515</u>
Liabilities			
Current Liabilities			
Accounts payable	4,568,171	552,001	5,120,172
Intergovernmental payable	583,477	-	583,477
Accrued interest payable	5,983	-	5,983
Compensated absences payable	1,385,777	163,367	1,549,144
Subscriptions payable	148,004	-	148,004
Leases payable	328,739	-	328,739
Long-Term Liabilities (Note 4-F)			
Compensated absences payable (net of current portion)	42,859	5,053	47,912
Subscriptions payable (net of current portion)	306,199	-	306,199
Leases payable (net of current portion)	278,637	-	278,637
Total Liabilities	<u>7,647,846</u>	<u>720,421</u>	<u>8,368,267</u>
Deferred Inflows of Resources			
Leases	1,641,052	-	1,641,052
Property tax revenue	12,178,438	-	12,178,438
Total Deferred Inflows of Resources	<u>13,819,490</u>	<u>-</u>	<u>13,819,490</u>
Net Position			
Net investment in capital assets (Note 4-H)	279,242,535	2,799,882	282,042,417
Restricted for:			
Emergencies (Note 5-D)	700,000	-	700,000
Parks and open space	767,832	-	767,832
Social services programs	1,673,777	-	1,673,777
Other	238,516	-	238,516
Unrestricted	24,385,691	364,525	24,750,216
Total Net Position	<u>\$ 307,008,351</u>	<u>\$ 3,164,407</u>	<u>\$ 310,172,758</u>

See the accompanying notes to the basic financial statements.

Teller County, Colorado
Statement of Activities
For the Year Ended December 31, 2024

Function/Program	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total
					Governmental Activities	Business-Type Activities	
Primary Government							
Governmental Activities							
General government	\$ 12,914,427	\$ 1,269,141	\$ 1,774,291	\$ -	\$ (9,870,995)	\$ -	\$ (9,870,995)
Public safety	14,151,745	834,480	2,301,394	267,220	(10,748,651)	-	(10,748,651)
Public works	6,780,242	24,800	2,743,695	-	(4,011,747)	-	(4,011,747)
Health and human services	4,952,164	50,569	3,876,862	-	(1,024,733)	-	(1,024,733)
Culture and recreation	148,598	760	212,493	11,050	75,705	-	75,705
Interest	4,703	-	-	-	(4,703)	-	(4,703)
Total Governmental Activities	38,951,879	2,179,750	10,908,735	278,270	(25,585,124)	-	(25,585,124)
Business-Type Activities:							
Water and sewer	243,075	165,663	-	1,009,800	-	932,388	932,388
Jail	4,885,625	4,318,547	269,399	164,658	-	(133,021)	(133,021)
Total Business-Type Activities	5,128,700	4,484,210	269,399	1,174,458	-	799,367	799,367
Total - Primary Government	\$ 44,080,579	\$ 6,663,960	\$ 11,178,134	\$ 1,452,728	(25,585,124)	799,367	(24,785,757)
General Revenues							
Property taxes levied for general government purposes					10,825,575	-	10,825,575
Sales taxes					5,910,030	-	5,910,030
Gaming taxes					2,700,813	-	2,700,813
Specific ownership taxes and other					2,060,072	-	2,060,072
Unrestricted grants					258,970	-	258,970
Non capital grants					-	2,531	2,531
Gain on sale of capital assets					7,826	-	7,826
Investment earnings					1,592,781	-	1,592,781
Insurance reimbursements					51,612	-	51,612
Miscellaneous					292,138	97,419	389,557
Total General Revenues					23,699,817	99,950	23,799,767
Change in Net Position					(1,885,307)	899,317	(985,990)
Net Position Beginning of Year					309,670,844	2,324,698	311,995,542
Adjustment to Beginning Net Position for GASB101					(777,186)	(59,608)	(836,794)
Net Position Beginning of Year (as restated)					308,893,658	2,265,090	311,158,748
Net Position End of Year					\$ 307,008,351	\$ 3,164,407	\$ 310,172,758

See the accompanying notes to the basic financial statements.

Teller County, Colorado
Balance Sheet
Governmental Funds
December 31, 2024

	General	Road and Bridge	Social Services	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
Assets						
Cash and investments	\$ 9,763,473	\$ 2,438,208	\$ 2,197,660	\$ 11,224,096	\$ 2,274,838	\$ 27,898,275
Receivables:						
Accounts	781,076	310,134	27,676	228,308	-	1,347,194
Property taxes	11,090,782	603,608	484,048	-	-	12,178,438
Intergovernmental	-	-	256,595	-	-	256,595
Leases	-	-	-	1,733,887	-	1,733,887
Interfund	293,629	-	-	-	-	293,629
Prepaid items	1,260,312	6,001	4,222	300,000	1,025	1,571,560
Total Assets	<u>23,189,272</u>	<u>3,357,951</u>	<u>2,970,201</u>	<u>13,486,291</u>	<u>2,275,863</u>	<u>45,279,578</u>
Liabilities, Deferred Inflows and Fund Balances						
Liabilities						
Accounts payable	4,009,143	102,810	224,677	24,105	56,433	4,417,168
Intergovernmental payable	-	-	583,477	-	-	583,477
Total Liabilities	<u>4,009,143</u>	<u>102,810</u>	<u>808,154</u>	<u>24,105</u>	<u>56,433</u>	<u>5,000,645</u>
Deferred Inflows of Resources						
Unavailable lease revenue	-	-	-	1,641,052	-	1,641,052
Unavailable property tax revenue	11,090,782	603,608	484,048	-	-	12,178,438
Total Deferred Inflows of Resources	<u>11,090,782</u>	<u>603,608</u>	<u>484,048</u>	<u>1,641,052</u>	<u>-</u>	<u>13,819,490</u>
Fund Balances						
Nonspendable	1,260,312	6,001	4,222	300,000	1,025	1,571,560
Restricted	39,633	-	1,673,777	198,883	1,467,832	3,380,125
Committed	-	-	-	248,901	750,000	998,901
Assigned	3,450,769	2,645,532	-	11,073,350	573	17,170,224
Unassigned	3,338,633	-	-	-	-	3,338,633
Total Fund Balances	<u>8,089,347</u>	<u>2,651,533</u>	<u>1,677,999</u>	<u>11,821,134</u>	<u>2,219,430</u>	<u>26,459,443</u>
Total Liabilities, Deferred Inflows and Fund Balances	<u>\$ 23,189,272</u>	<u>\$ 3,357,951</u>	<u>\$ 2,970,201</u>	<u>\$ 13,486,291</u>	<u>\$ 2,275,863</u>	<u>\$ 45,279,578</u>

See the accompanying notes to the basic financial statements.

Teller County, Colorado
Reconciliation of Governmental Funds Balance Sheet to
The Statement of Net Position
December 31, 2024

Total Governmental Fund Balances	\$	26,459,443
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 (exclusive of internal service funds' capital assets)		
Cost	\$	285,525,689
Less accumulated depreciation and amortization	<u>(9,632,168)</u>	275,893,521
The internal service funds are used by management to charge the costs of the operation and maintenance of the vehicle fleet to individual funds. The assets and liabilities of the internal service funds are included in governmental activities columns in the statement of net position.		
		7,085,202
Liabilities are not due and payable in the current period and therefore are not reported in the fund balance sheets but are reported on the government-wide statement of net position: (exclusive of internal service funds' liabilities)		
Accrued lease interest payable		(5,983)
Leases payable		(607,376)
Subscriptions payable		(454,203)
Compensated absences		<u>(1,362,253)</u>
Net Position of Governmental Activities	\$	<u>307,008,351</u>

See the accompanying notes to the basic financial statements.

Teller County, Colorado
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2024

	General	Road and Bridge	Social Services	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
Revenues						
Property taxes	\$ 9,856,024	\$ 484,348	\$ 485,202	\$ -	\$ 1	\$ 10,825,575
Sales taxes	3,704,407	592,185	-	1,613,438	-	5,910,030
Severance Tax	382,516	-	-	-	-	382,516
E911 Authority	468,366	-	-	-	-	468,366
Intergovernmental	6,210,311	4,116,238	3,579,399	867,154	188,675	14,961,777
Licenses and permits	714,072	22,242	-	-	-	736,314
Charges for services	1,277,749	14,840	-	-	-	1,292,589
Fines and forfeitures	16,762	13,487	-	-	-	30,249
Investment earnings	783,029	178,934	-	282,049	101,598	1,345,610
Lease revenue	-	-	-	54,619	-	54,619
Lease interest	-	-	-	32,603	-	32,603
Miscellaneous	118,363	15,883	368	308,846	-	443,460
Total Revenues	23,531,599	5,438,157	4,064,969	3,158,709	290,274	36,483,708
Expenditures						
Current:						
General government	11,811,023	-	-	1,310,722	-	13,121,745
Public safety	13,802,006	-	-	-	-	13,802,006
Highways and streets	-	6,551,925	-	-	-	6,551,925
Health and human services	925,716	-	3,976,770	-	-	4,902,486
Culture and recreation	53,771	-	-	-	92,173	145,944
Capital Outlay	250,192	-	-	855,438	944,728	2,050,358
Debt Service - Leases						
Lease principal	179,126	-	-	-	-	179,126
Lease interest	411	-	-	-	-	411
Debt Service - Subscriptions						
Subscriptions principal	145,215	-	-	-	-	145,215
Subscriptions interest	5,423	-	-	-	-	5,423
Total Expenditures	27,172,883	6,551,925	3,976,770	2,166,160	1,036,901	40,904,639
Excess (Deficiency) of Revenues Over Expenditures	(3,641,284)	(1,113,768)	88,199	992,549	(746,627)	(4,420,931)
Other Financing Sources (Uses)						
Proceeds from leases	592,401	-	-	-	-	592,401
Subscription proceeds	129,214	-	-	-	-	129,214
Insurance reimbursements	23,536	-	-	-	-	23,536
Transfers in	390,925	-	-	325,546	280,445	996,916
Transfers out	(612,763)	-	(287,241)	(195,964)	(391,711)	(1,487,679)
Total Other Financing Sources (Uses)	523,313	-	(287,241)	129,582	(111,266)	254,388
Net Change in Fund Balances	(3,117,971)	(1,113,768)	(199,042)	1,122,131	(857,893)	(4,166,543)
Fund Balances Beginning of Year	11,207,318	3,765,301	1,877,041	10,699,003	3,077,323	30,625,986
Fund Balances End of Year	\$ 8,089,347	\$ 2,651,533	\$ 1,677,999	\$ 11,821,134	\$ 2,219,430	\$ 26,459,443

See the accompanying notes to the basic financial statements.

Teller County, Colorado
Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2024

Net Changes In Fund Balances - Total Governmental Funds		\$ (4,166,543)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlay 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 and donated capital value exceeded depreciation expense in the current period.		
Depreciation expense	\$ (974,109)	
Capital outlay	2,050,358	
Lease and Subscription additions not included in capital outlay	721,615	
Asset additions not included in capital outlay	<u>276,255</u>	2,074,119
Capitalized assets are not reported on the governments fund financial statements, however on the government-wide statements fixed assets and related depreciation have been reported. This is the net value of assets removed.		
Capitalized asset	\$ (638,795)	
Accumulated depreciation	<u>628,844</u>	(9,951)
The internal service fund is used by management to charge the the costs of the operation and maintenance of the vehicle fleet to individual funds. The net revenue of certain activities of the internal service fund is reported with governmental activities.		
		626,770
Interest expense reported in the statement of activities does not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Liability @ 12/31/24	\$ (5,983)	
Liability @ 12/31/23	<u>7,114</u>	1,131
Retirement of lease debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
		179,126
Issuance of lease and subscription debt principal is a revenue in the governmental funds, but the issuance increases long-term liabilities in the statement of net position.		
		\$ (721,615)
Retirement of subscription debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
		145,215
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.		
Liability @ 12/31/24	\$ (1,362,253)	
Liability @ 12/31/23	<u>1,348,694</u>	(13,559)
Change in Net Position of Governmental Activities		<u><u>\$ (1,885,307)</u></u>

See the accompanying notes to the basic financial statements.

Teller County, Colorado
Statement of Net Position
Proprietary Funds
December 31, 2024

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Fund
	Wastewater Utility	Jail	Total	
Assets				
Current Assets:				
Cash and cash equivalents	\$ 1,073,098	\$ -	\$ 1,073,098	\$ 2,653,757
Receivables:				
Accounts	13,963	254,401	268,364	4,546
Inventory	-	-	-	233,692
Prepaid expenses	2,319	34,794	37,113	-
Total Current Assets	<u>1,089,380</u>	<u>289,195</u>	<u>1,378,575</u>	<u>2,891,995</u>
Noncurrent Assets:				
Capital Assets:				
Land	-	101,300	101,300	-
Infrastructure	952,713	-	952,713	-
Other non-depreciable assets	571,251	18,082	589,333	-
Depreciable capital assets, net	<u>-</u>	<u>1,156,536</u>	<u>1,156,536</u>	<u>4,410,593</u>
Total Noncurrent Assets	<u>1,523,964</u>	<u>1,275,918</u>	<u>2,799,882</u>	<u>4,410,593</u>
Total Assets	<u>2,613,344</u>	<u>1,565,113</u>	<u>4,178,457</u>	<u>7,302,588</u>
Liabilities				
Current Liabilities:				
Accounts payable	321,178	230,823	552,001	151,003
Interfund payable	-	293,629	293,629	-
Compensated absences payable	<u>-</u>	<u>163,367</u>	<u>163,367</u>	<u>64,392</u>
Total Current Liabilities	<u>321,178</u>	<u>687,819</u>	<u>1,008,997</u>	<u>215,395</u>
Long-Term Liabilities:				
Compensated absences payable (net of current portion)	<u>-</u>	<u>5,053</u>	<u>5,053</u>	<u>1,991</u>
Total Long-Term Liabilities	<u>-</u>	<u>5,053</u>	<u>5,053</u>	<u>1,991</u>
Total Liabilities	<u>321,178</u>	<u>692,872</u>	<u>1,014,050</u>	<u>217,386</u>
Net Position				
Net investment in capital assets	1,523,964	1,275,918	2,799,882	4,410,593
Unrestricted	<u>768,202</u>	<u>(403,677)</u>	<u>364,525</u>	<u>2,674,609</u>
Total Net Position	<u>\$ 2,292,166</u>	<u>\$ 872,241</u>	<u>\$ 3,164,407</u>	<u>\$ 7,085,202</u>

See the accompanying notes to the basic financial statements.

