



BOARD OF COUNTY COMMISSIONERS MEETING AGENDA

January 21, 2025 at 10:00 AM

Commissioners Meeting Room - 401 Main Street, Suite 309, Walsenburg, CO 81089

Office: 719-738-3000 ex 200 | Fax: 719-738-3996

9:00 AM - WORKSHOP

County Administration Workshop

9:30 AM - COMMISSIONER'S STUDY SESSION

10:00 AM - PUBLIC MEETING

Join via Google Meet: <https://meet.google.com/pfy-merc-xoc> | Meeting ID: pfy-merc-xoc

1. PLEDGE OF ALLEGIANCE

2. AGENDA APPROVAL

3. CONSENT AGENDA

a. January 14, 2025 Meeting Minutes

4. PUBLIC COMMENT

5. APPOINTMENTS

a. Special Recognition Jim VanLue

b. Two Peaks Fitness Opioid Funds Proposal

c. Chelsea Meece, Systems Coordinator for Coalition for the Unhoused/Keep Trinidad Safe

6. PERMITS, LICENCES, AND PUBLIC HEARINGS

a. Final Approval Huerfano Carbon Sequestration Project CUP 23-015 and Certificate of Designation Application

7. ACTION ITEMS

a. Overtime request from HC Human Services

b. Grant Administration Service Agreement Southern Colorado Economic Development District

c. Approval to Accept Colorado Tourism Office Marketing Grant

d. January 2025 Vendor Run

e. HCED Facade Improvement Request

f. 2023 Huerfano County, Colorado Financial Statements

- [g.](#) Huerfano County Treasurers Semi-Annual Report 2024
- [h.](#) Treasurers Huerfano County Treasurers Annual Report 2024

8. CORRESPONDENCE

- [a.](#) Navajo Western Water District 2025 Transparency Notice
- [b.](#) Upper Huerfano Fire Protection District 2025 Transparency Notice
- [c.](#) Leave Balances for 12/29/24 through 1/11/25
- [d.](#) CTSI Technical Update: Understanding Workplace Posters State and Federal Requirements
- [e.](#) CTSI Technical Update: The Power of Pooling for County Success
- [f.](#) CTSI Technical Update: Cyber Security Insights, Protecting Privileged Information
- [g.](#) CAPP Reports for December 2024

9. STAFF REPORTS

- [a.](#) County Administrator
- [b.](#) County Attorney

10. EXECUTIVE SESSION

11. ADJOURNMENT

12. UPCOMING MEETINGS

- [a.](#) 11AM - Board of Human Services
- [b.](#) 1PM - Workshop with Mountain Disposal
- [c.](#) 1:30 - Workshop with Mission Team Impact
- [d.](#) 2PM - Workshop with HC Sheriff's Office
- [e.](#) 3:30PM - Workshop on Advocacy and Grant Writing

Huerfano County wants to ensure that everyone has equal access to our programs, activities, and services. To request an Americans with Disability Act (ADA) accommodation, please call 719-738-3000 x200. Submit your request as early as possible, and no later than two business days before the event.



BOARD OF COUNTY COMMISSIONERS MEETING MINUTES

January 14, 2025 at 10:00 AM

Commissioners Meeting Room - 401 Main Street, Suite 309, Walsenburg, CO 81089

Office: 719-738-3000 ex 200 | Fax: 719-738-3996

1. PLEDGE OF ALLEGIANCE

Chairman Sporleder called the meeting to order followed by the Pledge of Allegiance. Chairman Sporleder, Commissioner Chamberlain and Commissioner Wardell were present

2. SWEARING IN CEREMONY

Judge Clay McKisson conducted the official swearing in ceremony for both Mitchell Wardell and Jim Chamberlain

3. ELECTION OF THE CHAIR AND VICE CHAIR

Commissioner Karl Sporleder was elected Chairman to the board and Commissioner Mitchell Wardell was elected Vice Chairman

4. RECESS

Motion to recess at 10:08.

Motion made by Chairman Sporleder

Second by Commissioner Chamberlain

Voting Yes: Chairman Sporleder, Commissioner Chamberlain, Commissioner Wardell

Motion Passes

5. AGENDA APPROVAL

Motion to approve the agenda as presented.

Motion made by Commissioner Wardell

Second by Commissioner Chamberlain

Voting Yes: Chairman Sporleder, Commissioner Chamberlain, Commissioner Wardell

Motion Passes

6. CONSENT AGENDA

Motion to approve the consent agenda as presented.

Motion made by Commissioner Wardell

Second by Commissioner Chamberlain

Discussion: Commissioner Chamberlain recused himself from the December 17th and the December 31st Minutes

Voting Yes: Chairman Sporleder, Commissioner Chamberlain, Commissioner Wardell

Motion Passes

- a. Minutes from the December 17 BOCC Meeting
- b. Minutes from the December 31 BOCC Meeting
- c. Chris Bechaver Sick Leave Donation
- d. Lester Berry Sick Leave Donation
- e. Anthony Luginbill Sick Leave Donation
- f. Robert Gilbert Sick Leave Donation
- g. Spencer Butler Resignation
- h. Savannah Horton Resignation
- i. Cecilia Kelly Resignation
- j. Tre'von Perry Resignation
- k. Miriam Rodriguez Resignation

7. **PUBLIC COMMENT**

- 1. Mary Jensen discussed item h. in correspondence her paper on the danger of cell towers, 5g and EMF.
- 2. Judy Sims discussed item h. in correspondence and urged the Board to take legislative action.
- 3. Sam Law also discussed item h. and the dangers of EMF near residential areas.

8. **APPOINTMENTS**

NONE

9. **PERMITS, LICENCES, AND PUBLIC HEARINGS**

- a. Bulk Water Permit #24-0010 for Kathryn Stannard
Motion to approve Bulk Water Permit #24-0010 for Kathryn Stannard for vacant property
Motion made by Commissioner Wardell
Second by Commissioner Chamberlain
Voting Yes: Chairman Sporleder, Commissioner Chamberlain, Commissioner Wardell
Motion Passes
- b. Bulk Water Permit #24-0011 for Michael Frankfield
Motion to approve Bulk Water Permit #24-0011 for Michael Frankfield permit not transferred with purchase
Motion made by Commissioner Chamberlain
Second by Commissioner Wardell
Voting Yes: Chairman Sporleder, Commissioner Chamberlain, Commissioner Wardell
Motion Passes

10. **ACTION ITEMS**

- a. Resolution #25-01 Office Hours and Holidays for Huerfano County 2025
Motion to approve Resolution #25-01 Holidays Observed during 2025 for Huerfano County with the change adding Christmas Eve as a day off, removing New Year's Eve from the calendar.
Motion made by Commissioner Wardell
Second by Commissioner Chamberlain
Voting Yes: Chairman Sporleder, Commissioner Chamberlain, Commissioner Wardell
Motion Passes

- b. Resolution #25-02 Designating the Paper of Record
Motion to approve Resolution #25-02 Designating the World Journal as the Paper of Record for Huerfano County 2025.
Motion made by Commissioner Chamberlain
Second by Commissioner Wardell
Voting Yes: Chairman Sporleder, Commissioner Chamberlain, Commissioner Wardell
Motion Passes
- c. Resolution #25-03 to Appoint Jim Chamberlain for HC Asset Management
Motion to approve Resolution #25-03 to Appoint Jim Chamberlain for Huerfano County Asset Management 2025
Motion made by Commissioner Wardell
Second by Commissioner Chamberlain
Voting Yes: Chairman Sporleder, Commissioner Chamberlain, Commissioner Wardell
Motion Passes
- d. Resolution #25-04 Huerfano County Fund Depositories
Motion to approve Resolution #25-04 for Huerfano County Depositories 2025
Motion made by Commissioner Chamberlain
Second by Commissioner Wardell
Voting Yes: Chairman Sporleder, Commissioner Chamberlain, Commissioner Wardell
Motion Passes
- e. Resolution #25-05 Appoint Paul Smith Planning Commission
Motion to approve Resolution #25-05 to Appoint Paul Smith to Huerfano Counties Planning Commission from December 31st 2024 through December 31st 2027.
Motion made by Commissioner Wardell
Second by Commissioner Chamberlain
Voting Yes: Chairman Sporleder, Commissioner Chamberlain, Commissioner Wardell
Motion Passes
- f. P.O. #2025-09 for South Central COG.
Motion to approve Purchase Order #2025-09 for South Central Council of Government in the amount of \$7,500 yearly.
Motion made by Commissioner Chamberlain
Second by Commissioner Wardell
Voting Yes: Chairman Sporleder, Commissioner Chamberlain, Commissioner Wardell
Motion Passes
- g. P.O. #2025-14 for HCED Annual Contribution
Motion to approve Purchase Order #2025-14 for Huerfano County Economic Development in the amount of \$50,000 to be split into 2 payments of \$25,000.
Motion made by Commissioner Wardell
Second by Commissioner Chamberlain
Voting Yes: Chairman Sporleder, Commissioner Chamberlain, Commissioner Wardell
Motion Passes

