

BASIC FINANCIAL STATEMENTS



Morgan County, Colorado
Statement of Net Assets
December 31, 2010
(With comparative totals for December 31, 2009)

	Governmental	Business-type	Total	
	Activities	Activities	2010	2009
ASSETS				
Cash (Note 3)	\$ 1,635	\$ 709	\$ 2,344	\$ 2,492
Cash held by other agencies (Note 3)	139,248	-	139,248	124,562
Cash held by trust agent (Notes 3 & 7)	228,515	-	228,515	249,101
Client trust accounts (Note 3)	27,815	-	27,815	37,925
Receivables (net of allowances for uncollectibles) (Note 4):				
Accrued interest	2	-	2	3
General property tax - net	11,963,229	-	11,963,229	11,765,282
Accounts	18,486	289,476	307,962	263,022
Intergovernmental	1,648,647	-	1,648,647	1,498,924
Other	60,301	2,222	62,523	64,948
Funds held by agency funds - County				
Treasurer (Note 3)	25,157,406	2,864,146	28,021,552	26,044,064
Internal balances (Note 9)	19,092	(19,092)	-	-
Inventory	296,795	-	296,795	323,328
Debt issuance costs - net	50,029	-	50,029	55,915
Capital assets not being depreciated (Note 5):				
Land and water rights	1,263,744	28,347	1,292,091	1,276,591
Construction in progress	-	-	-	96,615
Capital assets (net of accumulated depreciation) (Note 5):				
Buildings	9,736,280	1,000,250	10,736,530	10,342,759
General equipment	3,522,670	761,644	4,284,314	4,422,974
Infrastructure	159,312,774	-	159,312,774	167,492,266
Total assets	213,446,668	4,927,702	218,374,370	224,060,771
LIABILITIES				
Warrants payable	873,013	62,963	935,976	982,323
Vouchers payable	317,942	14,790	332,732	270,523
Accounts payable	14,956	5,977	20,933	19,969
Accrued wages	-	23,574	23,574	23,922
Accrued interest payable	8,536	-	8,536	9,341
Client trust accounts (Note 3)	27,815	-	27,815	37,925
Intergovernmental payables	967,941	-	967,941	928,617
Unearned tax and other revenue	12,261,547	5,110	12,266,657	12,019,717
Funds held for others	14,438	-	14,438	14,438
Noncurrent liabilities:				
Due within one year:				
Compensated absences (Note 8)	66,798	23,762	90,560	98,534
Obligation under capital lease (Notes 7 & 8)	220,000	-	220,000	210,000
Due more than one year:				
Compensated absences (Note 8)	782,482	45,702	828,184	817,612
Accrued landfill closure and post-closure care costs (Note 13)	-	373,874	373,874	352,310
Obligation under capital lease (Notes 7 & 8)	1,855,000	-	1,855,000	2,075,000
Total liabilities	17,410,468	555,752	17,966,220	17,860,231
NET ASSETS:				
Invested in capital assets, net of related debt	171,760,468	1,790,241	173,550,709	181,346,205
Restricted for (Note 12):				
Emergencies	560,000	-	560,000	560,000
Debt service	207,500	-	207,500	228,500
Unrestricted	23,508,232	2,581,709	26,089,941	24,065,835
Total net assets	\$ 196,036,200	\$ 4,371,950	\$ 200,408,150	\$ 206,200,540

The notes to the financial statements are an integral part of this statement.

Morgan County, Colorado
Statement of Activities
For Fiscal Year Ended December 31, 2010
(With comparative totals for December 31, 2009)

<u>Functions/Programs</u>	<u>Program Revenues</u>			
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Governmental activities:				
General government	\$ 7,148,909	\$ 2,214,834	\$ 265,963	\$ 86,502
Judicial and public safety	3,703,122	546,171	173,905	-
Public health	-	-	-	-
Auxiliary services	429,247	-	-	-
Roads and bridges	13,447,387	13,627	3,175,957	-
Public welfare	4,885,491	-	3,536,119	-
Interest on long-term debt	112,095	-	-	-
Agent fees on long-term debt	7,133	-	-	-
Total governmental activities	<u>29,733,384</u>	<u>2,774,632</u>	<u>7,151,944</u>	<u>86,502</u>
Business-type activities:				
Ambulance services	1,043,694	978,865	124,972	-
Solid waste services	558,765	768,521	-	-
Total business-type activities	<u>1,602,459</u>	<u>1,747,386</u>	<u>124,972</u>	<u>-</u>
Total primary government	<u>\$ 31,335,843</u>	<u>\$ 4,522,018</u>	<u>\$ 7,276,916</u>	<u>\$ 86,502</u>

General revenues:

Taxes:

- Property
- Specific ownership
- Lodging
- Other

Interest

Miscellaneous

Sale of assets

Total general revenues

Changes in net assets

Net assets, January 1

Net assets, December 31

The notes to the financial statements are an integral part of this statement.