Teller County, Colorado
Statement of Revenues,
Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2024

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Wastewater Utility	Jail	Total	
Operating Revenues				
Charges for services	\$ 165,663	\$ 4,318,547	\$ 4,484,210	\$ 2,094,292
Intergovernmental	-	434,057	434,057	-
Miscellaneous	1,066	96,353	97,419	480
Total Operating Revenues	<u>166,729</u>	<u>4,848,957</u>	<u>5,015,686</u>	<u>2,094,772</u>
Operating Expenses				
Administration	30,694	130,079	160,773	-
Operations	212,381	4,473,642	4,686,023	1,723,753
Depreciation	-	281,904	281,904	518,085
Total Operating Expenses	<u>243,075</u>	<u>4,885,625</u>	<u>5,128,700</u>	<u>2,241,838</u>
Operating Loss	<u>(76,346)</u>	<u>(36,668)</u>	<u>(113,014)</u>	<u>(147,066)</u>
Non-Operating Revenues				
Capital grant revenue	4,800	-	4,800	-
Non capital grants	-	2,531	2,531	-
Transfers in	-	-	-	490,763
Insurance reimbursements	-	-	-	28,076
Gain on sale of capital assets	-	-	-	7,826
Investment earnings	-	-	-	247,171
Total Non-Operating Revenues	<u>4,800</u>	<u>2,531</u>	<u>7,331</u>	<u>773,836</u>
Gain (Loss) Before Capital Contributions	<u>(71,546)</u>	<u>(34,137)</u>	<u>(105,683)</u>	<u>626,770</u>
Capital Contributions	<u>1,005,000</u>	<u>-</u>	<u>1,005,000</u>	<u>-</u>
Change in Net Position	<u>933,454</u>	<u>(34,137)</u>	<u>899,317</u>	<u>626,770</u>
Net Position Beginning of Year	<u>1,358,712</u>	<u>965,986</u>	<u>2,324,698</u>	<u>6,483,014</u>
Adjustment to Beginning Net Position for GASB101	<u>-</u>	<u>(59,608)</u>	<u>(59,608)</u>	<u>(24,582)</u>
Net Position Beginning of Year (as restated)	<u>1,358,712</u>	<u>906,378</u>	<u>2,265,090</u>	<u>6,458,432</u>
Net Position End of Year	<u>\$ 2,292,166</u>	<u>\$ 872,241</u>	<u>\$ 3,164,407</u>	<u>\$ 7,085,202</u>

See the accompanying notes to the basic financial statements.

Teller County, Colorado
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2024

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Fund
	Wastewater Utility	Jail	Total	
Cash Flows from Operating Activities				
Cash received from customers	\$ 412,223	\$ 5,026,127	\$ 5,438,350	\$ 2,099,365
Cash payments for goods and services	(279,467)	(1,543,815)	(1,823,282)	(1,339,543)
Cash payments to employees for services	-	(3,066,283)	(3,066,283)	(566,403)
Net Cash Provided by Operating Activities	132,756	416,029	548,785	193,419
Cash Flows from Capital and Related Financing Activities				
Non capital grants	-	2,531	2,531	-
Capital grants	4,800	-	4,800	-
Proceeds from sale of capital assets	-	-	-	38,130
Contributions	1,005,000	-	1,005,000	-
Payments for capital acquisitions	(175,776)	(504,457)	(680,233)	(1,065,417)
Net Cash Provided (Used) by Capital and Related Financing Activities	834,024	(501,926)	332,098	(1,027,287)
Cash Flows from Investing Activities and Transfers In				
Transfers in	-	-	-	490,763
Investment earnings	-	-	-	247,171
Insurance reimbursements	-	-	-	28,076
Net Cash Flows Provided by Investing Activities and Transfers In	-	-	-	766,010
Net Increase (Decrease) in Cash and Cash Equivalents	966,780	(85,897)	880,883	(67,858)
Cash and Cash Equivalents Beginning of Year	106,318	85,897	192,215	2,721,615
Cash and Cash Equivalents End of Year	\$ 1,073,098	\$ -	\$ 1,073,098	\$ 2,653,757

(continued)

See the accompanying notes to the basic financial statements.

Teller County, Colorado
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2024

(continued)

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Fund
	Wastewater Utility	Jail	Total	
Reconciliation of Operating Loss to Net Cash Provided by Operating Activities				
Operating Loss	\$ (76,346)	\$ (36,668)	\$ (113,014)	\$ (147,066)
Adjustments:				
Depreciation	-	281,904	281,904	518,085
(Increase) Decrease in Assets:				
Accounts receivable	245,494	(116,459)	129,035	4,593
Prepaid expenses	-	(10,402)	(10,402)	-
Inventory	-	-	-	(20,295)
Increase (Decrease) in Liabilities:				
Accounts payable	(36,392)	(8,735)	(45,127)	(175,914)
Compensated absences payable	-	12,760	12,760	14,016
Interfund payable	-	293,629	293,629	-
Net Cash Provided by Operating Activities	<u>\$ 132,756</u>	<u>\$ 416,029</u>	<u>\$ 548,785</u>	<u>\$ 193,419</u>

See the accompanying notes to the basic financial statements.

Teller County, Colorado
Statement of Fiduciary Net Position
Custodial Funds
December 31, 2024

	SWTC Library Custodial Fund	Other Custodial Funds	Total
Assets			
Cash and investments	\$ 735,756	\$ 1,996,255	\$ 2,732,011
Total Assets	<u>735,756</u>	<u>1,996,255</u>	<u>2,732,011</u>
Liabilities			
County warrants outstanding	-	1,190,513	1,190,513
Accounts payable	-	366,248	366,248
Due to other entities	<u>-</u>	<u>439,494</u>	<u>439,494</u>
Total Liabilities	<u>-</u>	<u>1,996,255</u>	<u>1,996,255</u>
Net Position			
Restricted For:			
Individuals, organizations and/or other governments	<u>735,756</u>	<u>-</u>	<u>735,756</u>
Total Fiduciary Net Position	<u><u>\$ 735,756</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 735,756</u></u>

Teller County, Colorado
Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Year Ended December 31, 2024

	SWTC Library Custodial Fund	Other Custodial Funds	Total
ADDITIONS			
Deposits from inmates	\$ -	\$ 402,439	\$ 402,439
County Clerk & Recorder collections	-	5,910,981	5,910,981
Tax collections for other entities	-	43,012,890	43,012,890
Tax collections for SWTC Library	308,699	-	308,699
Total additions	<u>308,699</u>	<u>49,326,310</u>	<u>49,635,009</u>
DEDUCTIONS			
Payments on behalf of inmates	-	402,439	402,439
County Clerk & Recorder payments to other governments	-	5,910,981	5,910,981
Tax distributions to other entities	-	43,012,890	43,012,890
Tax distributions to SWTC Library	180,000	-	180,000
Total deductions	<u>180,000</u>	<u>49,326,310</u>	<u>49,506,310</u>
Change in fiduciary net position	128,699	-	128,699
Net Position Beginning of Year	<u>607,057</u>	<u>-</u>	<u>607,057</u>
Net Position End of Year	<u><u>\$ 735,756</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 735,756</u></u>

See the accompanying independent auditors' report.

Teller County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

Index

Summary of Significant Accounting Policies	1
Reporting Entity	1-A
Basis of Presentation	1-B
Measurement Focus	1-C
Basis of Accounting	1-D
Assets, Deferred Outflows of Resources, Liabilities,	
Deferred Inflows of Resources and Fund Equity	1-E
Cash, Cash Equivalents and Investments	1-E-1
Interfund Balances	1-E-2
Consumable Inventories	1-E-3
Prepaid Items	1-E-4
Capital Assets	1-E-5
Leases	1-E-6
Subscription-based Information Technology	1-E-7
Deferred outflows/inflows of resources	1-E-8
Compensated Absences	1-E-9
Accrued Liabilities and Long-term Obligations	1-E-10
Fund Equity	1-E-11
Operating Revenues and Expenses	1-E-12
Contributions of Capital	1-E-13
Interfund Activity	1-E-14
Estimates	1-E-15
Intergovernmental Agreement	2
Stewardship, Compliance and Accountability	3
Excess of Expenditures Over Appropriations	3-A
Detailed Notes on All Funds	4
Deposits and Investments	4-A
Receivables	4-B
Property Taxes	4-C
Capital Assets	4-D
Interfund Transfers	4-E
Long-Term Debt	4-F
Pensions	4-G
Fund Equity	4-H
Other Notes	5
Risk Management	5-A
Risks and Uncertainties	5-B
Subsequent Events	5-C
Tax, Spending and Debt Limitations	5-D
Welfare Reform	5-E

Teller County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

Note 1 - Summary of Significant Accounting Policies

The financial statements of Teller County (County) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting.

The most significant of the County's accounting policies are described below.

1-A. Reporting Entity

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the County consists of all funds, departments, boards and agencies that are not legally separate from the County.

Component units are legally separate organizations for which the County is financially accountable. The County is financially accountable for an organization if the County appoints a voting majority of the organization's governing board and (1) the County is able to significantly influence the programs or services performed or provided by the organization; or (2) the County is legally entitled to or can otherwise access the organization's resources; the County is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the County is obligated for the debt of the organization. Component units also may include organizations that are fiscally dependent on the County in that the County approves the budget, levies their taxes or issues their debt.

The reporting entity has been defined to include all County elected officials, including the Treasurer, Public Trustee, Assessor, Clerk & Recorder (including Elections), Sheriff (including Detentions, Animal Control, Equitable Sharing, Dispatch Services and Search & Rescue), Coroner, Surveyor and Board of County Commissioners. The District Attorney does not meet the criteria of an includable entity; however, the County's contribution to the District Attorney's Office has been included as an expenditure of the general fund. In addition, the following County departments and organizations which report to the Teller County Board of County Commissioners are considered part of the reporting entity:

- | | |
|--|-----------------------|
| -Community Development | -County Events |
| -CSU Extension Office | -Emergency Management |
| -Environmental Health | -Finance & Budget |
| -Human Resources | -Human Services |
| -Information Technology | -Legal Services |
| -Public Health | -Veterans Office |
| -Public Works (including Transportation, Fleet Services, Facilities, Parks and the Wastewater Utility) | |

1-B. Basis of Presentation

The County's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-wide Financial Statements - The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information for the County as a whole, excluding fiduciary funds. Individual funds are not displayed but the statements distinguish governmental activities, generally supported by taxes and grants and the County's general revenues, from business-type activities, generally financed in whole or in part with user fees charged to external customers.

The statement of net position presents the financial position of the governmental and business-type activities of the County.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the County's governmental activities and for each identifiable activity of the business-type activities of the County. Direct expenses are those that are specifically associated with a function and therefore clearly identifiable to that particular function. The County does not allocate indirect expenses to functions in the statement of activities.

Teller County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees and other charges to users of the County's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. For identifying to which function program revenue pertains, the determining factor for *charges for services* is which function *generates* the revenue. For *grants and contributions*, the determining factor is to which function the revenues are *restricted*.

Other revenue sources not classified as program revenues are reported as general revenues of the County. The comparison of direct expenses with program revenues identifies the extent to which each governmental function and each identifiable business activity is self-financing or draws from the general revenues of the County.

Fund Financial Statements - During the year, the County segregates transactions related to certain County functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the County at this more detailed level. Fund financial statements are provided for governmental, proprietary and fiduciary funds.

Major individual governmental and enterprise funds are reported in separate columns in the fund financial statements.

Fund Accounting - The County uses funds to maintain its financial records during the year. A fund is a fiscal and accounting entity with a self-balancing set of accounts. The County uses three categories of funds: governmental, proprietary and fiduciary.

Governmental Funds - Government funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Fund liabilities are assigned to the fund from which they will be liquidated. The County reports the difference between governmental fund assets and deferred outflows and liabilities and deferred inflows as fund balance. The following are the County's major governmental funds:

The General Fund – The general fund accounts for all financial resources except those required to be accounted for in another fund.

Road and Bridge Fund – This fund accounts for revenues that are generated from highway user tax funds, property taxes, various grants and other intergovernmental revenues and fees. Spending is restricted, committed or assigned to all types of construction and maintenance of the County's transportation system.

Social Services Fund – This fund accounts for revenues that are generated from state & federal human services payments, property taxes and other intergovernmental revenues and fees. Spending is restricted to the administration of, and the County's share of program costs for, public assistance and welfare activities.

Capital Projects Fund – This fund is restricted, committed or assigned to account for general governmental capital building, land and equipment purchases and construction.