- h. P.O. #2025-15 for Adams State Foundation
Motion to approve Purchase Order #2025-15 for Adams State Foundation cozy scholarship in the amount of \$3483.00 for COZY scholarship match.
Motion made by Commissioner Chamberlain
Second by Commissioner Wardell
Voting Yes: Chairman Sporleder, Commissioner Chamberlain, Commissioner Wardell
Motion Passes
- i. Spencer Butler Sick Leave Donation
Motion to approve Spencer Butler Sick Leave Donation on the condition that only his accrued time could be donated.
Motion made by Commissioner Wardell
Second by Commissioner Chamberlain
Voting Yes: Chairman Sporleder, Commissioner Chamberlain, Commissioner Wardell
Motion Passes
- j. Contract for HC Sheriffs Office Fleet Coordinator
Motion to approve the Fleet Coordinator Contract between Huerfano County Sheriff's Office and Ben Bounds.
Motion made by Commissioner Chamberlain
Second by Commissioner Wardell
Voting Yes: Chairman Sporleder, Commissioner Chamberlain, Commissioner Wardell
Motion Passes
- k. Memorandum of Understanding for Fox Theatre Phase 2
Motion to approve the Memorandum of Understanding for Fox Theatre Phase 2 with the condition of a 60-day payback period and the maximum amount of \$2,030,352 to be reimbursed.
Motion made by Commissioner Wardell
Second by Commissioner Chamberlain
Voting Yes: Chairman Sporleder, Commissioner Chamberlain, Commissioner Wardell
Motion Passes
- l. Electric Contracts for 129 Kansas Avenue
Motion to approve the Electric Contracts for 129 Kansas Avenue in the amount of \$44,441.00
Motion made by Commissioner Chamberlain
Second by Commissioner Wardell
Voting Yes: Chairman Sporleder, Commissioner Chamberlain, Commissioner Wardell
Motion Passes
- m. BWR Water Efficiency Grant Approval to Apply
Motion to approve the BWR Water Efficiency Grant Approval to apply
Motion made by Commissioner Wardell
Second by Commissioner Chamberlain
Voting Yes: Chairman Sporleder, Commissioner Chamberlain, Commissioner Wardell
Motion Passes

- n. Quote from Converjint for HC Courthouse Holding Room Door
Motion to approve the security door lock for Huerfano County Judicial Center Holding room door in the 6,335.22
Motion made by Commissioner Chamberlain
Second by Commissioner Wardell
Voting Yes: Chairman Sporleder, Commissioner Chamberlain, Commissioner Wardell
Motion Passes
- o. Judicial Center Custodial Services 2025 Update
Motion to approve the Judicial Center Custodial Services 2025 Update 2 year Contact in the amount of \$39,000 between Huerfano County and Leon Gutierrez.
Motion made by Commissioner Wardell
Second by Commissioner Chamberlain
Voting Yes: Chairman Sporleder, Commissioner Chamberlain, Commissioner Wardell
Motion Passes
- p. January 2025 Vendor Run
Motion to approve the January 2025 Vendor Run in the amount of \$42,216.95 of which \$10,024.90 was submitted late.
Motion made by Commissioner Chamberlain
Second by Commissioner Wardell
Voting Yes: Chairman Sporleder, Commissioner Chamberlain, Commissioner Wardell
Motion Passes
- q. 2025 Designation of Steering Committee Proxies'
Motion to approve the 2025 Designation of Steering Committee Proxies.
Motion made by Commissioner Wardell
Second by Commissioner Chamberlain
Voting Yes: Chairman Sporleder, Commissioner Chamberlain, Commissioner Wardell
Motion Passes

11. CORRESPONDENCE

Carl Young, County Administrator reviewed correspondence with the BOCC

- a. Leave Balances 12-15-24 and 12-28-24
- b. Bulk Water Monthly Volume Report December 2024
- c. GPID Billing Register December 2024
- d. GPID Systems Totals Report December 2024
- e. Fuel Sales for Spanish Peaks Airport December 2024
- f. Fuel Report for November and December 2024
- g. Notice of Forfeiture Rescinded for Parcel #27421 from The Division of Property Taxation
- h. Position Paper on Cell Towers, Request for Updated Zoning

12. STAFF REPORTS

a. County Administrator

County Administrator Carl Young discussed an upcoming resolution for committees and asked which commissioner would like to take on working with the health department and congratulated the BOCC on the outcome of the BOCC vs Solano case.

b. County Attorney

None

13. EXECUTIVE SESSION

NONE

14. ADJOURNMENT

Motion to adjourn meeting at 11:42 AM

Motion made by Commissioner Wardell

Second by Commissioner Sporleder

Voting Yes: Chairman Sporleder, Commissioner Chamberlain, Commissioner Wardell

Motion Passes

Erica Vigil, County Clerk & Recorder

Clerk to the Board of County Commissioners

COMMISSIONERS:

Karl Sporleder, Chairman

Jim Chamberlain

Mitchell Wardell



December 13, 2024

TO: Huerfano Board of County Commissioners
RE: Opioid Settlement Proposal

Honorable Commissioners:

Thank you for the opportunity to contribute to reducing the harms of opioid addiction and Substance Use Disorder (SUD). Two Peaks Fitness feels that minimizing the harmful effects of SUD comes not only from education, but also includes action of those in the community. Research has shown that Narcan does save lives, but CPR greatly increases survival chances.

Our vision, our goal, is a two-part process.

1. To provide CPR training to businesses, organizations, and affected families throughout the county.
2. To provide a harm reduction program as continued outreach.

For the first part of this process, CPR classes will be offered to owners, employees, and volunteers of various organizations in Huerfano County; as well as to interested individuals, particularly those in families affected by opioid addiction. Once completed, Narcan nasal spray will be provided to qualifying brick and mortar businesses and affected families.

The second part, providing a harm reduction program, needs to be a continued outreach. There are many programs with different curriculum that are easily obtained. These programs are geared towards those with SUD, their families, youth, or other members of the community.

The budget for initiating this program is dependent on the number of participants. We suggest we can have 100 people certified in CPR, and doses of Narcan in 50 businesses. The break down for initial costs are estimated as*:

- CPR classes: \$30/person @100 people=\$3000
- Narcan for businesses: approx. \$40/dose @50 businesses =\$2000
- Fentanyl Field Test Strips (200) and other supplies=\$300
- Admin. Costs: including but not limited to: facilitator fees @\$25/hr (approx. \$2000), cost of printing flyers @ \$50, cost of guest speaker = estimated \$1,000

Total: \$8,350

** Note that this is probably a low-cost estimate until we have a better sense of the demand for CPR certification, Narcan and field test strips, and facilitator-required time.*

The proposed project will start immediately after County approval and availability of funds. Initial activities will consist of contacting businesses and families, and signing up participants. CPR classes would be offered at the Huerfano County Community Center. Depending on the CPR instructor's schedule, we hope to start classes this winter, with Narcan doses available shortly after completing CPR training.

We look forward to any questions and input.

Thank you,

Kerrie Meyler
 President and Chairman
 Two Peaks Fitness, Inc.

Shane Clouse
 Facilitator

JANUARY 29TH-31ST

HUERFANO COUNTY POINT IN TIME COUNT



Who Can Participate in the Count?

Anyone who is Unsheltered: Living in their car, a tent, at the parks, on the streets AND anyone who is in transitional housing or an emergency shelter



When & Where to Participate:

Wednesday, January 29th from 12-2pm

Huerfano County Community Center

»» 928 Russell Street - Walsenburg ««

OR Friday, January 31st from 1-3pm

at Dorca's Circle Food Pantry

SURVEY PARTICIPANTS WILL RECEIVE A \$10 GIFT CARD AND GOODIE BAG!

THE PIT COUNT AIMS TO PROVIDE A SNAPSHOT OF THE INDIVIDUALS AND FAMILIES EXPERIENCING HOMELESSNESS IN THE COUNTY ON A SINGLE NIGHT

To volunteer or if you have questions, contact Chelsea at:



303-909-6340



chelseam@keeptrinidadsafe.com



Huerfano County Land Use Building Department

Item 6a.