Net (Expenses) Revenues and Changes in Net Assets Primary Government			
Governmental Activities	Business-type Activities	Total	
		2010	2009
\$ (4,581,610)	\$ -	\$ (4,581,610)	\$ (4,545,215)
(2,983,046)	-	(2,983,046)	(3,030,999)
-	-	-	(8,399)
(429,247)	-	(429,247)	(463,526)
(10,257,803)	-	(10,257,803)	(10,537,282)
(1,349,372)	-	(1,349,372)	(1,114,935)
(112,095)	-	(112,095)	(120,345)
(7,133)	-	(7,133)	(6,657)
<u>(19,720,306)</u>	<u>-</u>	<u>(19,720,306)</u>	<u>(19,827,358)</u>
-	60,143	60,143	(83,085)
<u>-</u>	<u>209,756</u>	<u>209,756</u>	<u>794,319</u>
<u>-</u>	<u>269,899</u>	<u>269,899</u>	<u>711,234</u>
<u>\$ (19,720,306)</u>	<u>\$ 269,899</u>	<u>\$ (19,450,407)</u>	<u>\$ (19,116,124)</u>
11,768,430	-	11,768,430	11,102,178
1,058,212	-	1,058,212	1,045,194
75,972	-	75,972	87,012
34,021	-	34,021	34,644
66,940	2,194	69,134	220,108
645,187	803	645,990	663,518
6,258	-	6,258	8,277
<u>13,655,020</u>	<u>2,997</u>	<u>13,658,017</u>	<u>13,160,931</u>
(6,065,286)	272,896	(5,792,390)	(5,955,193)
202,101,486	4,099,054	206,200,540	212,155,733
<u>\$ 196,036,200</u>	<u>\$ 4,371,950</u>	<u>\$ 200,408,150</u>	<u>\$ 206,200,540</u>

Morgan County, Colorado
Balance Sheet
Governmental Funds
December 31, 2010
(With comparative totals for December 31, 2009)

	General	Road and Bridge	Social Services	Other Governmental Funds
ASSETS:				
Cash (Note 3)	\$ 800	\$ -	\$ 400	\$ 85
Cash held by other agencies	130,145	-	-	9,103
Cash held by trust agent (Note 3)	-	-	-	228,515
Client trust accounts (Note 3)	-	-	27,815	-
Receivables (net of allowances for uncollectibles):				
Accrued interest (Note 4)	-	-	-	2
General property tax - net	8,698,427	2,231,637	1,033,165	-
Accounts (Note 4)	-	1,175	-	-
Intergovernmental (Note 4)	157,035	302,085	1,188,795	732
Other (Note 4)	24,862	-	494	34,945
Funds held by agency funds	11,110,916	6,693,149	532,799	1,868,808
Due from other funds (Note 9)	-	-	-	180,951
Interfund receivables (Note 9)	1,089	-	-	-
Inventories	24,000	97,575	-	-
Total assets	\$ 20,147,274	\$ 9,325,621	\$ 2,783,468	\$ 2,323,141
LIABILITIES AND FUND BALANCES:				
LIABILITIES:				
Warrants payable	\$ 396,585	\$ 225,176	\$ 171,908	\$ 1,009
Vouchers payable	163,031	36,567	-	10,913
Accounts payable	6,133	2,891	3,416	-
Accrued compensated absences	695	1,338	263	-
Client trust accounts	-	-	27,815	-
Intergovernmental payables	-	-	967,941	-
Due to other funds (Note 9)	181,662	-	-	-
Interfund payables (Note 9)	102,979	135,893	5,287	80
Unearned tax and other revenue	8,702,155	2,231,637	1,327,755	-
Funds held for others	13,988	-	-	450
Total liabilities	9,567,228	2,633,502	2,504,385	12,452
FUND BALANCES:				
Fund balance (Notes 11 & 12):				
Reserved for inventory	24,000	97,575	-	-
Reserved for emergencies	560,000	-	-	-
Reserved for capital improvements	-	2,137,054	-	-
Reserved for debt service	-	-	-	207,500
Unreserved:				
Designated for capital projects	1,000,000	-	-	-
Designated for debt service	1,300,000	-	-	-
Designated for other agencies	130,145	-	-	-
Designated for subsequent years' expenditures:				
General fund	391,439	-	-	-
Special revenue funds	-	633,786	229,974	49,672
Undesignated:				
General fund	7,174,462	-	-	-
Special revenue funds	-	3,823,704	49,109	1,424,602
Capital projects fund	-	-	-	485,613
Debt service fund	-	-	-	143,302
Total fund balances	10,580,046	6,692,119	279,083	2,310,689
Total liabilities and fund balances	\$ 20,147,274	\$ 9,325,621	\$ 2,783,468	\$ 2,323,141