Proprietary Funds - Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. The proprietary funds are classified as enterprise funds and an internal service fund. The proprietary funds are:

Wastewater Utility Fund – This fund is used to account for the capital assets, liabilities and operations of the Teller County Wastewater Utility in Divide, Colorado. The utility's costs are intended to be financed or recovered primarily through user charges.

Jail Fund – This fund is used to account for the capital assets, liabilities and operations of the Teller County Detentions Facility in Divide, Colorado. The facility's costs are intended to be financed or recovered primarily through user charges.

Teller County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

Fleet Management Internal Service Fund – This fund is used to account for the capital assets, liabilities and operational management of the Teller County Fleet. The fleet-related services are provided to other County departments on a cost reimbursement basis.

Custodial Funds – The County’s custodial funds are fiduciary in nature. These funds are used to account for assets that the County holds for others in a fiduciary capacity. Custodial funds are accounted for using the economic resources measurement focus and the accrual basis of accounting.

During 2024 the County implemented GASB Statement No. 100, Accounting Changes and Error Corrections. The primary objective of this statement is to enhance the accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The statement is effective for periods beginning after June 15, 2023. The County has adopted this statement as of January 1, 2024.

Also, during 2024 the County implemented GASB Statement No. 101, Compensated Absences. The objective of this statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. The statement is effective for periods beginning after December 15, 2023. The County has adopted this statement as of January 1, 2024. This adoption required the County to include leave that is ‘more likely than not’ to be settled in the subsequent year, including sick leave which was not previously included in the County’s recognition of the liability. It also removed the requirement to disclose which funds are used to liquidate compensated absence liabilities and allowed us to show the ‘net’ change. Beginning net position is restated with the implementation of Statement No. 101.

1-C. Measurement Focus

Government-wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus. All assets, deferred outflows, liabilities and deferred inflows associated with the operation of the County are included on the statement of net position. The statement of activities reports revenues and expenses.

Fund Financial Statements - All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and deferred outflows, and current liabilities and deferred inflows generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities in the government-wide financial statements are prepared and reported. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the governmental fund statements.

Like the government-wide statements, all proprietary fund types and custodial funds are accounted for on a flow of economic resources measurement focus on both financial reporting levels. All assets and all liabilities associated with the operation of these funds are included on the statements of net position. The statements of changes in fund net position present increases (i.e., revenues) and decreases (i.e., expenses) in net total position. The statements of cash flows provide information about how the County finances and meets the cash flow needs of its proprietary activities.

1-D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. At the fund reporting level, the governmental funds use the modified accrual basis of accounting. Proprietary funds use the accrual basis of accounting at both reporting levels. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of unearned revenues, and in the presentation of expenses versus expenditures. Fiduciary funds use the accrual basis of accounting.

Revenues – Exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded when the exchange takes place and in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the County, the phrase “available for exchange transactions” means expected to be received within 60 days of year-end or 90 days if the revenue source is inter-governmental.

Teller County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

Revenues - Non-exchange Transactions - Non-exchange transactions in which the County receives value without directly giving equal value in return, include sales taxes, property taxes, grants and donations. On an accrual basis, revenue from sales taxes is recognized in the period in which the taxable sale takes place. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied. (Note 4-C) Property taxes assessed in 2024 that are due in 2025 are recorded as property taxes receivable and a deferred inflow at December 31, 2024.

Revenues from grants and donations are recognized in the fiscal year in which eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the County must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the County on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions also must be available (i.e., collected within 60 days or 90 days for inter-governmental) before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be susceptible to accrual: property taxes, sales taxes, fees, federal, state and private grants and intergovernmental revenue.

On governmental fund financial statements (i.e., on the modified accrual basis), receivables that will not be collected within the available period have been reported as a deferred inflow (i.e., they are measurable but not available) rather than as revenue.

Grants and entitlements received before the eligibility requirements are met, excluding timing requirements, (e.g., cash advances) are recorded as unearned revenue. Unmet timing requirements are recorded as deferred inflows.

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. On the modified accrual basis, expenditures generally are recognized in the accounting period in which the related fund liability is incurred and due, if measurable.

1-E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Fund Equity

1-E-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 three months of the date acquired by the County.

All certificates of deposit plus time deposits with a maturity date of more than three months but at or less than one year of the date acquired by the County are valued at amortized cost.

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local government entities may invest:

- Obligations of the United States and certain U.S. government agencies securities
- Certain international agency securities
- General obligation and revenue bonds of U.S. local government entities
- Bankers' acceptances of certain banks
- Commercial paper
- Local government investment pools
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts

The County's investments consist of external investment pools and U.S. Agency obligations.

1-E-2 Interfund Balances

On the fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/interfund payables." These amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are reclassified and presented as internal balances.

Teller County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

1-E-3 Consumable Inventories

On the government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used (i.e., the consumption method).

On the fund financial statements, inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. The cost of inventory items is recorded as an expenditure in the governmental fund types when consumed. Inventories of the proprietary funds are expensed when consumed.

1-E-4 Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2024, are recorded as prepaid items using the consumption method by recording an asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

1-E-5 Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in governmental funds. The County reports these assets in the governmental activities column of the government-wide statement of net position but does not report these assets in the governmental fund financial statements. Capital assets utilized by enterprise funds are reported both in the business-type activities column of the government-wide statement of net position and in the enterprise funds' statement of net position.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition value as of the date received. The County maintains a capitalization threshold of ten thousand dollars. The County's infrastructure consists of road improvements, trails and our wastewater system. The County has inventoried, valued and added 100% of defined infrastructure to the government-wide statement of net position. The County has adopted the modified approach under *GASB 34*, of tracking infrastructure assets as non-depreciable assets and targeting maintenance of infrastructure at certain condition levels. Improvements to capital assets are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed. Interest cost incurred before the end of a construction period are not included in the historical cost of a capital asset reported in a business-type activity or enterprise fund.

All reported capital assets are depreciated except for land, infrastructure and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Buildings and plant	10 - 120 years	30 years
Improvements	25 – 50 years	30 years
Machinery, equipment and vehicles	5 – 30 years	5 – 25 years
Furniture and fixtures	5 – 30 years	5 – 10 years

1-E-6 Leases

The County determines if an arrangement is a lease at inception. Leases where the County is the lessee are included in capital assets and lease liabilities in the statements of net position.

Teller County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

For arrangements where the County is the lessor, the County records a lease receivable and deferred inflow of resources in the amount of the present value of lease payments expected to be received during the lease term. Over the term of the lease agreement these present value amounts are amortized, via the effective interest rate method, such that (i) the lease receivable is accreted, through interest income, to the lease payment value as of each lease payment due date and (ii) the present value of deferred inflows is amortized into rent income.

For arrangements where the County is the lessee, lease assets represent the County's control of the right to use an underlying asset for the lease term, as specified in the contract, in an exchange or exchange-like transaction. Lease assets are recognized at the commencement date based on the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term or the useful life of the underlying asset.

Lease liabilities represent the County's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the commencement date based on the present value of expected lease payments over the lease term, less any lease incentives. Interest expense is recognized ratably over the contract term. The lease term may include options to extend or terminate the lease when it is reasonably certain that the County will exercise that option.

The County has elected to recognize payments for short-term leases with a lease term of 12 months or less as expenses as incurred, and these leases are not included as lease liabilities or right-to-use lease assets on the statements of net position.

For individual lease contracts where information about the discount rate implicit in the lease is not included, the County has elected to use the incremental borrowing rate that represents the rate at which it could borrow funds for a term equivalent to the lease agreement.

1-E-7 Subscription-based Information Technology Arrangements

Subscription assets represent the County's control of the right to use an underlying asset for the subscription term, as specified in the contract, in an exchange or exchange-like transaction. Subscription assets are recognized at the commencement date based on the initial measurement of the subscription liability, plus any payments made to the vendor at or before the commencement of the subscription term or the useful life of the underlying asset.

Subscription liabilities represent the County's obligation to make subscription payments arising from the subscription. Subscription liabilities are recognized at the commencement date based on the present value of expected subscription payments over the subscription term, less any incentives. Interest expense is recognized ratably over the contract term. The subscription term may include options to extend or terminate the subscription when it is reasonably certain that the County will exercise that option.

The County has elected to recognize payments for short-term subscriptions with a term of 12 months or less as expenses as incurred, and these subscriptions are not included as subscription liabilities or right-to-use assets on the statements of net position.

For individual subscription contracts where information about the discount rate implicit in the subscription is not included, the County has elected to use the incremental borrowing rate that represents the rate at which it could borrow funds for a term equivalent to the subscription agreement.

1-E-8 Deferred outflows/inflows of resources

In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The government had no deferred outflows at December 31, 2024.

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has two items, which arise under both the full (government-wide financial statement) and the modified accrual (fund financial statement) bases of accounting, that qualify for reporting in this category. Accordingly; *unavailable property tax revenue and unavailable lease revenue*, are reported in both the statement of net position and in the balance sheet of governmental funds as deferred inflows of resources.

Teller County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

1-E-9 Compensated Absences

Various benefits (vacation, sick leave, etc) are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are: attributable to services already rendered; the leave accumulates to future reporting periods during which it may be used for time off or paid to the employee; and it is more likely than not that the employer will compensate the employees for the benefits.

All compensated absence liabilities include salary-related payments, where applicable.

The total compensated absence liability is reported on the government-wide financial statements. Proprietary funds report the total compensated liability in each individual fund at the fund reporting level. Governmental funds report the compensated absence liability at the fund reporting level only “when due.”

1-E-10 Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of these funds. However, compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are “due for payment” during the current year. Leases are considered financings of the right to use an underlying asset. Leases where the County is the lessee are recognized as a lease liability and an intangible right-to-use lease asset. Leases where the County is the lessor are recognized as a lease receivable and a deferred inflow of resources. Information Technology Subscriptions are considered financings of the right to use an underlying asset. They are recognized as a subscription liability and an intangible right-to-use subscription asset.

1-E-11 Fund Equity (See Note 4-H)

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 assets and deferred outflows of resources, and liabilities and deferred inflows of resources. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances are classified as follows:

- ***Nonspendable*** – Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.
- ***Restricted*** – Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or State, or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.
- ***Committed*** – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the Teller County Board of County Commissioners through the adoption of a resolution. The Board of County Commissioners also must modify or rescind the commitment through the same action as adopted.
- ***Assigned*** – Fund balances are reported as assigned when amounts are constrained by the County’s intent to be used for specific purposes, but are neither restricted nor committed. By resolution, the Board of County Commissioners has authorized the County Administrator and the County Director of Finance and Budget as the body which assigns fund balances.
- ***Unassigned*** – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The County reports positive unassigned fund balance only in the general fund. Negative unassigned fund balances may be reported in all funds.

Teller County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

Flow Assumptions – When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the County’s policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the County’s policy to use fund balance in the following order:

- ***Committed***
- ***Assigned***
- ***Unassigned***

Net Position - Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, and unamortized charges, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. 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.

1-E-12 Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the County, these revenues are charges for services for wastewater and prisoner housing. Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of each fund. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

1-E-13 Contributions of Capital

Contributions of capital in proprietary fund financial statements arise from outside or internal contributions of capital assets or from grants or outside contributions of resources intended to be used for capital acquisition, construction and maintenance. During 2024 the Capital Projects fund purchased 67 banks of wastewater capacity that the County intends to sell to outside developers/individuals in the future.

1-E-14 Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as transfers. Transfers are reported as other financing sources/uses in governmental funds and in non-operating revenues/expenses section in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements (i.e., they are netted).

Transfers between governmental and business-type activities on the government-wide statement of activities are reported as general revenues. Transfers between funds reported in the governmental activities column are eliminated. Transfers between funds reported in the business-type activities column are eliminated.

Eliminations have been made to minimize the double counting of internal activities. The County’s internal service fund (which provides services primarily to other funds of the County) is presented, in summary form, as part of the proprietary fund financial statements. Since the principal users of the internal services are the County’s governmental activities, financial activities of the internal service fund are presented in the governmental activities column when presented at the government-wide level. The costs of these services are allocated to the appropriate function/program (general government, public safety, public works, health and human services, and culture and recreation) in the statement of activities.

Teller County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

1-E-15 Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Note 2 – Intergovernmental Agreement

During the course of 2024, the County was involved in various intergovernmental agreements with local and federal law enforcement for the purpose of establishing federal task forces and special investigation funds, as well as other areas. These agreements are not considered joint ventures. The related revenue and expenses are accounted for within the general fund. The County has no specific claim to any assets of these funds, except as requested to pay for costs over and above normal operations of the County Sheriff's Department as allowed in these agreements and as approved by the entity in charge of the funds.

Note 3 – Stewardship, Compliance and Accountability

3-A. Excess of Expenditures over Appropriations

No individual funds had expenditures/expenses in excess of approved appropriations.

Note 4 - Detailed Notes on All Funds

4-A. Deposits and Investments

Deposits - The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. Demand deposits and Time and Savings deposits are each insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC). Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. The institution is allowed to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. The following schedules show the cash balances and amount of insured versus collateralized deposits.

As of December 31, 2024, the County had the following deposits:

	Insured	Collateralized	Balance	Carrying Amount	Maturities
Cash On Hand	\$ -	\$ -	\$ -	\$ 73,880	
Deposits	763,829	9,550,885	10,314,714	10,274,005	
CDs	981,000	-	981,000	981,000	2/8/25-11/30/25
Total Deposits and Cash on Hand	<u>\$ 1,744,829</u>	<u>\$ 9,550,885</u>	<u>\$ 11,295,714</u>	<u>\$ 11,328,885</u>	

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. As of December 31, 2024, the County's deposits were not exposed to custodial credit risk, as all deposits were insured by the FDIC or collateralized in accordance with PDPA.