401 Main St
Walsenburg, CO 81089

(719) 738-1220, x506

LU-23-015

Conditional Use Permit \$1.06

SITE ADDRESS: CO RD 351 # 01940

ISSUED: 06/13/2023

PROJECT NAME: Wood Preservation Site

EXPIRES:

PARCEL: 41244

PERMIT INFO:

Ray Bongiovanni of Woodstone Holdings, LLC, in cooperation with Serge Bushman of Wood Cache PBC a Kansas company, propose to bury raw, untreated wood in a series of pits on approximately 17 acres of Parcel 41244 to sequester carbon as a commercial project. This builds on our pilot program, burying our own wood on our own land on another property. We are approaching the project in multiple seasonal/annual phases. Our initial phase will utilize approximately 2 acres of the 60-acre lot. Specifically, we are planning a pit up to 20' deep. Wood will be collected and stored on the 2 acres until sufficient material has been gathered to commence excavation operations. Excavation operations will be done swiftly to dig each pit, place the wood inside according to approved Engineering specifications, and then cap and revegetate. Excavating times will be infrequent, bi-monthly, or quarterly, and would not exceed 2 weeks at a time dependent on weather. We are submitting 2 applications

APPLICANT:	Bongiovanni, Ramon 4912 County Road 350 La Veta, CO 81055 9402310333	OWNER:	Ramon and Nancy Bongiovanni 4912 CO RD 350 LA VETA, CO 81055
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Zone	AGRICULTURAL	Acres	60.14
HOA	1-MY HOA/POA IS NOT LISTED		

VALUATION:	Quantity	Value	FEES:	Paid	Due
			CU/Pre-conference Application Fee	25.00	\$0.00
			Conditional Use NEW Fee	150.00	\$0.00
			Conditional Use Application / Manufactured Home Park or Campground		\$0.00

CONDITIONS

Total: \$175.00 \$0.00

- CUP not active until final approval of language for the easement, bond and environmental covenant is approved by the County Attorney;
- CUP only active if State permits are concurrently valid and active;
- Limit material buried to untreated wood products;
- Excavations will be done quickly while materials are being buried "not to exceed two weeks at a time (weather dependent);
- Upon capping, burial sites will be revegetated;
- Require preliminary and annual weed surveys while burial project is ongoing and for up to five years after final phase is complete, or until Weed Manager determines natural vegetation has been reestablished.
- Produce a performance bond for reclamation and weed management to the County to be issued for each phase of operations in an amount to be determined based on capping and reclamation costs with a pre- and post-inspection.

ACTION (by the authorized permitting authority)

xx Approved Conditional Approval **Delegated** Signed by:

Name: John Galusha Signature: *John Galusha* Date: 6/27/2023

Comments: . Title: Chairman

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COLORADO
Department of Public
Health & Environment

9/30/2024

Huerfano County Land Use Department
401 Main Street, Suite 304
Walsenburg, CO 81089

Re: Walsenburg Carbon Sequestration Project Site - (IC-00104)

Dear Land Use Department,

Enclosed is a Notice of Environmental Use Restrictions (NEUR) for the Walsenburg Carbon Sequestration Project Site in Huerfano County.

In Colorado, regulation of land use occurs primarily at the local level. Nonetheless, environmental cleanup decisions sometimes result in a state or federal agency imposing restrictions on land use to protect human health or the environment from residual contamination. The Colorado Environmental Covenant statute, C.R.S. § 25-15-321 to 327, imposes reciprocal obligations on the Colorado Department of Public Health and Environment Hazardous Materials and Waste Management Division (the Division) and affected local governments to coordinate with one another regarding land that is subject to environmental use restrictions. See C.R.S. § 25-15-324.

It is important that local government entities with authority over land use changes or excavation and construction activities be aware of any land use restrictions imposed in connection with environmental remediation projects, as those restrictions may conflict with proposed development activities. Therefore, the statute requires that local governments notify the Division when they receive applications affecting land use or development of land that is subject to an environmental covenant or restrictive notice. In turn, the Division must review the proposed application and provide timely advice to the local government as to whether the application is consistent with the terms of the covenant or restrictive notice.

Please retain the enclosed NEUR to assist you in reviewing applications that affect the land use or development of the parcel described in the covenant.

With regards,

Sarah Foreman
Digitally signed by Sarah
Foreman
Date: 2024.09.30
09:40:41 -06'00'

Sarah Foreman
sarah.foreman@state.co.us | 303.692.3316

ec: Carl Young - Huerfano County Administrator
Robin Sykes - Huerfano County Environmental Health Director



This property is subject to a notice of environmental use restrictions imposed by the Colorado Department of Public Health and Environment pursuant to section 25-15-321.5, Colorado Revised Statutes

Notice of Environmental Use Restrictions

Whereas, Ray and Nancy Bongiovanni (“Owners”) are the owners of certain property commonly referred to as Lot 30, River Ridge Ranch, Phase I, located within a portion of the Northwest ¼ of Section 2, Township 29 south, Range 67 West of the sixth principal meridian, Huerfano county, State of Colorado, more particularly described in Attachment A, and depicted in Attachment B attached hereto and incorporated herein by reference as though fully set forth (hereinafter referred to as “the Property”); and

WHEREAS, a portion of the Property is known as the Wood Vault Area. The Wood Vault Area is more particularly described in Attachment C and depicted in Attachment D, attached hereto and incorporated herein by reference as though fully set forth (hereinafter referred to as “the Wood Vault Area”); and

WHEREAS, Owners have executed a separate Easement Agreement with Wood Cache Completion Corp, a Kansas for Profit Corporation, whose street address is 80127 W. 145th Street, Overland Park, KS 66223 (“Operator”) recorded with the Huerfano County Clerk and Recorder at Reception No. 430313 that permits Operator to construct and maintain a wood preservation project on the Property for purposes of generating carbon dioxide removal certificates/credits (“Easement Agreement”).

WHEREAS, the Easement Agreement between Owners and Operator requires that Owners accept a restrictive covenant on the Property to facilitate the construction and operation of the wood preservation project in exchange for Operator accepting all ongoing responsibilities associated with the wood preservation project including any responsibilities under this Notice of Environmental Use Restrictions not expressly assigned to Owner under the terms of the Easement Agreement.

Whereas, the Hazardous Materials and Waste Management Division of the Colorado Department of Public Health and the Environment (“the Department”), which is located at 4300 Cherry Creek Drive South, Denver, Colorado 80246-1530, is authorized to issue Notices of Environmental Use Restrictions (a/k/a “Restrictive Notices”) pursuant to § 25-15-320(4)(a) of the Colorado Hazardous Waste Act, § 25-15-101, et seq., Colorado Revised Statutes; and

Whereas, for purposes of indexing in the County Clerk and Recorder's office Grantor-Grantee index only Ray and Nancy Bongiovanni shall be considered the **Grantors**, and the Department shall be considered the **Grantee**. Nothing in the preceding sentence shall be construed to create or transfer any right, title or interest in the Property; and

Whereas, the purpose of this Restrictive Notice is to ensure protection of human health and the environment by restricting activities associated with the Wood Vault Area to promote carbon sequestration; and

Whereas, Ray and Nancy Bongiovanni have requested that the Department approve this Restrictive Notice as provided in Article 15 of Title 25, Colorado Revised Statutes;

Now, therefore, the Department approves this Restrictive Notice pursuant to § 25-15-321.5, Colorado Revised Statutes The Wood Vault Area of the Property described in **Attachment C** and **depicted in Attachment D** shall hereinafter be subject to the following use restrictions set forth in paragraph 1. The Property described in **Attachment A** and **depicted in Attachment B** shall hereinafter be subject to the following requirements set forth in paragraphs 2 through 13 below, which shall be binding on the Owners and all persons, including the Operator, now or subsequently having any right, title or interest in the Property, or any part thereof, and any persons using the land, as described herein. As used in this Restrictive Notice, the term Owner means the current record owner of the Property and, if any, any other person or entity otherwise legally authorized to make decisions regarding the transfer of the Property or placement of encumbrances on the Property, other than by the exercise of eminent domain.

1. Use restrictions.

- a. Owner shall post signs legible from at least 20 feet on all four sides of the Wood Vault Area, stating "Monofill Cover. Authorized Personnel Only."
- b. Activities that may damage the Wood Vault Area are prohibited. Such activities include, but are not limited to, digging, drilling, tilling, grading, excavation, construction of any sort, use as an athletic field, placing of any objects or structures on the cover, and vehicular traffic. Nothing in the preceding sentence shall prohibit the use of vehicles needed to perform any authorized maintenance or repairs on the cover. Grazing is permitted.
- c. Access to the Wood Vault Area is prohibited, except for authorized monitoring, maintenance, and remedial activities.
- d. Irrigation of the Wood Vault Area is prohibited, except for as approved by the Department.
- e. Nothing in this Restrictive Notice shall prohibit the installation or use of monitoring or remedial wells on the Property. Installation of monitoring

- or remedial wells within the Wood Vault Area is prohibited except for as approved by the Department.
- f. Nothing in this Restrictive Notice shall prohibit the installation or use of a domestic use well that serves residential buildings on the Property, so long as the well is not constructed within 50 feet of the Wood Vault Area.
 - g. Owner and Operator shall comply with all provisions of the approved Design & Operations Plan for the Wood Vault Area, on file with the Department at file #13240836. The Design & Operations Plan can be found in the Hazardous Materials and Waste Management Division's records (<https://oitco.hylandcloud.com/CDPHERMPublicAccess/index.html>). After clicking the link, select Search Type "CDPHERM HAZ Search by SW Facility ID" from the dropdown menu at the top of the page. In the field "SYS Document Handle" type in the file #13240836 to retrieve the Design & Operations Plan.
 - h. Nothing in this Restrictive Notice shall prohibit the installation of enclosed or non-enclosed structures on the Property. No enclosed or non-enclosed structures may be built or placed on the Wood Vault Area, except for as approved by the Department.
2. **Modifications.** This Restrictive Notice shall remain in full force and effect unless modified or terminated in accordance with this paragraph and pursuant to § 25-15-321.5, C.R.S. or any successor statute. Owner or Operator may request that the Department approve a modification or termination of the Restrictive Notice. The request shall contain information showing that the proposed modification or termination shall, if implemented, ensure protection of human health and the environment. The Department shall review any submitted information and may request additional information. If the Department determines that the proposal to modify or terminate the Restrictive Notice will ensure protection of human health and the environment, it shall approve the proposal. No modification or termination of this Restrictive Notice shall be effective unless the Department has approved such modification or termination in writing. Information to support a request for modification or termination may include one or more of the following:
- a. proposal to perform additional remedial work;
 - b. new information regarding the risks posed by the residual contamination;
 - c. information demonstrating that residual contamination has diminished;
 - d. information demonstrating that an engineered feature or structure is no longer necessary;
 - e. information demonstrating that the proposed modification would not adversely impact the remedy and is protective of human health and the environment; and
 - f. other appropriate supporting information.