The notes to the financial statements are an integral part of this statement.

Total Governmental Funds

2010	2009
\$ 1,285	\$ 1,285
139,248	124,562
228,515	249,101
27,815	37,925
2	3
11,963,229	11,765,282
1,175	1,175
1,648,647	1,498,924
60,301	62,371
20,205,672	19,210,136
180,951	159,039
1,089	1,312
121,575	153,195
<u>\$ 34,579,504</u>	<u>\$ 33,264,310</u>

\$ 794,678	\$ 586,670
210,511	159,019
12,440	13,703
2,296	23,646
27,815	37,925
967,941	928,617
181,662	159,750
244,239	278,844
12,261,547	12,019,717
14,438	14,438
<u>14,717,567</u>	<u>14,222,329</u>

121,575	153,195
560,000	560,000
2,137,054	1,929,471
207,500	228,500

1,000,000	1,000,000
1,300,000	1,300,000
130,145	90,267

391,439	856,719
913,432	1,465,107

7,174,462	6,213,677
5,297,415	4,858,585
485,613	243,571
143,302	142,889

<u>19,861,937</u>	<u>19,041,981</u>
<u>\$ 34,579,504</u>	<u>\$ 33,264,310</u>

**Morgan County, Colorado
 Reconciliation of the Governmental Funds
 Balance Sheet to the Statement of Net Assets
 For Year Ended December 31, 2010**

Total governmental fund balances (page 31) \$ 19,861,937

Amounts reported for governmental activities in the statement of net assets (page 27) are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. 171,350,141

Long-term liabilities, including capital leases payable, compensated absences, and interest payable, are not due and payable in the current period and therefore are not reported in the funds.

Certificates of participation	\$(2,075,000)	
Compensated absences	(641,769)	
Interest payable	<u>(8,536)</u>	
		(2,725,305)

Deferred charges from debt issuance costs are to be amortized over the life of the debt. 50,029

The internal services fund is used by management to charge the costs of services for the County attorney, fleet maintenance, and other services to individual funds. The assets and liabilities of the internal service fund are included in the governmental activities in the statement of net assets. 7,499,398

Net assets of governmental activities (page 27) \$196,036,200



Morgan County, Colorado
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the fiscal year ended December 31, 2010
(With comparative totals for the fiscal year ended December 31, 2009)

	General	Road and Bridge	Social Services	Other Governmental Funds
REVENUES				
Taxes	\$ 9,431,588	\$ 2,658,407	\$ 770,668	\$ 75,972
Intergovernmental	439,868	3,175,957	3,536,119	86,502
Licenses and permits	73,838	-	-	-
Fines and forfeitures	39,544	-	-	-
Fee accounts	1,240,744	-	-	38,145
Charges for materials/service	-	13,627	-	234,032
Interest	57,648	7,584	-	903
Miscellaneous	268,474	1,052	75,124	302,778
Total revenues	<u>11,551,704</u>	<u>5,856,627</u>	<u>4,381,911</u>	<u>738,332</u>
EXPENDITURES				
Current:				
General government	4,895,628	-	-	112,639
Judicial and public safety	3,545,751	-	-	78,395
Public health	-	-	-	-
Auxiliary services	429,247	-	-	-
Road and bridge	-	5,298,525	-	-
Public welfare	-	-	4,868,800	-
Intergovernmental cooperation outlay	1,043,133	-	-	-
Capital outlay	908,433	15,500	-	189,225
Debt service:				
Principal (Note 7)	-	-	-	210,000
Interest (Note 7)	-	-	-	112,095
Agent fees	-	-	-	1,247
Total expenditures	<u>10,822,192</u>	<u>5,314,025</u>	<u>4,868,800</u>	<u>703,601</u>
Excess (deficiency) of revenues over (under) expenditures	<u>729,512</u>	<u>542,602</u>	<u>(486,889)</u>	<u>34,731</u>
Other financing sources (uses):				
Transfers in (Note 10)	-	-	-	177,402
Transfers out (Note 10)	(177,402)	-	-	-
Total other financing sources (uses)	<u>(177,402)</u>	<u>-</u>	<u>-</u>	<u>177,402</u>
Net change in fund balances	552,110	542,602	(486,889)	212,133
Fund Balances, January 1	<u>10,027,936</u>	<u>6,149,517</u>	<u>765,972</u>	<u>2,098,556</u>
Fund Balances, December 31 (Notes 11 & 12)	<u><u>\$ 10,580,046</u></u>	<u><u>\$ 6,692,119</u></u>	<u><u>\$ 279,083</u></u>	<u><u>\$ 2,310,689</u></u>