Investment Risk Factors - There are many factors that can affect the value of investments, some of which are custodial credit risk, credit risk and interest rate risk. The County Treasurer has established a cash and investment policy to minimize the County's exposure to these risks. The County follows Colorado state statutes for investing. As such, in 2024 the County investment portfolio includes certificates of deposit with maturity lengths in excess of three months. Because of this, the only exposure the County has is to custodial credit risk. The County's investment policy does not specifically address these risks.

Teller County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

The County has categorized its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs which are recurring measurements; Level 3 inputs are significant unobservable inputs.

Investment in obligations of the U.S government, or those explicitly guaranteed by the U.S. Government, are not subject to custodial credit risk, credit risk or foreign currency risk. The County's government obligations are subject to interest rate risk based on their maturity dates. The County has the intent and ability to hold all investments to maturity. Maturity dates and values are as below:

	Fair Value/ Carrying Amount	Maturities	Rating
Investments			
FHLMC	\$ 248,272	8/13/2029	AA+
GNMA	1,038	10/26/26-2/20/31	AA+
Total	<u>\$ 249,310</u>		

The County's investments in U.S. Agency obligations (GNMA's, Federally Guaranteed Home Loans and Treasury Notes) are valued at \$249,310 using inputs, other than quoted prices that are observable, such as interest rates and yield curves observable at commonly quoted intervals (Level 2 inputs).

Investments in local government investment pools or in money market funds are not evidenced by securities that exist in physical or book entry form. The County had invested \$22,778,946 in Public Trust Pools, which are investment vehicles established by state statute for local government entities in Colorado to pool surplus funds for investment purposes. The pools, CSAFE Cash and Colotrust, operate similarly to a money market fund and each share is equal in value to \$1.00. The pool, CSAFE CORE, also operates somewhat similar to a money market, but is limited to only 3 withdrawals per month, and is managed to a per share value of \$2.00. The designated custodial bank provides safekeeping and depository services to the pools in connection with the direct investment and withdrawal functions of the pools. All securities owned by the pools are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by the pools. Investments of the pools consist of U.S. Treasury bills, notes and note strips and repurchase agreements collateralized by U.S. Treasury Notes. The State securities commission administers and enforces all state statutes governing public trust pools.

	Amount	Rating
Investments in local government Investment Pools		
Colotrust	\$9,599,869	AAAm
CSAFE Cash	6,259,054	AAAmmf
CSAFE CORE	6,920,023	AAAf
Total	<u>\$22,778,946</u>	

Colotrust and CSAFE CORE are external investment pools valued using the NAV per share (or its equivalent) of the investments. Colotrust and CSAFE CORE do not have any unfunded commitments, redemption restrictions (other than CSAFE CORE's 24-hour redemption notice and limit of 3 monthly withdrawals) or redemption notice periods. CSAFE Cash is an external investment pool valued at amortized cost, in accordance with GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*.

The external investment pools conform to Colorado Statutes CRS 24-75-601 et. seq. and therefore invest primarily in securities of the United States Treasury, United States Agencies, Primary Dealer Repurchase Agreements, highly rated commercial paper, highly rated corporate bonds, Colorado depositories collateralized at 102% of market value according to the guidelines of the Public Deposit Protection Act. The investments will conform to its Permitted Investments and will meet Standard & Poor's investment guidelines to achieve a AAAM rating, the highest attainable rating for a Local Government Investment Pool.

Financial statements for Colotrust may be obtained through its website at: www.colotrust.com . Financial statements for CSAFE may be obtained through its website at: www.csafe.org .

Teller County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

Cash & Investment Reconciliation:

Fund Reporting Level:

Governmental Funds - Balance Sheet	\$27,898,275
Proprietary Fund Type Statement of Net Position	3,726,855
Statement of Fiduciary Assets, Liabilities & Net Position	2,732,011
Total	\$34,357,141

4-B. Receivables

Receivables at December 31, 2024 consisted of taxes, accounts (billings for user charges, including unbilled utility receivables), intergovernmental receivables arising from grants, leases and other intergovernmental revenues.

Receivables and payables are recorded on the County's financial statements to the extent that the amounts are determined to be material and substantiated not only by supporting documentation, but also by a reasonable, systematic method of determining their existence, completeness, valuation, and in the case of receivables, collectability.

Lessor Activity

GASB Statement No. 87, Leases - The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

As of 12/31/2024, Teller County, CO had 2 active leases. The leases have receipts that range from \$7,200 to \$49,281 and interest rates that range from 1.8510% to 2.8220%. As of 12/31/2024, the total combined value of the lease receivable is \$1,733,887, the total combined value of the short-term lease receivable is \$25,382, and the combined value of the deferred inflow of resources is \$1,641,052.

Principal and Interest Expected to Maturity

Governmental Activities

<u>Fiscal Year</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total Payments</u>
2025	25,382	32,085	57,467
2026	26,935	31,537	58,472
2027	28,540	30,958	59,498
2028	26,575	30,368	56,943
2029	24,510	29,900	54,410
2030 - 2034	146,916	141,901	288,817
2035 - 2039	192,597	126,281	318,878
2040 - 2044	245,976	106,091	352,067
2045 - 2049	308,141	80,569	388,710
2050 - 2054	379,874	48,849	428,723
2055 - 2058	328,441	12,043	340,484

4-C. Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on January 1 and payable in two installments on the last day of February and June 15, or in one installment due April 30. The Teller County Treasurer bills and

Teller County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

collects property taxes for the County

4-D. Capital Assets

Capital asset activity for the year ended December 31, 2024, was as follows:

	Balance 01/1/2024	Additions	Deductions	Balance 12/31/2024
Governmental activities, (including internal service fund):				
Capital assets not being depreciated:				
Land	\$ 2,594,155	\$ -	\$ -	\$ 2,594,155
Land - right of ways	631,755	-	-	631,755
Infrastructure - Roads	257,811,571	-	-	257,811,571
Infrastructure - Trails	162,993	-	-	162,993
Construction in progress	117,739	1,861,043	10,912	1,967,870
Vehicles not in service	1,126,662	441,153	1,133,626	434,189
Total capital assets not being depreciated	262,444,875	2,302,196	1,144,538	263,602,533
Other capital assets:				
Buildings	15,873,704	-	-	15,873,704
Vehicles and road equipment	12,859,434	1,881,052	144,418	14,596,068
Furniture and fixtures	2,618,994	353,320	66,076	2,906,238
Software	212,009	-	21,840	190,169
Other improvements	1,277,271	-	-	1,277,271
Total depreciable capital assets	32,841,412	2,234,372	232,334	34,843,450
Total cost of capital assets	295,286,287	4,536,568	1,376,872	298,445,983
Lease Right-to-Use Assets:				
Buildings	709,990	592,401	550,879	751,512
Total lease assets	709,990	592,401	550,879	751,512
Subscription Right-to-Use Assets:				
Software	584,996	129,214	-	714,210
Total subscription assets	584,996	129,214	-	714,210
Accumulated depreciation & amortization:				
Buildings	6,080,291	352,480	-	6,432,771
Vehicles and road equipment	9,867,305	562,893	114,114	10,316,084
Furniture and fixtures	1,505,181	218,658	56,125	1,667,714
Software	212,009	-	21,840	190,169
Other improvements	577,576	40,054	-	617,630
Lease assets	521,952	175,483	550,879	146,556
Subscriptions assets	94,041	142,626	-	236,667
Total accumulated depreciation & amortization	18,858,355	1,492,194	742,958	19,607,591
Governmental activities capital assets, net	<u>\$ 277,722,918</u>	<u>\$ 3,765,989</u>	<u>\$ 1,184,793</u>	<u>\$ 280,304,114</u>

Additions include \$10,912 in asset value that was previously included as capital items in progress, which was not current year capital outlay. On the government-wide statement of net position and the schedule above, the internal service assets are included as governmental activities.

Teller County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

Governmental activities depreciation & amortization expense

	Leases	Subscriptions	Other	Total
General government	\$ 134,859	\$ 142,626	\$ 215,785	\$ 493,270
Public safety	-	-	364,743	364,743
Highways and streets	-	-	73,002	73,002
Health and welfare	40,624	-	2,470	43,094
Capital assets held by the government's internal service fund are charged to the various functions based on their usage of the assets	-	-	-	518,085
Total governmental activities depreciation and amortization expense	\$ 175,483	\$ 142,626	\$ 656,000	\$ 1,492,194

	Balance 01/1/2024	Additions	Deductions	Balance 12/31/2024
Business-type activities				
Capital assets not being depreciated:				
Land	\$ 101,300	\$ -	\$ -	\$ 101,300
Infrastructure - wastewater system	952,712	-	-	952,712
Construction in Progress	395,476	193,857	-	589,333
Total non-depreciable capital assets	1,449,488	193,857	-	1,643,345
Depreciable capital assets:				
Building/plant	5,407,281	-	-	5,407,281
Other improvements	405,100	-	-	405,100
Equipment	179,265	-	-	179,265
Furniture & fixtures	452,898	486,376	-	939,274
Total depreciable capital assets	6,444,544	486,376	-	6,930,920
Total cost of capital assets	7,894,032	680,233	-	8,574,265
Accumulated depreciation:				
Building/plant	4,883,678	180,154	-	5,063,832
Other improvements	373,064	13,503	-	386,567
Equipment	141,361	12,520	-	153,881
Furniture & fixtures	94,376	75,727	-	170,103
Total accumulated depreciation	5,492,479	281,904	-	5,774,383
Business-type activities capital assets, net	\$ 2,401,553	\$ 398,329	\$ -	\$ 2,799,882

4-E. Interfund Activities

Interfund balances at December 31, 2024 consisted of the following amounts and represent jail cash overdraws that are covered by the general fund. The County expects to repay all interfund balances within one year.

Teller County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

Payable to:	Payable from:	
	Jail Enterprise Fund	Total
General Fund	293,629	293,629
	<u>\$ 293,629</u>	<u>\$ 293,629</u>

Interfund transfers for the year ended December 31, 2024, consisted of the following:

Transfers to:	Transfers From:				Total
	Social Services Fund	General Fund	Capital Projects Fund	Non-Major Governmental Funds	
General Fund	\$ 287,241	\$ -	\$ 15,519	\$ 88,165	\$ 390,925
Capital projects	-	22,000		303,546	325,546
Internal Svc Fund	-	490,763	-		490,763
Non-major governmental funds	-	100,000	180,445	-	280,445
	<u>\$ 287,241</u>	<u>\$ 612,763</u>	<u>\$ 195,964</u>	<u>\$ 391,711</u>	<u>\$ 1,487,679</u>

Transfers are used to report revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to segregate money for anticipated capital projects; to provide additional resources for current operations or debt service; and to return money to the fund from which it was originally provided once a project is completed. All County transfers either occur on a regular basis or are consistent with the purpose of the fund making the transfer.

4-F. Long-Term Debt

Changes in Long-term Debt - Changes in the County's long-term obligations consisted of the following for the year ended December 31, 2024:

Governmental Activities	Outstanding 1/1/2024			Outstanding 12/31/2024	Amounts Due in One Year
		Additions	Reductions		
Leases	\$ 194,101	\$ 592,401	\$ 179,126	\$ 607,376	\$ 328,739
Subscriptions	470,204	129,214	145,215	454,203	148,004
	<u>Outstanding 1/1/2024</u>	<u>Adjustment to 1/1/2024</u>	<u>Net Change</u>	<u>Outstanding 12/31/2024</u>	<u>Amounts Due in One Year</u>
Compensated absences*	623,875	777,186	27,575	-	1,428,636
	<u>623,875</u>	<u>777,186</u>	<u>27,575</u>	<u>-</u>	<u>1,428,636</u>
Total Governmental Activities	<u>\$ 1,288,180</u>	<u>\$ 749,190</u>	<u>\$ 324,341</u>	<u>\$ 2,490,215</u>	<u>\$ 1,862,520</u>
Business-Type Activities	Outstanding 1/1/2024	Adjustment to 1/1/2024	Net Change	Outstanding 12/31/2024	Amounts Due in One Year
Compensated absences	96,052	59,608	12,760	-	168,420
	<u>96,052</u>	<u>59,608</u>	<u>12,760</u>	<u>-</u>	<u>168,420</u>
Total Business-Type Activities	<u>\$ 96,052</u>	<u>\$ 12,760</u>	<u>\$ -</u>	<u>\$ 168,420</u>	<u>\$ 163,367</u>

* Includes the internal service fund liability.

Teller County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

GASB 101 removed the requirement of presenting Additions & Reductions for Compensated Absences, therefore they are now shown as a Net Change. GASB 101 also added sick leave to the compensated absences calculations, and we are now required to report the leave that is 'more likely than not' to be used for time off or paid out. These changes significantly increased the balances. GASB 100 requires that the implementation of a new GASB, such as 101, be reported retroactively by restating beginning balances therefore the Table above now has an 'Adjustment to 1/1/2024' column.

The County currently has no unused lines of credit.

Lessee Activity

GASB Statement No. 87, Leases. - The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

As of 12/31/2024, Teller County, CO had 3 active leases. The leases have payments that range from \$24,170 to \$113,764 and interest rates that range from 0.3800% to 0.6020%. As of 12/31/2024, the total combined value of the lease liability is \$607,376, the total combined value of the short-term lease liability is \$328,739. The combined value of the right to use asset, as of 12/31/2024 of \$751,512 with accumulated amortization of \$146,556 is included within the Lease Class activities table found below.