3. **Conveyances.** Owner or Operator shall notify the Department at least fifteen (15) days prior to any conveyance of any interest in any or all of the Property. Within thirty (30) days after any such conveyance, Owner or Operator shall provide the Department with the name, mailing address and telephone number of the new Owner.
4. **Notice to Lessees.** Owner agrees to incorporate either in full or by reference the restrictions of this Restrictive Notice in any leases, licenses, or other instruments granting a right to use the Property.
5. **Notification for proposed construction and land use.** Owner shall notify the Department simultaneously when submitting any application to a local government for a building permit or change in land use.
6. **Inspections.** The Department, including its authorized employees, agents, representatives and independent contractors, shall have the right of entry to the Property at reasonable times with prior notice for the purpose of determining compliance with the terms of this Restrictive Notice.
7. **Third Party Beneficiary.** The Owner of the Property and Operator are third party beneficiaries with the right to enforce the provisions of this Restrictive Notice as provided in § 25-15-322, C.R.S.
8. **No Liability.** The Department does not acquire any liability under State law by virtue of issuing this Restrictive Notice.
9. **Enforcement.** The Department may enforce the terms of this Restrictive Notice pursuant to § 25-15-322, C.R.S. against Owner and Operator and may file suit in district court to enjoin actual or threatened violations of this Restrictive Notice.
10. **Owner's Compliance Certification.** Owner shall execute and return a certification form provided by the Department, on an annual basis, detailing Owner and Operator's compliance, and any lack of compliance, with the terms of this Restrictive Notice.
11. **Severability.** If any part of this Restrictive Notice shall be decreed to be invalid by any court of competent jurisdiction, all of the other provisions hereof shall not be affected thereby and shall remain in full force and effect.
12. **Notices.** Any document or communication required under this Restrictive Notice shall be sent or directed to:

Sarah Foreman
Solid Waste Engineering Unit
Hazardous Materials and Waste Management Division

Colorado Department of Public Health and the Environment
4300 Cherry Creek Drive South
Denver, Colorado 80246-1530

FOR OWNER

Ramon Bongiovanni and Nancy Bongiovanni
4912 County Road 350
La Veta, Co. 81055
raybon02@swbell.net

FOR OPERATOR

Wood Cache Completion Corp
c/o Serge Bushman
80127 W. 145th Street,
Overland Park, KS 66223
serge.bushman@gmail.com

13. **Subdivision of Property.** At least 90 days prior to any subdivision of the Property, Owner shall submit a plan addressing the certification of compliance set forth in paragraph (10) of this Restrictive Notice. The plan may provide for contractual assignment of such obligations to, and assumption of such obligations by, a property management entity charged with managing the Property (including but not limited to a homeowner's association of multiple Owners). The Department shall approve the plan if it determines that the plan reasonably will ensure continued compliance with the requirements of this Restrictive Notice. Any Department notice of disapproval shall include the Department's rationale for its decision, including any additional information or changes to the plan that the Department requires before the plan can be approved. Any appeal of a Department notice of disapproval shall be taken in accordance with section 25-15-305(2), C.R.S. If Owner fails to obtain approval of such plan prior to subdividing the Property, the owner of each subdivided parcel shall be responsible for certifying its own compliance with the restrictions set forth in paragraph (1) of this Restrictive Notice.

Current Facility Owner Signature Block

Ray and Nancy Bongiovanni have caused this instrument to be executed on July 30th, 2024.

Ray Bongiovanni
By: [Signature]

Nancy Bongiovanni
By: [Signature]

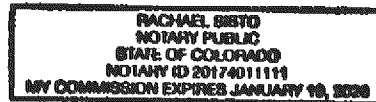
State of Colorado)
County of Loutt) ss:

This record was acknowledged before me on July 30th, 2024 by

Ray and Nancy Bongiovanni [Insert Name of Signatory]

on behalf of Ray and Nancy Bongiovanni.

[Signature]
Notary Public



My commission expires: January 19, 2026.

Attachment "A"
to the
Notice of Environmental Use Restrictions
Legal Description of The Property

Lot 30, River Ridge Ranch, Phase I, located within a portion of the Northwest $\frac{1}{4}$ of Section 2, Township 29 south, Range 67 West of the sixth principal meridian, Huerfano county, State of Colorado.

Also referred to as

Parcel No. 393490, Map number 28-5265-022-00-000

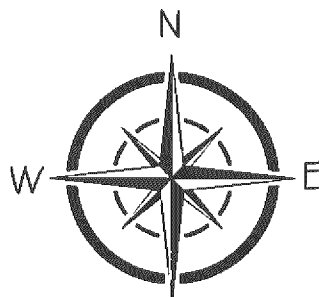
Attachment “B”
to the
Notice of Environmental Use Restrictions
Property Depiction



LOT 31
(CONTAINS 35.03± ACRES)
PARCEL NO. 393481
ROBERT & RHONDA PECHAM

LOT 30
(CONTAINS 35.59± ACRES)
PARCEL NO. 393490
RAMON & NANCY BONGIOVANNI

LOT 29
(CONTAINS 35.60± ACRES)
PARCEL NO. 393489
HONEYCOMB HIDEOUT TRUST



SCALE 1" = 300'

LINE TABLE		
LINE	BEARING	DISTANCE
L1	N 33°11'40" W	237.48'
L2	N 26°38'18" E	160.00'
L3	S 63°21'42" E	180.00'
L4	S 26°38'18" W	160.00'
L5	N 63°21'42" W	180.00'
TOP OF CAP		
A	EL=6581.53	
B	EL= 6581.69	
C	EL=6579.03	
D	EL=6578.50	

CEDARWOOD TRAIL
(60' WIDE INGRESS / EGRESS PRIVATE ROAD)

PROJECT: RAY BONGIOVANNI
DESCRIPTION: CARBON SEQUESTRATION EASEMENT
LOT 30 (RIVER RIDGE RANCH PHASE I)

SHEET 1 OF 1	JOB NUMBER 2023 372
DATE 10-17-2023	FILE NAME 2023_372
SCALE 1" = 300'	REF JOB NO

Cardinal Points
Surveying Inc.

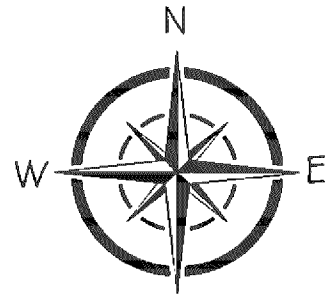
4001 Escondido Place, Suite 110
Fruita, Colorado 81305
(719) 253-0874 (719) 253-0879 fax

Attachment “C”
to the
Notice of Environmental Use Restrictions
Legal Description of the Wood Vault Area

An easement within a portion of lot 30, River Ridge Ranch Phase I, located within a portion of the NW 1/4 of section 2, Township 29 South, Range 67 West of the sixth principal meridian. Huerfano county, Colorado.