The notes to the financial statements are an integral part of this statement.

Total Governmental Funds

	2010	2009
\$	12,936,635	\$ 12,269,028
	7,238,446	7,906,969
	73,838	56,753
	39,544	39,691
	1,278,889	1,200,098
	247,659	245,395
	66,135	203,390
	647,428	657,040
	<u>22,528,574</u>	<u>22,578,364</u>
	5,008,267	5,525,901
	3,624,146	3,930,044
	-	8,399
	429,247	463,526
	5,298,525	6,468,551
	4,868,800	4,651,189
	1,043,133	939,712
	1,113,158	214,282
	210,000	200,000
	112,095	121,095
	1,247	771
	<u>21,708,618</u>	<u>22,523,470</u>
	<u>819,956</u>	<u>54,894</u>
	177,402	191,070
	<u>(177,402)</u>	<u>(191,070)</u>
	-	-
	819,956	54,894
	<u>19,041,981</u>	<u>18,987,087</u>
\$	<u>19,861,937</u>	<u>\$ 19,041,981</u>

Morgan County, Colorado
Reconciliation of the Governmental Funds Statement of Revenues,
Expenditures, and Changes in Fund Balance to the Statement of Activities
For the Year Ended December 31, 2010

Net change in fund balances – total governmental funds (page 35) \$ 819,956

Amounts reported for governmental activities in the statement of activities (page 29) are different because:

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

Capital asset additions	\$ 1,942,961	
Depreciation expense	<u>(9,765,041)</u>	
Excess of depreciation over capital outlay		(7,822,080)

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

Certificates of participation	210,000
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Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Compensated absences	(11,816)	
Accrued interest	805	
Amortization of debt issuance costs	<u>(5,885)</u>	
		(16,896)

Internal service funds are used by management to charge the costs of certain activities such as fleet services, attorney services, accounting services, and information system services to individual funds. The net revenue (expense) of the internal service fund is reported with governmental activities.

743,734

Change in net assets of governmental activities (page 29) **\$ (6,065,286)**

Morgan County, Colorado
Statement of Net Assets
Proprietary Funds
December 31, 2010
(With comparative totals for Business-type Activities for December 31, 2009)