Amount of Lease Assets by Major Classes of Underlying Asset

<u>As of Fiscal Year-end</u>		
<u>Asset Class</u>	<u>Lease Asset Value</u>	<u>Accumulated Amortization</u>
Buildings	751,512	146,556

Principal and Interest Requirements to Maturity

<u>Governmental Activities</u>			
<u>Fiscal Year</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total Payments</u>
2025	328,739	1,775	330,514
2026	278,637	530	279,167

Subscription-based Information Technology Activity

GASB Statement No. 96, Subscription-Based Information Technology Arrangements - The primary objective of this statement is to enhance the relevance and consistency of information about governments' subscription activities. This statement establishes a single model for subscription accounting based on the principle that subscriptions are financings of the right to use an underlying asset. Under this Statement, an organization is required to recognize a subscription liability and an intangible right-to-use subscription asset. For additional information, refer to the disclosures below.

As of 12/31/2024, Teller County, CO had 9 active subscriptions. The subscriptions have payments that range from \$0 to \$53,611 and interest rates that range from 0.1300% to 2.8220%. As of 12/31/2024, the total combined value of the subscription liability is \$454,203, and the total combined value of the short-term subscription liability is \$148,004. The combined value of the right to use asset, as of 12/31/2024 of \$714,210 with accumulated amortization of \$236,667 is included within the Subscription Class activities table found below.

Amount of Subscription Assets by Major Classes of Underlying Asset

<u>As of Fiscal Year-end</u>		
<u>Asset Class</u>	<u>Subscription Asset Value</u>	<u>Accumulated Amortization</u>
Software	714,210	236,667

Principal and Interest Requirements to Maturity

Teller County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

Governmental Activities

<u>Fiscal Year</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total Payments</u>
2025	148,004	10,534	158,538
2026	144,253	7,585	151,838
2027	108,381	4,557	112,938
2028	53,565	1,512	55,077

4-G. Pensions

The County is a member of the Colorado Retirement Association, which operates a defined contribution retirement plan. Substantially all County employees are required to participate the first month after date of hire. Total payroll for 2024 was \$17,601,074 and covered payroll totaled \$16,848,998. Contributions by the County (employer) are 8% of the eligible employee's annual compensation. Employees must contribute 4% but can increase their contribution up to ten percent on a non-deductible basis. Contributions made by the employer for 2024 were \$1,384,583 which represents 7.663% of total payroll and 8.005% of covered payroll and contributions made by employees for 2024 were \$673,309, which represents 3.826% of total payroll and 3.996% of covered payroll. The plan is funded through the various funds that pay for the employment of County personnel to cover the County's (employer) share. The County maintains no control over the plan, other than being a member of the Association. As of January 1, 1997, the plan was changed to pre-tax status (414H). No fixed benefits are paid or payable upon retirement; therefore, the County has no unfunded liability under the plan. Financial statements for CRA may be obtained through its website at: www.cra-online.org.

4-H. Fund Equity (Note 1-E-11)

Fund Balances:

The components of fund balances are made up of:

		<u>General Fund</u>	<u>Road & Bridge Fund</u>	<u>Social Services Fund</u>	<u>Capital Projects Fund</u>	<u>Other Governmental Funds</u>	<u>Total</u>
Fund balances:							
	Nonspendable:						
	Prepaid expenses	\$ 1,260,312	\$ 6,001	\$ 4,222	\$ 300,000	\$ 1,025	\$ 1,571,560
	Restricted for:						
	Local declared emergency disaster					700,000	\$ 700,000
	Parks & open space					767,832	\$ 767,832
	Social services programs			1,673,777			\$ 1,673,777
	Clerk & Recorder expenditures				198,883		\$ 198,883
	Plastic Bag Fees	324					\$ 324
	Forest Service Title III	13,242					\$ 13,242
	Certified VIN fees	26,067					\$ 26,067
	Committed to:						
	Local declared emergencies	-				750,000	750,000
	Assigned to:						
	County parks	189,785					\$ 189,785
	Facilities projects	137,628					\$ 137,628
	I/T HVAC System	25,000					\$ 25,000
	Sheriff's Annuity funds	6,752					\$ 6,752
	I/T Bldg Remodel				50,000		\$ 50,000
	Sheriff's Equipment	23,878					\$ 23,878
	Emergency Management Comm.				135,000		\$ 135,000
	Fire Response Improvement Funds				63,901		\$ 63,901
	Ensuing year's budget	3,064,680	1,327,044				\$ 4,391,724
	County transportation system		1,318,488				\$ 1,318,488
	Local declared emergency disaster					573	\$ 573
	Capital purchases & projects				11,073,350		\$ 11,073,350
	Other purposes	3,046					\$ 3,046
	Unassigned:	3,338,633					\$ 3,338,633
	Total fund balances	\$ 8,089,347	\$ 2,651,533	\$ 1,677,999	\$ 11,821,134	\$ 2,219,430	\$ 26,459,443

Teller County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

Net Position:

Net investment in capital assets reported on the government-wide statement of net position as of December 31, 2024 is as follows:

	Governmental Activities	Business Type Activities
Cost of capital assets	\$ 298,445,983	\$ 8,574,265
Leases	751,512	-
Subscriptions	714,210	-
Less accumulated depreciation & amortization	19,607,591	5,774,383
Less capital related debt	1,061,579	-
Net investment in capital assets	<u>\$ 279,242,535</u>	<u>\$ 2,799,882</u>

Note 5 - Other Notes

5-A. Risk Management

Employee Benefits- During 2024 the County has changed its health insurance carrier contract to Meritain Health and its dental insurance carrier contract to Delta Dental and continues to offer two health plan choices, as well as one dental plan. The County continues a self-insurance arrangement with Meritain for compensation of a flat administrative fee and reimbursement for claims paid. The County maintains an interest-bearing account, from which claims are paid. In order to maintain a reasonable level of funds in this account, including an additional amount for potential outstanding claims upon termination of the contracts, the County examines the balance on a regular basis and, when appropriate, adjusts the required monthly liability deposits.

The Meritain health agreement includes a \$70,000 individual stop-loss and a 125% aggregate stop-loss carry-forward. The County requires employee contributions based on the type of plan chosen, and the number of dependents covered, under an §125 "Premium Only" plan.

For ease of tracking, the County records the related assets and liabilities of these agreements in an employee benefits fund, and expenses the monthly premiums to each fund and department with employee benefits, based on types of coverages. Cash is transferred from the various funds charged, to the employee benefits fund, and payments for claims and fees are made from that fund. Interest earned on the bank account is recognized as revenue in the employee benefits fund.

For reporting purposes, in compliance with GASB Statement #10 - "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues," the Employee Benefits Fund assets, liabilities, interest revenue and fund balance have been combined into the General Fund. The estimated claims liability is included as accounts payable in the financial statements.

Activity and balances related to these agreements for the past two years are as follows:

	<u>2024</u>	<u>2023</u>
Estimated Claims liability at January 1	\$ 877,333	\$ 543,675
Deposits	4,669,446	4,069,862
Less:		
Fixed Administrative Costs	1,121,707	996,804
HSA Fees	2,046	0
Claims Paid	3,324,947	2,738,389
PPACA Fees	<u>1,253</u>	<u>1,011</u>
Estimated Claims liability at December 31	<u>\$ 1,096,826</u>	<u>\$ 877,333</u>

The County also provides, at a minimum cost to the County, vision coverage, a minimal Employee Term Life Insurance Plan and a 24 hour telemedicine benefit, none of which are self-funded, and none of which require an employee contribution.

Teller County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

Insurance Pools - The County is exposed to various risks of loss related to injuries of employees while on the job. In 1985, the County joined together with other Counties in the State of Colorado to form the County Workers' Compensation Pool (CWCP), a public entity risk pool currently operating as a common risk management and insurance program for member counties.

The County also is exposed to various risks of loss related to property and casualty losses. In 1986, 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 each of these pools, respectively, for its workers' compensation and casualty and property insurance coverages. The intergovernmental agreement of formation of each pool 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 year. County claims to either of these pools have not exceeded coverage in the last three years.

5-B. Risks and Uncertainties

Recession concerns have increased significantly for 2025. Some predictions show a probability as high as 80% for a recession beginning before the end of 2025. How a recession might impact the County would depend on multiple factors, but it could definitely impact many revenue sources. The County has been able to maintain adequate fund balances which is allowing us to save for future capital purchases and buildings however those balances did decrease by over \$4,000,000 from 2023 to 2024. The County has/is applying for multiple grants to defray part of our future capital construction expenses. Currently the federal government is in the process of reviewing and reducing grants and other funding to the States & Counties. There is a lot of uncertainty as to what federal funds will remain available. Also, the State of Colorado is facing a large budget deficit which is likely to reduce some state revenues to the County as they work to balance. Significantly lower revenues will impact our capital project plans and could impact day to day operations.

The County has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designee. These audits could result in a request for reimbursement to the grantor agency for costs disallowed under terms of the grant. Based on prior experience and internal controls on expenditures, the County believes such disallowances, if any, will be immaterial.

The County continues to be involved in a number of litigation matters including but not limited to property assessments, bankruptcies and code enforcement which, in the opinion of County management, will not have a material effect on the financial position of the County.

5-C. Subsequent Events

Management evaluates subsequent events through the date that the financial statements are available for issue, which is the date of the Independent Auditors' report.

5-D. Tax, Spending and Debt Limitations

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

In November 1997, the County asked for and received voter approval to collect, retain and expend all revenues beyond the limitations of TABOR and any other law, to be expended for road improvements and law enforcement. In accordance with legal counsel, the County believes it is in compliance with the requirements of the applicable law, with this voter-approved exemption.

In accordance with Article X, Section 20 of the Colorado Constitution, the County has reserved all fund balances for future expenditures. Included in these reserves is 3% for Emergency Reserves, estimated to be \$700,000 at December 31, 2024.

Teller County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

5-E. Welfare Reform

Conversion to the Colorado Electronic Benefit Transfer System (EBTS) occurred on August 1, 1997 pursuant to C.R.S. 26-1-122 (2) (a) and 26-2-104. The method of payment to recipients and service providers changed from a paper warrant system to an electronic debit card system or direct deposits. The electronic payments are processed by a State contractor, Fidelity Information Services. EBTs reduces or eliminates the amount of expenditures and revenues for the TANF/Colorado Works, AND, OAP, HCA, FA, LEAP, Child Care, Child Welfare & CORE programs reflected in the County General Ledger. The full amount of the EBTs are shown as expenditures at the state level and only the County share is shown on the County General Ledger. The State of Colorado assumes much of the internal control responsibility for these programs. The following is the Schedule of EBT Authorizations, Warrant Expenditures and Total Expenditures for the year ended December 31, 2024:

PROGRAM	STATE PD FOR TELLER COUNTY	COUNTY SHARE OF STATE PAID	EXPENDITURES BY COUNTY WARRANT	STATE PD + EXPEND. BY COUNTY WARRANT	TOTAL EXPEND & TRFRS OUT
Temporary Assistance for Needy Families (TANF)	263,572	87,692	328,077	591,649	415,769
CHATS/Child Care	301,944	55,428	103,744	405,688	159,172
Child Welfare	961,305	120,467	1,596,485	2,557,790	1,716,952
Regular Administration	6,490	3,098	938,913	945,403	942,011
Core Services	212,300	10,629	334,538	546,838	345,167
IV-D Administration	7,011	3,552	239,136	246,147	242,688
Low-Income Energy Assistance (LEAP)	297,195	0	18,759	315,954	18,759
Adult Protective Services	0	0	300,864	300,864	300,864
Aid to the Needy Disabled (AND)	67,769	14,392	0	67,769	14,392
Old Age Pension (OAP)	396,262	0	22,455	418,717	22,455
Food Assistance	5,686,431	0	0	5,686,431	0
1) Subtotal	8,200,279	295,258	3,882,971	12,083,250	4,178,229
Use of Parental Fees	0	0	5,825	5,825	5,825
Use of HB1451 incentives	0	0	48,701	48,701	48,701
RMS bkd to state not county	0	0	-40,722	-40,722	-40,722
County Only	0	0	120,180	120,180	120,180
Acctg Basis Differences	0	0	-48,203	-48,203	-48,203
2) Subtotal	0	0	85,781	85,781	85,781
Grand Total	8,200,279	295,258	3,968,752	12,169,031	4,264,010

- 1) Programs Settled in CFMS
2) Programs Not Settled in CFMS



REQUIRED

SUPPLEMENTARY INFORMATION

Teller County, Colorado
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Property taxes	\$ 9,835,168	\$ 9,835,168	\$ 9,856,024	\$ 20,856
Sales taxes	3,871,225	3,871,225	3,704,407	(166,818)
Severance tax	300,000	300,000	382,516	82,516
E911 Authority	408,400	476,766	468,366	(8,400)
Intergovernmental	4,117,953	4,979,580	6,210,311	1,230,731
Licenses and permits	648,000	648,000	714,072	66,072
Charges for services	1,073,650	1,082,736	1,277,749	195,013
Fines and forfeitures	15,900	15,900	16,762	862
Investment earnings	445,000	524,850	783,029	258,179
Miscellaneous	22,760	28,943	118,363	89,420
Total Revenues	20,738,056	21,763,168	23,531,599	1,768,431
Expenditures				
Current:				
General government	11,546,378	14,256,917	11,811,023	2,445,894
Public safety	13,972,920	14,607,043	13,802,006	805,037
Health and human services	663,242	972,239	925,716	46,523
Culture and recreation	153,051	70,714	53,771	16,943
Capital Outlay	25,000	281,341	250,192	31,149
Debt Service - Leases				
Lease principal	154,959	154,959	179,126	(24,167)
Lease interest	345	345	411	(66)
Debt Service - Subscriptions				
Subscriptions principal	-	-	145,215	(145,215)
Subscriptions interest	-	-	5,423	(5,423)
Total Expenditures	26,515,895	30,343,558	27,172,883	3,170,675
Deficiency of Revenues Over Expenditures	(5,777,839)	(8,580,390)	(3,641,284)	4,939,106
Other Financing Sources (Uses)				
Lease proceeds	-	600,000	592,401	(7,599)
Subscription proceeds	-	600,000	129,214	(470,786)
Insurance reimbursements	-	-	23,536	23,536
Transfers in	285,115	388,799	390,925	2,126
Transfers out	(242,000)	(627,763)	(612,763)	15,000
Total Other Financing Sources (Uses)	43,115	961,036	523,313	(437,723)
Net Change in Fund Balances	(5,734,724)	(7,619,354)	(3,117,971)	4,501,383
Reserve for Abatements	(15,000)	(15,000)	-	15,000
Fund Balances Beginning of Year	10,428,578	12,313,208	11,207,318	(1,105,890)
Fund Balances End of Year	\$ 4,678,854	\$ 4,678,854	\$ 8,089,347	\$ 3,410,493

Note: The basis of budgeting is the same as GAAP. This schedule is presented on a GAAP basis.