Attachment “D”
to the
Notice of Environmental Use Restrictions
Depiction of the Wood Vault Area

AN EASEMENT WITHIN A PORTION OF LOT 30, RIVER RIDGE RANCH PHASE I, LOCATED WITHIN A PORTION OF THE NW 1/4 OF SECTION 2, TOWNSHIP 29 SOUTH, RANGE 67 WEST OF THE SIXTH PRINCIPAL MERIDIAN, HUERFANO COUNTY, COLORADO



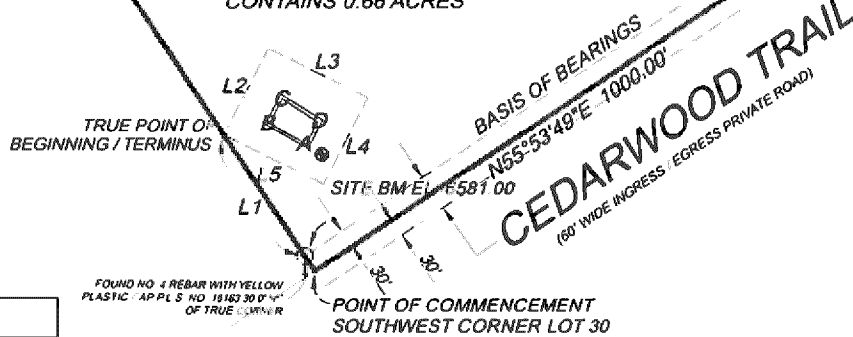
S
SCALE 1" = 300'

LOT 29
(CONTAINS 35.60± ACRES)
PARCEL NO. 393489
HONEYCOMB HIDEOUT TRUST

LOT 30
(CONTAINS 35.59± ACRES)
PARCEL NO. 393490
RAMON & NANCY BONGIOVANNI

LOT 31
(CONTAINS 35.03± ACRES)
PARCEL NO. 393481
ROBERT & RHONDA PECHAM

WOOD CACHE
CARBON SEQUESTRATION AREA
CONTAINS 0.66 ACRES



LINE TABLE		
LINE	BEARING	DISTANCE
L1	N 33°11'40" W	237.48'
L2	N 26°38'18" E	160.00'
L3	S 63°21'42" E	180.00'
L4	S 26°38'18" W	160.00'
L5	N 63°21'42" W	180.00'
TOP OF CAP	ELEVATION	
A	EL=6581.53	
B	EL= 6581.69	
C	EL=6579.03	
D	EL=6578.50	

PROJECT RAY BONGIO ANIII		<p>Cardinal Points Surveying Inc.</p> <p>4601 Engenelgo Place, Suite 110 Pueblo, Colorado 81006</p> <p>(719) 253-0874 (719) 253-0878 fax</p>
DESCRIPTION: CARBON SEQUESTRATION EASEMENT LOT 30 RIVER RIDGE RANCH PHASE I		
SHEET: 1 OF 1	JOB NUMBER: 2023 372	
DATE: 10 17 2023	FILE NAME: 2023 372	
SCALE: 1" = 300'	REF. JOB NO	

		2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Inflation Factor	0%										

Open and Closure											
	Open	0	40,000								
	Closure	0	65,000								
		0	105,000								
Post Closure											
Onsite Monitoring											
	Frequency	0	0	4	4	4	1	1	1	1	1
	Cost per visit	0		250	250	250	250	250	250	250	250
	Onsite	0	0	1000	1000	1000	250	250	250	250	250
Remote Monitoring											
	Subscription	0		250	250	250	250	250	250	250	250
Revegetation		0	3500	500	500	500	500	500	500	500	
Infrastructure											
	Subscription	0	0	500	500	500	500	500	500	500	500
Insurance											
	Premium	0		500	500	500	500	500	500	500	500
Annual Review											
	Report	0	0	400	400	400	400	400	400	400	400
Total Cost		0	112000	3650	3650	3650	2900	2900	2900	2900	1900
	Open		40000								
	Closure		65000								
	Post-Closure		66250								
	Total		171250								

		2033	2034	2035	2036	2037	2038	2039	2040	2041	2042
Inflation Factor	0%										

Open and Closure											
	Open										
	Closure										
Post Closure											
Onsite Monitoring											
	Frequency	1	1	1	1	1	1	1	1	1	1
	Cost per visit	250	250	250	250	250	250	250	250	250	250
	Onsite	250	250	250	250	250	250	250	250	250	250
Remote Monitoring											
	Subscription	250	250	250	250	250	250	250	250	250	250
Revegetation											
Infrastructure											
	Subscription	500	500	500	500	500	500	500	500	500	500
Insurance											
	Premium	500	500	500	500	500	500	500	500	500	500
Annual Review											
	Report	400	400	400	400	400	400	400	400	400	400
Total Cost		1900	1900	1900	1900	1900	1900	1900	1900	1900	1900
	Open										
	Closure										
	Post-Closure										
	Total										

		2043	2044	2045	2046	2047	2048	2049	2050	2051	2052
Inflation Factor	0%										
Open and Closure											
	Open										
	Closure										
Post Closure											
Onsite Monitoring											
	Frequency	1	1	1	1	1	1	1	1	1	1
	Cost per visit	250	250	250	250	250	250	250	250	250	250
	Onsite	250	250	250	250	250	250	250	250	250	250
Remote Monitoring											
	Subscription	250	250	250	250	250	250	250	250	250	250
Revegetation											
Infrastructure											
	Subscription	500	500	500	500	500	500	500	500	500	500
Insurance											
	Premium	500	500	500	500	500	500	500	500	500	500
Annual Review											
	Report	400	400	400	400	400	400	400	400	400	400
Total Cost		1900	1900	1900	1900	1900	1900	1900	1900	1900	1900
	Open										
	Closure										
	Post-Closure										
	Total										

		2053	2054	Total
Inflation Factor	0%			
Open and Closure				
	Open			
	Closure			
				105000
Post Closure				
Onsite Monitoring				
	Frequency	1	1	
	Cost per visit	250	250	
	Onsite	250	250	9750
Remote Monitoring				
	Subscription	250	250	7500
Revegetation				7000
Infrastructure				
	Subscription	500	500	15000
Insurance				
	Premium	500	500	15000
Annual Review				
	Report	400	400	12000
Total Cost		1900	1900	178250
	Open			
	Closure			
	Post-Closure			
	Total			



Huerfano County Board of County Commissioners Staff Report – Permit #23-015 CUP Bongiovanni Huerfano Carbon Sequestration Project

Meeting Date: January 21, 2025

Request Summary

With this Application Ray Bongiovanni (the Applicant) requests the following:

Final approval of a Conditional Use Permit pursuant to LUR Section §1.06 and approval of a Certificate of Designation pursuant to the Solid Waste Disposal Sites and Facilities Act, Title 30, Article 20, Parts 1 and 10 to operate a wood burial operation as part of a carbon credit offset program. Untreated wood would be buried on a roughly 17-acre portion of the parcel in phases, with each phase containing roughly two-acres on which pits of up to 20' in depth would be dug and in which wood would be buried. Buried wood would be monitored for carbon or methane emissions.

The site is addressed at County Rd. 351 #01940 (Parcel Number 41244).

Wood burial will be considered a landfill, and is also regulated through a State of Colorado Certificate of Designation and a State of Colorado Environmental Covenant.

The subject property is zoned Agricultural and contains approximately 60 acres. Zoning standards for this district are set forth in LUR Section §1.03.

The Engineering Design and Operations Plan is available here:

<https://drive.google.com/file/d/1J6UYdiZ87hhcOc30CH7uBI-JQXOM7B4R/view?usp=sharing>

Board of County Commissioners Action:

On June 13, 2023, the Board of County Commissioners reviewed this application and made the following motion:

Motion to recommend Conditional Approval for Permit Application #23-015 for the purpose of allowing applicant to pursue permitting with the State authority. At such time that applicant and State agency(ies) agree upon language, final versions of the easement, surety/performance bond provisions, and environmental covenant be submitted to the County for final review and approval; and with the following 6 conditions:

- 1. Require preliminary and annual weed surveys while the burial project is ongoing and for up to five years after the final phase is complete, or until Weed Manager determines natural vegetation has been reestablished.*
- 2. CUP is not active until final approval of language for the easement, bond and environmental covenant is approved by the County Attorney and adopted by the BOCC*
- 3. CUP is only active if State permits are concurrently valid and active.*
- 4. Limit material buried to untreated wood products.*

5. *The following statements made by the applicant in the application could be considered as conditions of the CUP:*
 - a. *Excavations will be done quickly while materials are being buried – not to exceed two weeks at a time (weather dependent).*
 - b. *Upon capping, the burial site will be revegetated.*
6. *Produce performance bonds for reclamation and weed management to the county to be issued with each phase of operation in an amount to be determined (TBD) based on capping and reclamation costs with a pre and post inspection.*

Motion: Andreatta

Second: Sporleder

Discussion: None

Resolved: Motion passed by unanimous vote.

Sporleder: Yes

Andreatta: Yes

Chairman Galusha: Yes

Planning Commission Action:

On 6/08/23, the Planning Commission reviewed this application and made the following recommendation to be heard at a public meeting by the BOCC:

Recommend provisional approval for application 23-015 for the purpose of allowing applicant to pursue permitting with the State authority. At such time that applicant and State agency(ies) agree upon language, final versions of the easement, surety/performance bond provisions, and environmental covenant be submitted to the County for final review and approval.

At the Planning Commission meeting on 6/08/23, Commissioners made the following requests:

1. Provide final language on the easement described.
2. Provide clarity on whether the bond will be a surety or performance bond and include the County is included as a beneficiary.
3. Provide final language on the environmental covenant. Ensure that covenant runs to the County as well as to the Operator as a condition of approval.