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Ambulance Service	Solid Waste Management	Total		
			2010	2009	
ASSETS					
Current assets:					
Cash (Note 3)	\$ -	\$ 709	\$ 709	\$ 857	\$ 350
Receivables (net of allowance uncollectibles) (Note 4):					
Accounts	249,404	40,072	289,476	245,472	17,311
Other	2,222	-	2,222	2,577	-
Funds held by agency funds - County					
Treasurer	172,371	2,691,775	2,864,146	2,629,249	4,951,734
Due from other funds (Note 9)	-	711	711	711	-
Interfund receivables (Note 9)	-	101	101	11	263,367
Inventory	-	-	-	-	175,220
Total current assets	<u>423,997</u>	<u>2,733,368</u>	<u>3,157,365</u>	<u>2,878,877</u>	<u>5,407,982</u>
Noncurrent assets:					
Capital assets (net of accumulated depreciation) (Note 5) :					
Land and water rights	4,837	23,510	28,347	28,347	-
Buildings	311,219	689,031	1,000,250	1,042,612	13,119
General equipment	174,721	586,923	761,644	699,230	2,427,378
Infrastructure	-	-	-	-	44,832
Total noncurrent assets	<u>490,777</u>	<u>1,299,464</u>	<u>1,790,241</u>	<u>1,770,189</u>	<u>2,485,329</u>
Total assets	<u>914,774</u>	<u>4,032,832</u>	<u>4,947,606</u>	<u>4,649,066</u>	<u>7,893,311</u>
LIABILITIES					
Current liabilities:					
Warrants payable	36,417	26,546	62,963	40,273	78,335
Vouchers payable	9,564	5,226	14,790	35,708	107,431
Accounts payable	-	5,977	5,977	4,662	2,516
Accrued wages	23,574	-	23,574	23,922	-
Compensated absences (Note 8)	13,400	10,362	23,762	23,072	64,502
Interfund payables (Note 9)	10,763	9,141	19,904	21,570	414
Unearned tax and other revenue	5,110	-	5,110	-	-
Total current liabilities	<u>98,828</u>	<u>57,252</u>	<u>156,080</u>	<u>149,207</u>	<u>253,198</u>
Noncurrent liabilities:					
Compensated absences (Note 8)	19,672	26,030	45,702	48,495	140,715
Accrued landfill closure and post-closure care costs (Note 13)	-	373,874	373,874	352,310	-
Total noncurrent liabilities	<u>19,672</u>	<u>399,904</u>	<u>419,576</u>	<u>400,805</u>	<u>140,715</u>
Total liabilities	<u>118,500</u>	<u>457,156</u>	<u>575,656</u>	<u>550,012</u>	<u>393,913</u>
NET ASSETS					
Invested in capital assets	490,777	1,299,464	1,790,241	1,770,189	2,485,329
Unrestricted	305,497	2,276,212	2,581,709	2,328,865	5,014,069
Total net assets	<u>\$ 796,274</u>	<u>\$ 3,575,676</u>	<u>\$ 4,371,950</u>	<u>\$ 4,099,054</u>	<u>\$ 7,499,398</u>

The notes to the financial statements are an integral part of this statement.

Morgan County, Colorado
Statement of Revenues, Expenses and Changes in Fund Net Assets
Proprietary Funds
For the year ended December 31, 2010
(With comparative totals for Business-type Activities December 31, 2009)

	Business-type Activities - Enterprise Funds				Governmental Activities -
	Ambulance Service	Solid Waste Management	Total		Internal Service Fund
			2010	2009	
Operating revenues					
Charges for services	\$ 978,865	\$ 768,521	\$ 1,747,386	\$ 1,579,144	\$ 4,030,907
Miscellaneous revenues	13,581	857	14,438	21,117	2,759
Total operating revenues	<u>992,446</u>	<u>769,378</u>	<u>1,761,824</u>	<u>1,600,261</u>	<u>4,033,666</u>
Operating expenses					
Compensation and benefits	702,891	251,797	954,688	975,057	1,232,950
Operating supplies	39,653	19,292	58,945	65,572	1,243,982
Purchased services	130,876	89,148	220,024	190,444	234,203
Fixed charges	118,761	111,394	230,155	238,251	46,146
Depreciation	45,803	57,632	103,435	64,550	532,634
Other expenses	5,710	29,502	35,212	(122,924)	1,275
Total operating expenses	<u>1,043,694</u>	<u>558,765</u>	<u>1,602,459</u>	<u>1,410,950</u>	<u>3,291,190</u>
Operating income (loss)	<u>(51,248)</u>	<u>210,613</u>	<u>159,365</u>	<u>189,311</u>	<u>742,476</u>
Nonoperating revenues					
State grant	110,737	-	110,737	9,945	-
Other grants	600	-	600	14,790	-
Interest	-	2,194	2,194	16,718	-
Gain on disposal of assets	-	-	-	-	1,258
Total nonoperating revenues	<u>111,337</u>	<u>2,194</u>	<u>113,531</u>	<u>41,453</u>	<u>1,258</u>
Income before contributions	60,089	212,807	272,896	230,764	743,734
Capital contributions	-	-	-	500,000	-
Change in net assets	60,089	212,807	272,896	730,764	743,734
Total net assets, January 1	736,185	3,362,869	4,099,054	3,368,290	6,755,664
Total net assets, December 31	<u>\$ 796,274</u>	<u>\$ 3,575,676</u>	<u>\$ 4,371,950</u>	<u>\$ 4,099,054</u>	<u>\$ 7,499,398</u>

The notes to the financial statements are an integral part of this statement.