See the accompanying independent auditors' report.

Teller County, Colorado
Road and Bridge Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Property taxes	\$ 483,350	\$ 483,350	\$ 484,348	\$ 998
Sales taxes	618,853	618,853	592,185	(26,668)
Intergovernmental	3,639,880	3,639,880	4,116,238	476,358
Licenses and permits	17,000	17,000	22,242	5,242
Charges for services	14,840	14,840	14,840	-
Fines and forfeitures	1,000	1,000	13,487	12,487
Investment earnings	112,800	112,800	178,934	66,134
Miscellaneous	15,500	15,500	15,883	383
Total Revenues	4,903,223	4,903,223	5,438,157	534,934
Expenditures				
Current:				
Highways and streets	7,163,309	7,192,123	6,551,925	640,198
Total Expenditures	7,163,309	7,192,123	6,551,925	640,198
Net Change in Fund Balances	(2,260,086)	(2,288,900)	(1,113,768)	1,175,132
Reserve for Abatements	(2,000)	(2,000)	-	2,000
Fund Balances Beginning of Year	3,438,150	3,466,964	3,765,301	298,337
Fund Balances End of Year	\$ 1,176,064	\$ 1,176,064	\$ 2,651,533	\$ 1,475,469

Note: The basis of budgeting is the same as GAAP. This schedule is presented on a GAAP basis.

See the accompanying independent auditors' report.

Teller County, Colorado
Social Services Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Property taxes	\$ 483,739	\$ 483,739	\$ 485,202	\$ 1,463
Intergovernmental	3,133,620	3,286,639	3,579,399	292,760
Miscellaneous	-	-	368	368
Total Revenues	3,617,359	3,770,378	4,064,969	294,591
Expenditures				
Current:				
Health and human services	4,300,531	4,589,315	3,976,770	612,545
Excess (Deficiency) of Revenues Over Expenditures	(683,172)	(818,937)	88,199	907,136
Other Financing Uses				
Transfers out	(285,115)	(285,115)	(287,241)	(2,126)
Total Other Financing Uses	(285,115)	(285,115)	(287,241)	(2,126)
Net Change in Fund Balances	(968,287)	(1,104,052)	(199,042)	905,010
Reserve for Abatements	(3,000)	(3,000)	-	3,000
Fund Balances Beginning of Year	1,678,192	1,813,957	1,877,041	63,084
Fund Balances End of Year	\$ 706,905	\$ 706,905	\$ 1,677,999	\$ 971,094

Note: The basis of budgeting is the same as GAAP. This schedule is presented on a GAAP basis.

See the accompanying independent auditors' report.

Teller County, Colorado
Required Supplementary Information
Modified Approach for County Infrastructure Capital Assets
For the Year Ended December 31, 2024

In accordance with GASB Statement No. 34, the County is required to account for and report infrastructure capital assets. The County has several major infrastructure systems including the road system, trail system and the wastewater system. Each major infrastructure system can be divided into subsystems. For example, the road system can be divided into paved, unpaved (both including culverts/drainage & cattle guard improvements, original striping), bridges, traffic control devices (including signage, traffic lights, streetlights), guardrails and land (right-of-way). Subsystem detail is not presented in these basic financial statements; however, the County maintains detailed information on the subsystems.

In 2006, the County elected to use the “Modified Approach” as defined by GASB Statement No. 34 for infrastructure reporting for its road and trail systems. As of 2011 the County additionally elected to use the “Modified Approach” for reporting of the wastewater infrastructure system. Under GASB Statement No. 34, eligible infrastructure capital assets are not required to be depreciated, with the following requirements:

- ❖ The County manages the eligible infrastructure capital assets using an asset management system with characteristics of (1) an up-to-date inventory; (2) perform condition assessments and summarize the results using a measurement scale; and (3) estimate annual amounts to maintain and preserve at the established condition assessment levels.
- ❖ The County documents that the eligible infrastructure capital assets are being preserved approximately at or above the established and disclosed condition assessment levels. The Teller County Public Works Department completes condition assessment surveys of all infrastructure systems every three years in accordance with the County’s Asset Management Program.
 - Road and trail improvements: The County uses the HUTF criteria administered by the State of Colorado to rate the condition of our infrastructure systems, with the exception of our bridges and tunnel.
 - Bridge and tunnel improvements: The County uses the AASHTO standards in compliance with CDOT and FHWA to rate bridges and the tunnel in our infrastructure systems. An engineering firm contracted by the State of Colorado performs condition assessments biannually on County bridges and the tunnel, with supplemental ratings performed by the County Engineer, as necessary to comply with the 3-year assessment cycle requirement. The state engineer’s sufficiency rating is converted to the County’s rating system.
 - Wastewater improvements: The Teller County Public Works department has developed criteria to measure the condition of the wastewater system, which are documented in the County infrastructure records.
 - County’s rating system for all eligible infrastructure capital assets:

<u>Condition</u>	<u>Rating</u>
Good	40
Fair	25
Poor	10

County management believes that compliance with these requirements facilitates constructive planning and tracking tools for the County’s development, repair and maintenance of our infrastructure networks.

Road and trail infrastructure systems:

The County policy is to maintain at least 60% of these infrastructure systems at a rating of 40, with an additional 25% at least at a rating of 25. These levels allow for normal wear and tear and Colorado weather events. The most recent 3-year assessment cycle was completed as of December 31, 2021.

The past four assessments rated the County’s road and trail infrastructure as follows:

	Condition Distribution			
As of 3 years ended:	2015	2018	2021	2024
Good	88%	90%	91%	91%
Fair	9%	8%	7%	7%
Poor	3%	2%	2%	2%

The County’s next full 3-year assessment cycle will be completed as of December 31, 2027.

See the accompanying independent auditors’ report.

***Teller County, Colorado
Required Supplementary Information
Modified Approach for County Infrastructure Capital Assets
For the Year Ended December 31, 2024***

The County's road and trail infrastructure is constantly deteriorating from the following factors: 1) usage, 2) weather and 3) utility installation and private road cuts. The County is continuously taking action to mediate the effects of deterioration through maintenance and improvement activities as annually defined in our Road Maintenance and Improvement Plan.

A schedule of the estimated annual cost to maintain and preserve roads at the targeted levels compared to actual expenditures for the road maintenance for the last five years is presented below.

<u>Year</u>	<u>Maintenance Estimate</u>	<u>Actual Expenditures</u>
2024	\$ 7,192,123	\$ 6,551,925
2023	7,474,743	5,822,449
2022	6,326,766	5,476,848
2021	6,335,975	4,550,700
2020	6,149,131	4,832,504

The County's goal will always be to maintain our roads in a passable condition.

Minimal amounts have been spent on maintaining County trails, as the system is relatively small and includes no hard surface improvements.

Wastewater infrastructure system:

The County policy is to maintain at least 70% of this infrastructure system in good condition, with the remaining 30% in fair condition, since any poor condition would cause an unacceptable failure in the wastewater treatment.

The past two assessments rated the County's wastewater infrastructure as follows:

Condition Distribution		
As of 3 years ended:	2020	2023
Good	97%	100%
Fair	3%	0%
Poor	0%	0%

The County's next full 3-year assessment cycle will be completed as of December 31, 2026.

A schedule of the estimated annual costs to maintain and preserve the wastewater infrastructure at the targeted levels compared to actual expenditures for maintenance for the last five years is presented below.

<u>Year</u>	<u>Maintenance Estimate</u>	<u>Actual Expenditures</u>
2024	\$ 60,000	\$ 53,602
2023	2,568	3,971
2022	568	3,070
2021	8,568	11,027
2020	2,568	5,725

Over the next four years Teller County plans to reseal 31 manholes for inflow and infiltration prevention as is required by the utilities discharge permit.

The Waste Water Utility is currently in the process of a 10.5 million expansion to 120,000 gals per day. The expansion is being funded by grants and loans through the State revolving fund, the energy impact assistance fund and Teller County. The expansion is necessary to prepare for growth in the Divide area and affordable housing initiatives.

See the accompanying independent auditors' report.

Teller County, Colorado
Notes to Required Supplementary Information
For the Year Ended December 31, 2024

Budgetary Information – The County adopts an annual operating budget for all County funds. All budgets are adopted on a basis consistent with GAAP.

The legal level of control (the level at which expenditures may not legally exceed appropriations) for each adopted annual operating budget generally is the individual fund level; however additional restrictions on the use of personnel, fleet and other departmental budget amounts are established at the time of adoption by resolution. Any change in total to a fund appropriation or to the additionally restricted amounts requires approval of the County Commissioners through the adoption of a resolution, subsequent to legal publication.

Department heads and elected officials may transfer appropriations within each department from one line item to another, except that personnel services appropriations may not be used for operations or capital outlay and vice-versa, and certain fleet expense appropriations cannot be used for other line items.

All unexpended annual appropriations lapse at year-end.

The 2024 adopted budget was amended upward from \$47,993,347 to \$57,346,000.



SUPPLEMENTARY INFORMATION



**COMBINING AND INDIVIDUAL
FUND STATEMENTS AND SCHEDULES**

Teller County, Colorado
General Fund
Schedule of Revenues - Budget and Actual
For the Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Taxes				
Property taxes	\$ 9,835,168	\$ 9,835,168	\$ 9,836,636	\$ 1,468
Delinquent property taxes	-	-	239	239
Interest and penalties	-	-	19,149	19,149
Sales tax	3,871,225	3,871,225	3,704,407	(166,818)
Severance tax	300,000	300,000	382,516	82,516
E911 Authority	408,400	476,766	468,366	(8,400)
Total Taxes	14,414,793	14,483,159	14,411,313	(71,846)
Intergovernmental				
Election fees	10,000	85,100	133,240	48,140
Specific ownership	965,000	965,000	952,906	(12,094)
Payment in lieu of taxes	250,000	250,000	255,368	5,368
Gaming taxes	494,500	494,500	580,675	86,175
Gaming impact grants	1,438,270	1,918,270	1,914,220	(4,050)
Cigarette taxes	11,000	11,000	13,179	2,179
Veterans office	14,400	14,400	22,183	7,783
Public health contracts	-	165,200	443,457	278,257
Law enforcement contracts	494,483	505,483	672,256	166,773
Forest service allocation	-	-	9,932	9,932
Federal mineral lease distribution	150,000	150,000	144,571	(5,429)
Sanitarian contract	20,000	20,000	20,000	-
LEAF	2,000	2,000	2,211	211
EMA	61,000	61,000	59,573	(1,427)
EMS subsidy	-	-	1,303	1,303
State impact assistance	700	700	943	243
State payment in lieu taxes	1,300	1,300	2,659	1,359
Other governmental grants	4,500	134,827	187,119	52,292
Other	200,800	200,800	794,516	593,716
Total Intergovernmental	4,117,953	4,979,580	6,210,311	1,230,731
Licenses and Permits				
Building permits	500,000	500,000	520,045	20,045
Planning and zoning fees	5,000	5,000	18,820	13,820
Sanitation permits	32,000	32,000	28,153	(3,847)
Contractor licenses	70,000	70,000	92,545	22,545
Liquor licenses	1,000	1,000	3,310	2,310
Health licenses	40,000	40,000	51,199	11,199
Total Licenses and Permits	\$ 648,000	\$ 648,000	\$ 714,072	\$ 66,072

(continued)

See the accompanying independent auditors' report.

Teller County, Colorado
General Fund
Schedule of Revenues - Budget and Actual
For the Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Charges For Services				
Fees of County Offices				
Assessor	\$ 1,800	\$ 1,800	\$ 1,207	\$ (593)
Sheriff	98,500	49,566	98,857	49,291
Clerk	525,000	525,000	619,013	94,013
Treasurer	375,000	375,000	483,633	108,633
Public health	42,000	42,000	24,800	(17,200)
Public trustee	30,000	30,000	40,555	10,555
Other services	1,350	59,370	9,684	(49,686)
Total Charges For Services	1,073,650	1,082,736	1,277,749	195,013
Fines and Forfeitures				
Model traffic code fines	15,000	15,000	14,876	(124)
Code and enforcement	-	-	300	300
Animal control	900	900	1,586	686
Total Fines and Forfeitures	15,900	15,900	16,762	862
Investment Earnings	445,000	524,850	783,029	258,179
Miscellaneous				
Other	22,760	28,943	118,363	89,420
Total Miscellaneous	22,760	28,943	118,363	89,420
Total Revenues	\$ 20,738,056	\$ 21,763,168	\$ 23,531,599	\$ 1,768,431

See the accompanying independent auditors' report.