The following questions or issues were brought up by the Planning Commission:

1. Revegetation of sites may take longer than one year to re-establish cover crop. The Commission asked whether the crop would be irrigated and for how long. Applicant responded that minimal irrigation for to establish the crop in the first year was planned; Commission suggested that applicant may need to plan to irrigate for up to five years to re-establish a cover crop. Applicant stated that NRCS-approved seed mix would be used, and that NRCS would be part of partnership in restoration of topsoil. Commission requested that documentation of seed mix be forwarded to Planning Department.

Furthermore, the Planning Commission raised the question whether this project should be considered a use by right or if it should be considered a landfill for non-hazardous substances as described in 1.05.25 in the Land Use Code.

Background

On 5/05/2023, an Application for a Conditional Use Permit along with Application Fees were received by the County. The Application was determined to be complete upon a pre-application meeting with the applicant on 5/8/2023.

This applicant previously applied for a Conditional Use Permit for a similar project (Application 22-50). Because that project only involved wood to be cut from the premises, the Planning Commission determined that it would constitute a use by right, similar to the burial of other agricultural wastes. Because this proposal is to bury material from off-site, it is considered a landfill to contain non-hazardous substances in the Use Table.

In addition to a Conditional Use Permit from the county, this project also requires a State of Colorado Certificate of Designation, and a State of Colorado Environmental Covenant to permanently identify the site as a limited-use site subject to State inspection.

The property was sold to the applicant in March of 2023. The deed to the property is dated March 9, 2023.

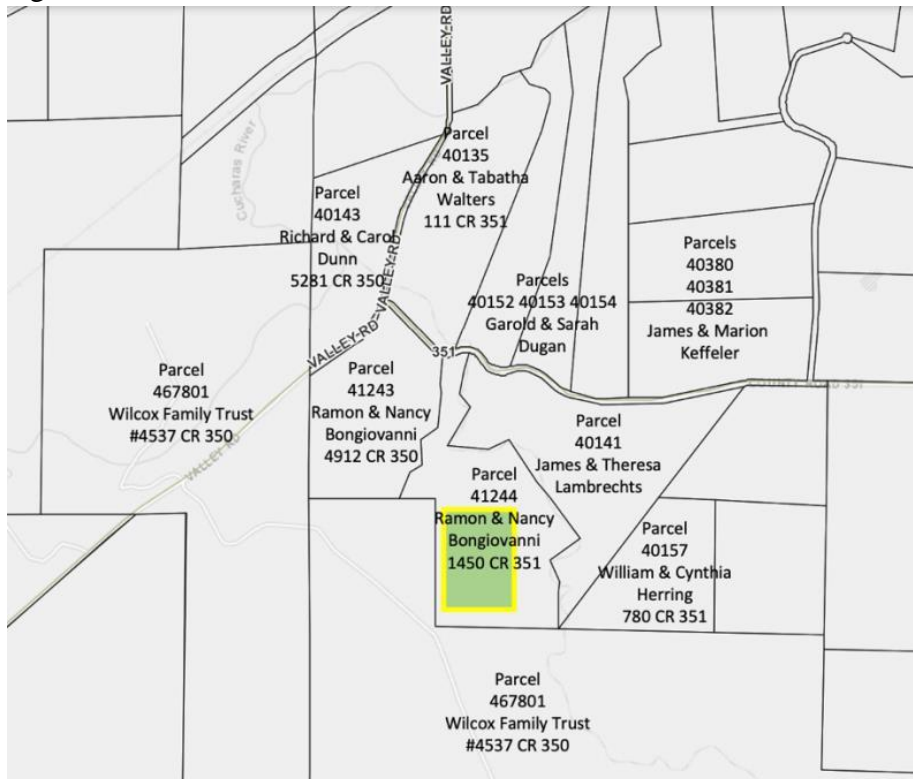
Code References

The following Code Sections are applicable to this application and may be referenced by the in the evaluation of this request:

§1.06 Conditional Use Permits

§1.05.25 Use Table Reference: Sewage disposal areas, sludge, septage, landfills for non-hazardous substances and waste water treatment plants

Staff proposes that this proposed use falls under §1.05.25 in the Use Table, and is a conditional use in the Agricultural zone.



Site Map/Vicinity Map
(see image)

Site Description and Context

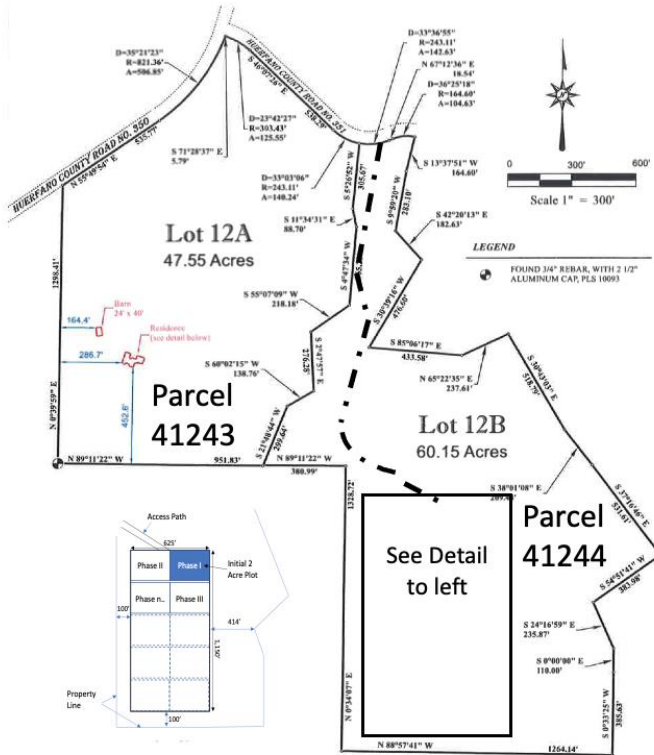
The land is located in the Cucharas River Estates subdivision, roughly five miles northeast of La Veta, near the intersection of County Road 350 and 351. The land is currently being used for cattle grazing. The affected area within the property is tree-less grazing land. All surrounding, adjacent properties are zoned Agricultural.

There are 2 nearby homes (in addition to one owned by the applicant), one more than a half-mile away, and the other out of sight. The home on parcel 40157 is approximately 1,500 ft from the proposed burial site; the home on parcel 41243 (4912 CR 350) is approximately 1,300 ft from the proposed burial site and owned by the applicant. There are three other homes within ½ mile on parcels 467801 to the west, 40156 to the east and 40143 to the north.

the west, 40156 to the east and 40143 to the north.

All cleared land on adjoining properties is used for cattle grazing and fire-wood cutting and distribution. There is a fire-wood business located on Parcel 467801.

Preliminary Site Plan (Subject to Engineering Change)



Proposal Details

The proposed project involves the burial of wood products for the purpose of collecting carbon tax credits. Wood is to be buried in chambers where it will receive minimal moisture and oxygen. Buried wood will be monitored for gasses associated with decomposition; should decomposition begin or reach a certain rate, the problem would be addressed or the wood would be moved.

The project offers a potential use for unmerchantable wood that could reduce fuel in the forest or from other locations.

No utilities are required for the operation. Monitoring equipment will be housed in a small shed and powered by solar panels or batteries.

This proposal involves 17 acres on a 60-acre parcel. Burial would take place in approximately 10 phases involving roughly 2-acres each (see preliminary site plan). Each ~2-acre phase would include the pit to be dug as well as the space to stockpile dirt and material to be buried. While pits are open, a fence would be put up to keep cattle out, and after closing each pit, disturbed earth will be re-planted and the fence removed to allow cattle to graze on all but a currently-disturbed area.

The management plan in Appendix 1 of the Letter of Intent describes monitoring and mitigation strategies

for various types of problems.

Appendix 2 includes additional maps showing location and context for the site.

Appendix 3 covers pit design

Appendix 4 covers soil report

Proposed language for the easement and environmental covenant is from the related trial project in River Ridge Ranch.

Application Materials

Required Submittals for a CUP:

1. Letter of intent
 - a. Current and proposed uses
 - b. Impacts of proposed use on roads, traffic, safety, services, environment.
 - c. Comprehensive Plan compliance statement
 - d. Proof of ownership
 - e. List of other state or federal permits granted or applied for.
 - f. List of names and mailing addresses of all listed owners of adjacent property
2. Site Plan
3. Vicinity map – area within 500 ft of property, description of any plats and improvements on property within 500 ft.
4. Proof of ownership.

5. List of names and addresses of adjacent property owners.

Criteria

In order for an Conditional Use Permit to be issued, the criteria set forth in LUR Section 1.06 must be met. An analysis of these criteria is provided below:

Planning commission shall determine if a public hearing is required per **1.06.02**:

1. That the proposed conditional use conforms to the requirements and provisions of this zoning regulation.
2. That the proposed conditional use is consistent with the goals, objectives and policies of Huerfano County, as contained in the County comprehensive plan.
3. That the proposed conditional use is consistent with and in harmony with neighboring land uses and future intended land uses in the area.
4. That the proposed conditional land use will not result in overly intensive use of the land relative to current use of the surrounding land.
5. That the proposed conditional use will not result in unmitigated traffic congestion or hazards to vehicular or pedestrian traffic and its roads will meet the requirements of Subdivision County Road Standards and Specifications.
6. That the proposed conditional use not unnecessarily scar the land on which such use would be located and that the proposed use provide all measures necessary to mitigate negative impacts upon agricultural lands, critical wildlife habitat, seasonal wildlife migration corridors, scenic views and existing cultural and historical resources.
7. That the proposed conditional use will not be likely to prove detrimental to the public health, safety or welfare of County residents nor cause hardship for neighboring persons.