Morgan County, Colorado
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2010
(With comparative totals for Business-type Activities for December 31, 2009)

	Business-type Activities - Enterprise Funds				Governmental Activities -
	Ambulance Service Fund	Solid Waste Management	2010	2009	Internal Services Fund
Cash flows from operating activities					
Receipts from customers and users	\$ 955,166	\$ 757,445	\$ 1,712,611	\$ 1,578,908	\$ 213,469
Receipts from interfund services	-	5,472	5,472	7,303	3,855,549
Payments to suppliers	(168,764)	(184,844)	(353,608)	(310,496)	(1,767,674)
Payments for interfund services	(135,729)	(26,902)	(162,631)	(186,080)	(5,370)
Payments to employees	(705,594)	(251,545)	(957,139)	(976,779)	(1,221,010)
Net cash provided (used) by operating activities	<u>(54,921)</u>	<u>299,626</u>	<u>244,705</u>	<u>112,856</u>	<u>1,074,964</u>
Cash flows from noncapital financing activities					
Grants received	110,737	-	110,737	9,945	-
Donations received	600	-	600	14,790	-
Net cash provided by noncapital financing activities	<u>111,337</u>	<u>-</u>	<u>111,337</u>	<u>24,735</u>	<u>-</u>
Cash flows from capital and related financing activities					
Acquisition of capital assets	(123,487)	-	(123,487)	(1,268,682)	(345,079)
Proceeds from capital grant	-	-	-	500,000	-
Proceeds from sale of capital assets	-	-	-	-	17,170
Net cash used by capital and related financing activities	<u>(123,487)</u>	<u>-</u>	<u>(123,487)</u>	<u>(768,682)</u>	<u>(327,909)</u>
Cash flows from investing activities					
Interest received	-	2,194	2,194	16,718	-
Net cash provided by investing activities	<u>-</u>	<u>2,194</u>	<u>2,194</u>	<u>16,718</u>	<u>-</u>
Net Increase (decrease) in cash and cash equivalents	(67,071)	301,820	234,749	(614,373)	747,055
Cash and cash equivalents - January 1	239,442	2,390,664	2,630,106	3,244,479	4,205,029
Cash and cash equivalents - December 31					
(Including \$709 and \$350 for the Solid Waste Management Fund and Central Services Fund, respectively, reported in cash on hand)	<u>\$ 172,371</u>	<u>\$ 2,692,484</u>	<u>\$ 2,864,855</u>	<u>\$ 2,630,106</u>	<u>\$ 4,952,084</u>
Reconciliation of operating income to net cash provided (used) by operating activities:					
Operating income (loss)	\$ (51,248)	\$ 210,613	159,365	\$ 189,311	\$ 742,476
Adjustment to reconcile operating income to net cash provided (used) by operating activities:					
Depreciation expense	45,803	57,632	103,435	64,550	532,634
Increase in accounts receivable	(37,280)	(6,369)	(43,649)	(14,902)	(936)
(Increase) decrease in intergovernmental receivables	-	(101)	(101)	854	36,288
Increase in inventory	-	-	-	-	(5,086)
Increase (decrease) in accounts payable	(12,856)	15,954	3,098	21,637	(245,405)
Increase (decrease) in intergovernmental payable	(1,747)	81	(1,666)	(5,824)	(152)
Increase (decrease) in accrued wages	(349)	-	(349)	1,630	-
Increase (decrease) in accrued compensated absences	(2,354)	252	(2,102)	(3,353)	15,145
Increase in deferred revenue	5,110	-	5,110	-	-
Increase (decrease) in accrued landfill closure and postclosure	-	21,564	21,564	(141,047)	-
Total adjustments	<u>(3,673)</u>	<u>89,013</u>	<u>85,340</u>	<u>(76,455)</u>	<u>332,488</u>
Net cash provided (used) by operating activities	<u>\$ (54,921)</u>	<u>\$ 299,626</u>	<u>\$ 244,705</u>	<u>\$ 112,856</u>	<u>\$ 1,074,964</u>

The notes to the financial statements are an integral part of this statement.

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

	Total
	<u>Agency Funds</u>
ASSETS	
Cash	\$ 1,470,375
Funds held by agency funds	670,621
Total assets	<u>\$ 2,140,996</u>
 LIABILITIES	
Warrants payable	\$ 684,064
Funds held for designated purpose	13,760
Funds held for others	1,443,172
Total liabilities	<u>\$ 2,140,996</u>

The notes to the financial statements are an integral part of this statement.