Teller County, Colorado
General Fund
Schedule of Expenditures - Budget and Actual
For the Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Expenditures				
General Government				
Office of the Board	\$ 853,845	\$ 828,072	\$ 799,252	\$ 28,820
Finance	839,820	817,210	802,727	14,483
Legal services	1,181,230	1,181,230	1,072,160	109,070
Human resources	597,166	535,133	520,062	15,071
Central utilities	290,742	295,742	257,888	37,854
Public works administration	661,118	640,914	607,610	33,304
Central support	1,326,000	2,275,705	2,108,914	166,791
Information technology	1,609,881	2,086,606	1,416,868	669,738
Assessor	1,284,346	1,151,251	1,124,853	26,398
Clerk and recorder	870,894	899,399	915,770	(16,371)
Elections	117,508	213,749	196,257	17,492
Treasurer	537,701	464,862	456,016	8,846
Public trustee	114,957	118,422	109,265	9,157
County surveyor	33,678	33,793	31,497	2,296
Facilities	1,227,492	1,550,443	1,315,493	234,950
Personnel contingency	-	1,084,536	-	1,084,536
Employee benefits	-	79,850	76,391	3,459
Total General Government	11,546,378	14,256,917	11,811,023	2,445,894
Public Safety				
Law Enforcement				
Sheriff	7,468,932	7,412,278	7,047,192	365,086
Dispatch services	1,598,910	1,432,642	1,402,098	30,544
Sheriff Equitable Sharing	-	1,000	1,000	-
Detentions	2,500,000	3,200,000	2,978,825	221,175
Animal control	264,444	229,115	192,514	36,601
Search and rescue	6,580	12,649	8,241	4,408
Coronor	282,151	285,060	252,260	32,800
CDD	1,192,929	1,224,773	1,188,644	36,129
Environmental health	107,351	107,146	99,476	7,670
Emergency management	423,033	579,340	537,540	41,800
Fire and EMS support	102,500	96,950	84,264	12,686
Hazmat	26,090	26,090	9,952	16,138
Total Public Safety	13,972,920	14,607,043	13,802,006	805,037
Health and Human Services				
Public health	583,333	884,594	847,819	36,775
Veterans office	79,909	87,645	77,897	9,748
Total Health and Human Services	663,242	972,239	925,716	46,523
Culture and Recreation				
County parks	5,679	5,679	2,304	3,375
Extension office	147,372	11,011	10,282	729
County Events	-	54,024	41,185	12,839
Total Culture and Recreation	153,051	70,714	53,771	16,943
Capital Outlay	25,000	281,341	250,192	31,149
Debt Service - Leases				
Lease principal	154,959	154,959	179,126	(24,167)
Lease interest	345	345	411	(66)
Total Debt Service - Leases	155,304	155,304	179,537	(24,233)
Debt Service - Subscriptions				
Subscriptions principal	-	-	145,215	(145,215)
Subscriptions interest	-	-	5,423	(5,423)
Total Debt Service - Subscriptions	-	-	150,638	(150,638)
Total Expenditures	\$ 26,515,895	\$ 30,343,558	\$ 27,172,883	\$ 3,170,675

See the accompanying independent auditors' report.

Teller County, Colorado
Capital Projects Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Sales taxes	\$ 1,686,095	\$ 1,686,095	\$ 1,613,438	\$ (72,657)
Intergovernmental	690,000	750,000	867,154	117,154
Investment earnings	177,600	177,600	282,049	104,449
Lease revenue	54,619	54,619	54,619	-
Lease interest	32,631	32,631	32,603	(28)
Miscellaneous	25,000	303,270	308,846	5,576
Total Revenues	2,665,945	3,004,215	3,158,709	154,494
Expenditures				
Current:				
General government	-	1,267,210	1,310,722	(43,512)
Public safety	-	306,365	-	306,365
Capital Outlay	596,769	1,465,267	855,438	609,829
Total Expenditures	596,769	3,038,842	2,166,160	872,682
Excess (Deficiency) of Revenues Over Expenditures	2,069,176	(34,627)	992,549	1,027,176
Other Financing Sources (Uses)				
Transfers in	303,546	325,546	325,546	-
Transfers out	-	(195,964)	(195,964)	-
Total Other Financing Sources (Uses)	303,546	129,582	129,582	-
Net Change in Fund Balances	2,372,722	94,955	1,122,131	1,027,176
Fund Balances Beginning of Year	10,261,524	12,539,291	10,699,003	(1,840,288)
Fund Balances End of Year	\$ 12,634,246	\$ 12,634,246	\$ 11,821,134	\$ (813,112)

Note: The basis of budgeting is the same as GAAP. This schedule is presented on a GAAP basis.

See the accompanying independent auditors' report.

Teller County, Colorado
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2024

	Conservation Trust	Contingent	Total Nonmajor Special Revenue Funds
Assets			
Cash and investments	\$ 824,265	\$ 1,450,573	\$ 2,274,838
Prepaid expenses	1,025	-	1,025
Total Assets	<u>825,290</u>	<u>1,450,573</u>	<u>2,275,863</u>
Liabilities and Fund Balances			
Liabilities			
Accounts payable	56,433	-	56,433
Total Liabilities	<u>56,433</u>	<u>-</u>	<u>56,433</u>
Fund Balances			
Nonspendable	1,025	-	1,025
Restricted	767,832	700,000	1,467,832
Committed	-	750,000	750,000
Assigned	-	573	573
Total Fund Balances	<u>768,857</u>	<u>1,450,573</u>	<u>2,219,430</u>
Total Liabilities and Fund Balances	<u>\$ 825,290</u>	<u>\$ 1,450,573</u>	<u>\$ 2,275,863</u>

See the accompanying independent auditors' report.

Teller County, Colorado
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024

	Conservation Trust	Contingent	Total Nonmajor Special Revenue Funds
Revenues			
Property taxes	\$ -	\$ 1	\$ 1
Intergovernmental	188,675	-	188,675
Investment earnings	101,598	-	101,598
Total Revenues	290,273	1	290,274
Expenditures			
Current:			
Culture and recreation	92,173	-	92,173
Capital Outlay	944,728	-	944,728
Total Expenditures	1,036,901	-	1,036,901
Excess (Deficiency) of Revenues Over Expenditures	(746,628)	1	(746,627)
Other Financing Sources (Uses)			
Transfers in	-	280,445	280,445
Transfers out	-	(391,711)	(391,711)
Total Other Financing Sources (Uses)	-	(111,266)	(111,266)
Net Change in Fund Balances	(746,628)	(111,265)	(857,893)
Fund Balances Beginning of Year	1,515,485	1,561,838	3,077,323
Fund Balances End of Year	\$ 768,857	\$ 1,450,573	\$ 2,219,430

See the accompanying independent auditors' report.

Teller County, Colorado
Conservation Trust Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Intergovernmental	\$ 200,000	\$ 200,000	\$ 188,675	\$ (11,325)
Investment earnings	64,000	64,000	101,598	37,598
Total Revenues	<u>264,000</u>	<u>264,000</u>	<u>290,273</u>	<u>26,273</u>
Expenditures				
Current:				
Culture and recreation	249,495	249,495	92,173	157,322
Capital Outlay	<u>-</u>	<u>1,312,015</u>	<u>944,728</u>	<u>367,287</u>
Total Expenditures	<u>249,495</u>	<u>1,561,510</u>	<u>1,036,901</u>	<u>524,609</u>
Net Change in Fund Balances	14,505	(1,297,510)	(746,628)	550,882
Fund Balances Beginning of Year	<u>1,110,646</u>	<u>2,422,661</u>	<u>1,515,485</u>	<u>(907,176)</u>
Fund Balances End of Year	<u>\$ 1,125,151</u>	<u>\$ 1,125,151</u>	<u>\$ 768,857</u>	<u>\$ (356,294)</u>

Note: The basis of budgeting is the same as GAAP. This schedule is presented on a GAAP basis.

See the accompanying independent auditors' report.

Teller County, Colorado
Contingent Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Property taxes	\$ -	\$ -	\$ 1	\$ 1
Total Revenues	-	-	1	1
Expenditures	1,257,657	1,257,657	-	(1,257,657)
Excess (Deficiency) of Revenues Over Expenditures	(1,257,657)	(1,257,657)	1	1,257,658
Other Financing Sources (Uses)				
Transfers in	-	-	280,445	280,445
Transfers out	(303,546)	(391,711)	(391,711)	-
Total Other Financing Sources (Uses)	(303,546)	(391,711)	(111,266)	280,445
Net Change in Fund Balances	(1,561,203)	(1,649,368)	(111,265)	1,538,103
Fund Balances Beginning of Year	1,561,838	1,650,003	1,561,838	(88,165)
Fund Balances End of Year	\$ 635	\$ 635	\$ 1,450,573	\$ 1,449,938

Note: The basis of budgeting is the same as GAAP. This schedule is presented on a GAAP basis.

See the accompanying independent auditors' report.

Teller County, Colorado
Wastewater Utility Fund
Schedule of Revenues, Expenses and
Changes in Fund Net Position - Budget and Actual
For the Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Operating Revenues				
Charges for services	\$ 185,536	\$ 185,536	\$ 165,663	\$ (19,873)
Miscellaneous	-	-	1,066	1,066
Total Operating Revenues	<u>185,536</u>	<u>185,536</u>	<u>166,729</u>	<u>(18,807)</u>
Operating Expenses				
Administration	31,808	30,849	30,694	155
Operations	163,020	215,000	212,381	2,619
Total Operating Expenses	<u>194,828</u>	<u>245,849</u>	<u>243,075</u>	<u>2,774</u>
Non-Operating Revenue				
Capital grant revenue	-	-	4,800	4,800
Loss before Capital Contributions	<u>(9,292)</u>	<u>(60,313)</u>	<u>(71,546)</u>	<u>(16,033)</u>
Capital Contributions	<u>-</u>	<u>-</u>	<u>1,005,000</u>	<u>1,005,000</u>
Change in Net Position	<u>(9,292)</u>	<u>(60,313)</u>	<u>933,454</u>	<u>993,767</u>
Net Position Beginning of Year	<u>1,087,971</u>	<u>1,138,992</u>	<u>1,358,712</u>	<u>219,720</u>
Net Position End of Year	<u><u>\$ 1,078,679</u></u>	<u><u>\$ 1,078,679</u></u>	<u><u>\$ 2,292,166</u></u>	<u><u>\$ 1,213,487</u></u>

Note: The basis of budgeting is the same as GAAP. This schedule is presented on a GAAP basis.

See the accompanying independent auditors' report.

Teller County, Colorado
Jail Fund
Schedule of Revenues, Expenses and
Changes in Fund Net Position - Budget and Actual
For the Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Operating Revenues				
Charges for services	\$ 3,045,000	\$ 3,045,000	\$ 4,318,547	\$ 1,273,547
Intergovernmental	-	272,000	434,057	162,057
Miscellaneous	52,000	52,000	96,353	44,353
Total Operating Revenues	3,097,000	3,369,000	4,848,957	1,479,957
Operating Expenses				
Administration	123,199	123,199	130,079	(6,880)
Operations	4,461,779	4,751,903	4,473,642	278,261
Depreciation	259,319	259,319	281,904	(22,585)
Total Operating Expenses	4,844,297	5,134,421	4,885,625	248,796
Operating Loss	(1,747,297)	(1,765,421)	(36,668)	1,728,753
Non-Operating Revenue				
Non capital grants	-	560	2,531	1,971
Total Non-Operating Revenue	-	560	2,531	1,971
Change in Net Position	(1,747,297)	(1,764,861)	(34,137)	1,730,724
Net Position Beginning of Year	734,058	751,622	965,986	214,364
Adjustment to Beginning Net Position for GASB101	-	-	(59,608)	(59,608)
Net Position End of Year	\$ (1,013,239)	\$ (1,013,239)	\$ 872,241	\$ 1,885,480

Note: The basis of budgeting is the same as GAAP. This schedule is presented on a GAAP basis.

See the accompanying independent auditors' report.

Teller County, Colorado
Fleet Management Fund
Schedule of Revenues, Expenses and
Changes in Fund Net Position - Budget and Actual
For the Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Operating Revenues				
Charges for services	\$ 2,399,580	\$ 2,527,636	\$ 2,094,292	\$ (433,344)
Miscellaneous	-	-	480	480
Total Operating Revenues	<u>2,399,580</u>	<u>2,527,636</u>	<u>2,094,772</u>	<u>(432,864)</u>
Operating Expenses				
Operations	1,226,638	1,668,905	1,723,753	(54,848)
Depreciation	813,267	813,267	518,085	295,182
Total Operating Expenses	<u>2,039,905</u>	<u>2,482,172</u>	<u>2,241,838</u>	<u>240,334</u>
Operating Gain (Loss)	<u>359,675</u>	<u>45,464</u>	<u>(147,066)</u>	<u>(192,530)</u>
Non-Operating Revenue				
Transfers in	242,000	242,000	490,763	248,763
Insurance Reimbursements	-	18,602	28,076	9,474
Gain on sale of capital assets	10,000	10,000	7,826	(2,174)
Investment earnings	155,600	155,600	247,171	91,571
Total Non-Operating Revenue	<u>407,600</u>	<u>426,202</u>	<u>773,836</u>	<u>347,634</u>
Change in Net Position	<u>767,275</u>	<u>471,666</u>	<u>626,770</u>	<u>155,104</u>
Net Position Beginning of Year	5,965,986	6,261,595	6,483,014	221,419
Adjustment to Beginning Net Position for GASB101	<u>-</u>	<u>-</u>	<u>(24,582)</u>	<u>(24,582)</u>
Net Position End of Year	<u>\$ 6,733,261</u>	<u>\$ 6,733,261</u>	<u>\$ 7,085,202</u>	<u>\$ 351,941</u>

Note: The basis of budgeting is the same as GAAP. This schedule is presented on a GAAP basis.