Noticing (1.06.02): Referral agency comment period 30 days; Notice in newspaper 10 days before public hearing; Notification to adjacent property owners 10 days before public hearing; post sign on property 10 days before public hearing.

Notices sent: To be sent after Planning Commission sets hearing date.

Notices in paper: To be set after Planning Commission sets hearing date.

Referral agencies to be contacted:

Huerfano County fire district: rjameson@lavetafire.org, smorningstar.huerfanofire@gmail.com

Huerfano County Emergency Management Department: bciarlo@huerfano.us

Colorado Division of Parks and Wildlife: spencer.gerk@state.co.us

Huerfano County Health Department: rsykes@la-h-health.org

Huerfano County Road and Bridge Department: dhribar@huerfano.us

CDOT: michelle.regalado@state.co.us

School District: mmoore@huerfano.k12.co.us, leslee.miller@lvk12.org

Huerfano County Sheriff's office: BRUCENEWMAN@bresnan.net

CDPHE: jerry.henderson@state.co.us, Joseph.Talbott@state.co.us, Rachel.Zancanella@state.co.us

State Engineer/Division of Water Resources: kevin.rein@state.co.us

Referral Comments

- Comment was received from CDOT stating that they had no comment pertaining to this submittal.
- Comment was also received from CDPHE requesting additional details on closure cost estimates from the applicant.

Potential Conditions

1. Require preliminary and annual weed surveys while burial project is ongoing and for up to five years after final phase is complete, or until Weed Manager determines natural vegetation has been reestablished.
2. CUP not active until final approval of language for the easement, bond and environmental covenant is approved by the BOCC.
3. CUP only active if State permits are concurrently valid and active.
4. Limit material buried to untreated wood products.
5. The following statements made by the applicant in the application could be considered as conditions of the CUP:
 - Excavations will be done quickly while materials are being buried – not to exceed two weeks at a time (weather dependent).
 - Upon capping, burial site will be revegetated.

Staff Recommendation:

Consider Planning Commission Recommendation:

Recommend CONDITIONAL approval for application 22-015 for the purpose of allowing applicant to pursue permitting with the State authority. At such time that applicant and State agency(ies) agree upon language, final versions of the easement, surety/performance bond provisions, and environmental covenant be submitted to the County for final review and approval.

Conditions:

1. *Permit is not issued until BOCC has reviewed and agreed upon final language in the easement, bond and environmental covenant.*
2. *Permit is not issued until all required state permits have been issued.*

Commission Action Options:

1. **Approval** without any special conditions.
2. **Conditional** Approval with a description of the special conditions.
3. **Denial**, indicating for the record the reason(s) for such action.
4. **Continuation** until a future date to gather more information or obtain clarification or for any other relevant cause.

Enclosures

- Application Materials
 1. Application
 2. Letter of intent
 - Site Plan
 - Vicinity Map
 3. Supplemental information requested
 - Bonding
 - Monumenting
 - Covenant details
 - Groundwater conditions
 4. Proof of Ownership

EASEMENT AGREEMENT

THIS EASEMENT AGREEMENT is made this 6th day of November, 2024, between Ramon Bongiovanni and Nancy Bongiovanni (“**Landowner**”), Woodcache PBC, a Kansas for Profit Corporation, whose street address is 90 North 400 East, Provo, UT, 84606 (“**Builder**”), and Wood Cache Completion Corp, a Kansas for Profit Corporation, whose street address is 90 North 400 East, Provo, UT 84606 (“**Operator**”).

RECITALS

WHEREAS, Landowner is the owner of Lot 12B Cucharas River Estates located in the W1/2 of Section 7, Township 29 South, Range 67 West the in 6th PM in Huerfano County comprising approximately 60.14 acres as shown on **Exhibit A** (the “Property”).

WHEREAS, Builder and Operator are companies that specialize in the gathering, preservation, and maintenance of wood in a manner that reduces the production of carbon dioxide with the goal of generating and selling carbon dioxide removal certificates/credits (“CORCs”).

WHEREAS, Landowner, Builder, and Operator desire to work cooperatively to cut, gather, receive, bury, and preserve wood on the Property consistent with all applicable laws and regulations in order to generate CORCs (“Wood Preservation Project”).

WHEREAS, Landowner is willing to host a Wood Preservation Project on the Property in exchange for payments based on the estimated carbon mass buried on the Property and for Builder and Operator assuming all costs and legal responsibilities for the Wood Preservation Project including its construction, operation, maintenance, monitoring, and any and all ongoing obligations which may last 100 years into the future.

WHEREAS, Landowner is willing to encumber the Property with a covenant for purposes of the Wood Preservation Project and to grant Builder and Operator an easement for its construction, operation, maintenance, monitoring, and any ongoing obligations.

WHEREAS, the Property is subject to an existing lease with the Carbon Containment Lab (“CC Labs”).

WHEREAS, in light of the foregoing, the Parties desire to work together pursuant to the terms and conditions of this Easement Agreement.

AGREEMENT

1. The Wood Preservation Project shall be comprised of a (1) Construction Phase and (2) Maintenance Phase. Builder is responsible for the Construction Phase and Operator is responsible for the Maintenance Phase. During the Construction Phase, Builder, in consultation with Landowner, will cut and gather wood from the Property and will dig pits on the Property for preservation of the wood (the “Preservation Pits”) within the Easement Area described below. Builder or its agents and assigns may also transport wood from offsite locations to the Property for burial in the Preservation Pits. The wood will then be buried in

the Preservation Pits in a manner determined by Builder and Operator to minimize the production of carbon dioxide with the goal being to generate CORCs. During the Maintenance Phase, Operator shall maintain the Preservation Pits in accordance with all laws, rules, covenants, contracts, or other legal obligations related to the Wood Preservation Project including but not limited to a restrictive covenant on the Property consistent with the requirements of the Colorado Department of Public Health and Environment and Huerfano County, a Platform Agreement with Puro.earth Oy, and the rules, regulations, and laws of the State of Colorado and Huerfano County. The Parties anticipate that the Maintenance Phase will extend for at least 100 years from the time the Construction Phase ends. The Parties anticipate that the Wood Preservation Project will be a multi-year project resulting in the construction of several Preservation Pits, which will be sequentially constructed, filled with wood, and then capped within the Easement Area.

2. Landowner Responsibilities. For the purposes of this Agreement, the term “Landowner” shall refer equally to the current owner of the Property and any future owner of the Property and the terms herein are intended to run with the land and be binding on all owners of the Property during the Agreement Term. In exchange for payments based on the amount of wood buried on the Property and Builder and Operator assuming all other responsibilities for the Wood Preservation Project, Landowner agrees to accept the following limited responsibilities described below, which shall be narrowly construed and shall not be expanded except by written amendment to this Easement Agreement:

2.1.Covenant. Landowner agrees to encumber the Property with a restrictive covenant in a form no more restrictive than that attached as **Exhibit B**. Landowner’s only responsibility under the Covenant shall be to refrain from developing the Property or taking actions with respect to the Preservation Pits that are inconsistent with terms of the Covenant. Any additional responsibilities such as ongoing monitoring, reporting requirements, and communications with the Colorado Department of Public Health and the Environment shall be the responsibility of Operator and Operator shall accept the assignment of such obligations by Landowner to Operator. The Parties also agree that Landowner may include a description of Operator’s responsibilities in the Covenant and that Operator shall not oppose such efforts as long as they are otherwise consistent with the terms of the Agreement.

2.2.License. Landowner hereby grants Builder a license to enter the Property, to cut and gather wood from the Property for the Wood Preservation Project, and to transport wood onto the Property for burial in the Preservation Pits. Builder shall coordinate with Landowner and obtain approval from Landowner prior to cutting down any trees on the Property. It is anticipated that the majority of the wood for the Wood Preservation Project will come from offsite. The wood gathered from the Property shall be staged in a location that is mutually acceptable to the Parties and in accordance with any permits, laws, or covenants governing such work. This license shall automatically terminate upon the earlier of (1) completion of the Construction Phase of the final Preservation Pit for the

Wood Preservation Project or (2) 6 years after the execution of this document.
Landowner may extend the term of the license by written amendment of this Agreement.

2.3.Easement. Landowner hereby grants Builder and Operator a non-exclusive easement over the Property for the limited purpose of the construction, operation, maintenance, remediation, and monitoring of the Preservation Pits and ingress and egress thereto. The easement shall include: (1) a 19-foot-wide ingress/egress corridor from County Road 351 to the Preservation Pits as detailed on **Exhibit C** and (2) an area that includes the footprint of the Preservation Pits and such additional area as necessary to perform maintenance on the Preservation Pits as detailed on **Exhibit D**. The ingress/egress corridor and area for the construction and maintenance of the Preservation Pits is collectively referred to as the Easement Area.