See the accompanying independent auditors' report.



SPECIAL REPORTS

LOCAL HIGHWAY FINANCE REPORT	STATE: COLORADO YEAR ENDING (mm/yy): 12/24
This Information From The Records Of: Teller County	Prepared By: Michelle Bosch/Cheryle Beres

I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Receipts from local sources:	
1. Local highway-user taxes	
a. Motor Fuel (from Item I.A.5.)	
b. Motor Vehicle (from Item I.B.5.)	
c. Total (a.+b.)	
2. General fund appropriations	
3. Other local imposts (from page 2)	\$ 1,145,608.00
4. Miscellaneous local receipts (from page 2)	\$ 223,145.00
5. Transfers from toll facilities	
6. Proceeds of sale of bonds and notes:	
a. Bonds - Original Issues	
b. Bonds - Refunding Issues	
c. Notes	
d. Total (a. + b. + c.)	\$ -
7. Total (1 through 6)	\$ 1,368,753.00
B. Private Contributions	
C. Receipts from State government (from page 2)	\$ 4,023,811.00
D. Receipts from Federal Government (from page 2)	\$ 45,593.00
E. Total receipts (A.7 + B + C + D)	\$ 5,438,157.00

III. EXPENDITURES FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway expenditures:	
1. Capital outlay (from page 2)	\$ 933,564.00
2. Maintenance:	\$ 3,126,385.00
3. Road and street services:	
a. Traffic control operations	\$ 310,993.00
b. Snow and ice removal	\$ 1,865,520.00
c. Other	\$ 199,479.00
d. Total (a. through c.)	\$ 2,375,992.00
4. General administration & miscellaneous	\$ 115,984.00
5. Highway law enforcement and safety	
6. Total (1 through 5)	\$ 6,551,925.00
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	\$ -
2. Notes:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	\$ -
3. Total (1.c + 2.c)	\$ -
C. Payments to State for highways	
D. Payments to toll facilities	
E. Total expenditures (A.6 + B.3 + C + D)	\$ 6,551,925.00

IV. LOCAL HIGHWAY DEBT STATUS*(Show all entries at par)*

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

V. LOCAL ROAD AND STREET FUND BALANCE (RECEIPTS AND DISBURSEMENTS ONLY)

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	\$ 3,765,301.00	\$ 5,438,157.00	\$ 6,551,925.00	\$ 2,651,533.00	\$ -

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT		STATE: COLORADO YEAR ENDING (mm/yy): 12/24	
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II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL			
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ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments	\$ 484,347.00	a. Interest on investments	\$ 178,934.00
b. Other local imposts:		b. Traffic Fines & Penalties	\$ 13,487.00
1. Sales Taxes	\$ 592,185.00	c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses	\$ 22,242.00	f. Charges for Services	\$ 14,840.00
5. Specific Ownership &/or Other	\$ 46,834.00	g. Other Misc. Receipts	\$ 15,884.00
6. Total (1. through 5.)	\$ 661,261.00	h. Other	
c. Total (a. + b.)	\$ 1,145,608.00	i. Total (a. through h.)	\$ 223,145.00
(Carry forward to page 1)		(Carry forward to page 1)	

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes (from Item I.C.5.)	\$ 2,743,695.00	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	\$ 45,593.00
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	\$ 79,171.00	d. Federal Transit Administration	
d. DOLA Grant		e. U.S. Corps of Engineers	
e. Other-PT backfill & gaming tax	\$ 1,200,945.00	f. Other Federal ARPA	
f. Total (a. through e.)	\$ 1,280,116.00	g. Total (a. through f.)	\$ 45,593.00
4. Total (1. + 2. + 3.f)	\$ 4,023,811.00	3. Total (1. + 2.g)	\$ 45,593.00
(Carry forward to page 1)		(Carry forward to page 1)	

III. EXPENDITURES FOR ROAD AND STREET PURPOSES - DETAIL			
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	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			\$ -
b. Engineering Costs			\$ -
c. Construction:			
(1). New Facilities			\$ -
(2). Capacity Improvements			\$ -
(3). System Preservation	\$ 933,564.00		\$ 933,564.00
(4). System Enhancement And Operation			\$ -
(5). Total Construction (1)+(2)+(3)+(4)	\$ 933,564.00	\$ -	\$ 933,564.00
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.4)	\$ 933,564.00	\$ -	\$ 933,564.00
(Carry forward to page 1)			

Notes and Comments:



FEDERAL FINANCIAL

AWARD REPORTS

**Independent Auditors' Report On
Internal Control Over Financial Reporting
And On Compliance And Other Matters
Based On An Audit Of Financial Statements
Performed In Accordance With
*Government Auditing Standards***

Board of County Commissioners
Teller County, Colorado
Cripple Creek, Colorado

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Teller County, Colorado (the County), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated June 30, 2025.

Report On Internal Control Over Financial Reporting

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

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

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

Report On Compliance And Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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 *Government Auditing Standards* in considering the County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

RubinBrown LLP

June 30, 2025

**Independent Auditors' Report On Compliance
For Each Major Federal Program And
Report On Internal Control Over Compliance
Required By The Uniform Guidance**

Board of County Commissioners
Teller County, Colorado
Cripple Creek, Colorado

Report On Compliance For Each Major Federal Program

Opinion On Each Major Federal Program

We have audited Teller County, Colorado's (the County) compliance with the types of compliance requirements identified as subject to audit in the Office of Management and Budget's *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, 2024. The County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2024.

Basis For Opinion On Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities For The Audit Of Compliance section of our report.

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

Responsibilities Of Management For Compliance

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

Auditors' Responsibilities For The Audit Of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report On Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities For The Audit Of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

RubinBrown LLP

June 30, 2025

TELLER COUNTY, COLORADO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2024

Federal Agency/Program Title	Direct/Pass Through	Pass Through Entity	AL #	Pass-through Entity	Federal	Expenditures to
				Identifying Number	Expenditures	Subrecipients
U.S. DEPARTMENT OF AGRICULTURE						
State Administrative Matching Grants for the						
Supplemental Nutrition Assistance Grant	Pass Through	CO Dept of Human Services	10.561	*	\$254,664	\$0
Supplemental Nutrition Assistance Grant (SNAP)	Pass Through	CO Dept of Human Services	10.551	*	470	0
Sub-Total SNAP Cluster					255,134	0
Women, Infant & Children	Pass Through	CO Dept of Health and Environment	10.557	2024*2487/2025*0264	76,705	0
WIC Food Vouchers	Pass Through	CO Dept of Health and Environment	10.557	*	265,362	0
Sub-Total ALN #10.557					342,067	0
Title I - Schools and Roads Cluster	Direct		10.666		45,593	0
Total U.S. Dept of Agriculture					642,794	0
U.S. ELECTION ASSISTANCE COMMISSION						
Covid-19 Election Safety Grant	Pass Through	CO Secretary of State	90.404	CT VAAA HAVA 2025 - 0968	4,450	
Total U.S. Election Assistance Commission					4,450	0
U.S. DEPARTMENT OF HOMELAND SECURITY						
Emergency Mgmt Program	Pass Through	CO Dept of Public Safety	97.042	22EM-23-53	59,573	0
Total U.S. Dept of Homeland Security					59,573	0
U.S. DEPARTMENT OF JUSTICE						
Equitable Sharing Program	Direct		16.922		1,000	0
State Criminal Alien Assistance Program	Direct		16.606		2,531	0
Bulletproof Vest Partnership Program	Direct		16.607		3,222	0
Total U.S. Dept of Justice					6,753	0
U.S. DEPARTMENT OF TREASURY						
COVID-19 HB22-1259 TANF	Pass Through	CO Dept of Human Services	21.027	*	25,723	0
Total U.S. Dept of Treasury					25,723	0
U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES						
Emergency Prep and Response CORE	Pass Through	CO Dept of Health and Environment	93.069	2023*0215 AM4/2024*0117	25,362	0
Medical Reserve Corp	Pass Through	CO Dept of Health and Environment	93.008	2024*1733	5,813	0
Family Planning Project	Pass Through	CO Dept of Health and Environment	93.217	2021*0291	27,075	0
Immunization Programs	Pass Through	CO Dept of Health and Environment	93.268	2025*0055 Am1	13,911	0
COVID-19 Immunization Program #3 &4	Pass Through	CO Dept of Health and Environment	93.268	PO FHJA 2021*10316/PO FHCA 2022*3028	42,585	0
Sub-Total ALN #93.268					56,496	0
Womens Wellness Connection Clinical Services	Pass Through	CO Dept of Health and Environment	93.744	GAE 2023*0047/CT FHLA 2023*2322	7,097	0
Maternal & Child Health	Pass Through	CO Dept of Health and Environment	93.994	2023*0055	22,648	0
OPHP LPHA Workforce	Pass Through	CO Dept of Health and Environment	93.354	2022-9793	20,563	
OPHP LPHA CDC Infrastructure	Pass Through	CO Dept of Health and Environment	93.967	*	13,976	
PSSF	Pass Through	CO Dept of Human Services	93.556	*	186	0
IV-E Guardianship Assistance	Pass Through	CO Dept of Human Services	93.090	*	9,607	0
IV-E Prevention	Pass Through	CO Dept of Human Services	93.472	*	50,031	0
Kinship	Pass Through	CO Dept of Human Services	93.471	*	102,873	0
TANF	Pass Through	CO Dept of Human Services	93.558	*	497,570	0
COVID-19 TANF	Pass Through	CO Dept of Human Services	93.558	*	4,507	0
Sub-Total TANF					502,077	0
Title IV-D Admin	Pass Through	CO Dept of Human Services	93.563	*	247,688	0
LEAP	Pass Through	CO Dept of Human Services	93.568	*	81,535	0
CCDF - Discretionary Cluster	Pass Through	CO Dept of Early Childhood	93.575	*	127,516	0
COVID-19 CCDF - Discretionary Cluster	Pass Through	CO Dept of Early Childhood	93.575	*	55,765	0
Sub-Total ALN #93.575					183,281	0
CCDF - Mandatory & Match Cluster	Pass Through	CO Dept of Early Childhood	93.596	*	104,104	0
Sub-Total CCDF Cluster					287,385	0
Title IV-B Child Welfare	Pass Through	CO Dept of Human Services	93.645	*	26,393	0
Title IV-E FC	Pass Through	CO Dept of Human Services	93.658	*	249,407	0
Title IV-E Adoption	Pass Through	CO Dept of Human Services	93.659	*	175,541	0
Title XX Block Grant	Pass Through	CO Dept of Human Services	93.667	*	124,760	0
COVID-19 CRF Adult Protection - Elder Justice Act	Pass Through	CO Dept of Human Services	93.747	*	6,091	0
Title XX Medicaid Cluster	Pass Through	CO Dept of Health Care Policy & Fin	93.778	*	467,430	0
COVID-19 Title XX Medicaid Cluster	Pass Through	CO Dept of Health Care Policy & Fin	93.778	*	1,500	0
Sub-Total Medicaid Cluster					468,930	0
Total U.S. Dept of Health & Human Services					\$2,511,534	\$0
TOTAL FEDERAL AWARDS					\$3,250,827	\$0
* Unavailable						

* Unavailable

See the note to the schedule of expenditures of federal awards

Teller County, Colorado
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2024

Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Teller County, Colorado, 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* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the Teller County, Colorado, financial statements for the year ended December 31, 2024.

Indirect Cost Rate

The County has not elected to use the de Minimis Indirect Cost Rate of 10% for federal grants and funds.

Donated Personal Protective Equipment (PPE)

The County did not receive any donated PPE that was originally purchased with federal funding.

TELLER COUNTY, COLORADO

SCHEDULE OF FINDINGS AND QUESTIONED COSTS For The Year Ended December 31, 2024

Section I - Summary Of Auditors' Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with generally accepted accounting principles:

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ☐ yes ☒ no
- Significant deficiency(ies) identified? ☐ yes ☒ none reported
- Noncompliance material to financial statements noted? ☐ yes ☒ no

Federal Awards

Internal control over each major federal program:

- Material weakness(es) identified? ☐ yes ☒ no
- Significant deficiency(ies) identified? ☐ yes ☒ none reported

Type of auditors' report issued on compliance for each major federal program:

Unmodified

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

☐ yes ☒ no

Identification Of Major Programs

AL No.	Name Of Federal Program Or Cluster
10.551, 10.561	Supplemental Nutrition Assistance Program (SNAP) Cluster
93.558	Temporary Assistance for Needy Families (TANF)

Dollar threshold used to distinguish between Type A and Type B programs:

\$750,000

Auditee qualified as low-risk auditee?

☒ yes ☐ no

TELLER COUNTY, COLORADO

SCHEDULE OF FINDINGS AND QUESTIONED COSTS *(Continued)*
For The Year Ended December 31, 2024

Section II - Financial Statement Findings

None

Section III - Federal Award Findings And Questioned Costs

None