2.3.1. Road Improvements. Builder may improve and extend the existing dirt road on the Property as necessary to accommodate construction equipment, deliveries of wood to the Preservation Pits, and ongoing access to the Preservation Pits (“Pit Road”). However, all improvements and extensions of the Pit Road must be constructed consistent with and within the corridor described in **Exhibit C**. All such costs shall be borne solely by Builder. Builder shall be solely responsible for the maintenance and repair of the Pit Road until the end of the license described in paragraph 2.2, above, at which point, such responsibilities shall automatically transfer to Operator.

2.3.2. Property Improvements. Landowner agrees that Operator may construct a small structure within the Easement Area not to exceed 125 square feet for purposes of operating and maintaining the Preservation Pits (“Storage Structure”). The Storage Structure may be used to house information technology equipment, computers, solar panels, measuring equipment or other equipment necessary for the long-term operation and maintenance of the Preservation Pits. The Storage Structure shall be deemed to be personal property of Operator and Operator shall be solely responsible for its construction and maintenance. Operator shall maintain the Storage Structure in good repair at all times and shall not allow the Storage Structure to become an eyesore or blight on the Property. In the event that the Storage Structure falls into disrepair, Landowner may provide notice to the Operator and Operator shall have 14 calendar days to remedy the condition of the Storage Structure. If Operator fails to bring the Storage Structure into good repair, Landowner may make the necessary repairs and Operator shall be responsible for reimbursing Landowner for all such costs within 30 days of receipt of the invoice for the repairs. Landowner agrees that Operator may install underground electrical utilities to the Storage Structure at Operator's expense, but Operator shall provide Landowner with a map showing the location of any such utilities. Landowner also agrees that Operator may install fencing around the Preservation Pits if required as a condition of the Covenant described in paragraph

2.1, above, or if necessary for Operator to obtain approval of CORCs or if necessary for safety purposes. Landowner agrees not to remove or alter the Storage Structure, electric utilities, or fencing described above without express written approval of Operator and shall refrain from taking any actions that damage the Storage Structure, electric utilities, or fencing. Builder's rights to the above easement shall end upon end of the license described in paragraph 2.2, above.

2.4. Voluntary Assistance to Builder and Operator. While Landowner may, in his and her sole discretion, voluntarily assist Builder and Operator with their responsibilities that are described herein, Landowner is under no obligation to do so and any voluntary assistance does not create an obligation on the part of the Landowner to continue to provide such assistance in the future.

2.5. Additional Landowner Responsibilities. The Parties acknowledge that the precise terms of the Covenant and other contracts and agreements necessary to effectuate the Wood Preservation Project will not be known until sometime in the future and that the Parties do not have complete control over the terms of those future covenants, contracts, and agreements. However, it is the Parties' intent that Landowner's responsibilities with respect to the Wood Preservation Project be limited to those specific responsibilities described herein. As such, while Landowner may agree to take on additional responsibilities in the future, Landowner is under no obligation to do so and Landowner will only agree to accept additional obligations pursuant to a written amendment to this Agreement or an additional future agreement with Operator, Builder, and/or any additional necessary parties.

2.6. Disclaimer of Responsibilities. The Parties agree that, but for the limited responsibilities described above, Landowner shall have no other responsibilities or obligations concerning the Wood Preservation Project or the Preservation Pits and that it is Builder's and Operator's responsibility to ensure that any contracts, covenants, or additional agreements necessary to carry out the Wood Preservation Project reflect the Landowner's limited responsibilities and do not create any new responsibilities or obligations in Landowner or encumbrances on the Property. This may include listing Landowner as a beneficiary of any insurance policy or trust fund established by Operator or Builder.

3. Builder Responsibilities. Builder shall perform all of the responsibilities below consistent with all laws, rules, covenants, contracts, or other legal obligations that govern such activities including but not limited to a restrictive covenant on the Property consistent with the requirements of the Colorado Department of Public Health and Environment, a Platform Agreement with Puro.earth Oy, the rules and regulations of any applicable homeowners' association, and the rules, regulations, and laws of the State of Colorado and Huerfano County.

- 3.1. Wood Collection. Builder shall be responsible for the collection of wood from the Property consistent with the license described in paragraph 2.2 and shall exercise its rights to the license in a manner to minimize the impacts to the Property.
- 3.2. Pit Road Construction and Maintenance. Builder shall be solely responsible for the improvement or construction of the Pit Road as necessary to accommodate construction equipment, deliveries of wood to the Preservation Pits, and ongoing access to the Preservation Pits. All improvements and extensions of the Pit Road must be constructed consistent with and within the corridor described in **Exhibit C**.
- 3.3. Transportation of Wood to the Property. The Parties anticipate that the majority of the wood buried in the Preservation Pits will be sourced from outside of the Property. Builder is solely responsible for sourcing such wood, compensating, if necessary, the owners of the wood, and transporting the wood to the Property consistent with the terms of this Agreement. Builder is also solely responsible for ensuring that the Pit Road is sufficient to accommodate the vehicles used to transport the wood to the Preservation Pits.
- 3.4. Determining Estimated Carbon Mass. Builder shall be responsible for determining the Estimated Carbon Mass (“ECM”) of all wood buried in the Preservation Pits. To calculate ECM for each truckload, Builder will record the weight of each truckload of wood brought onto the Property or harvested from the Property and multiply the dry weight by the average carbon content of the wood, which shall be determined as described below. Builder shall, for each location from which wood is gathered for the Wood Preservation Project, take three (3) wood samples encompassing a representative mix of species from large (48 inch or larger diameter), medium (16 – 48 inch diameter), and small (less than 16 inch diameter) diameter logs (at least 9 total samples) and test them for moisture content and carbon content. Builder will determine the average carbon content of the wood by deducting the average moisture content based on the nine (9) samples described above and applying the average carbon content based on the nine (9) samples described above to the resulting dry matter as illustrated in the sample table below. Builder shall maintain detailed records of the ECM for each truckload, including the source of the wood, weights, and the average carbon content used to calculate the ECM, which records shall be freely provided to Landowner and Operator within 5 business days of a request from Landowner or Operator. These records will also serve as the basis for the payments to Landowner described in paragraph 6 below.

Mass of Biomass Placed in Storage (wet weight, metric tonnes)	1200
Dry Matter Content of Biomass Placed in Storage Determined from Average of Moisture Measurements (%)	63.84%
Dry Mass of Biomass Placed in Storage (metric tonnes)	766.08

Organic Content of Biomass Determined from Average of Carbon Content Measurements (%)	52.70%
Estimated Carbon Mass (metric tonnes)	403.7

- 3.5. Construction and Capping of Preservation Pits. Builder shall be responsible for the construction of the Preservation Pits within the area identified on **Exhibit D** including the acquisition of any necessary permits or legal approvals associated with the construction of and burial of wood within the Preservation Pits. Builder shall also be responsible for the burial of wood within the Preservation Pits and the construction of a cap on the Preservation Pits.
- 3.6. Remediation. Builder shall be responsible for restoring any portions of the surface of the Property that were disturbed during the Construction Phases to a pre-disturbance state or such other state as may be required by any laws, rules, covenants, contracts, or other legal obligations that govern the Preservation Pits and the use of the Preservation Pits to generate CORCs.
- 3.7. End of Construction Phase. The Construction Phase of each Preservation Pit shall end at such time as the Preservation Pit has been capped and the surface has been remediated consistent with any applicable remediation requirements. Builder shall provide notice to Landowner and Operator within 5 calendar days of the close of the Construction Phase for each Preservation Pit and when all Preservation Pits within the Wood Preservation Project have been capped and the surface remediated.
- 3.8. No Ongoing Responsibilities. Builder shall have no responsibility for the ongoing operation, maintenance, and repair of the Preservation Pits after the close of the Construction Phases and all such responsibilities and costs shall be borne by Operator.
- 3.9. Indemnification. Builder agrees to indemnify and hold the Landowner harmless from any claims or causes of action against Landowner arising from Builder's acts and omissions on the Property including the gathering and burial of wood, transportation of wood onto the Property, construction and capping of the Preservation Pits, and its use of the easement and license granted herein.
4. Operator Responsibilities. In addition to the specific responsibilities described below, Operator shall accept any and all responsibilities for the Wood Preservation Project beyond those explicitly identified above as Landowner or Builder responsibilities.
- 4.1. Covenant. Operator hereby agrees to assume all responsibilities under the Covenant that are not explicitly assumed by Landowner in Paragraph 2.1, above. Operator also agrees to work cooperatively with Landowner in negotiating the final terms and conditions of the Covenant contemplated in Paragraph 2.1, above, to ensure that it is no more

restrictive on Landowner and the Property than is absolutely necessary to facilitate the Wood Preservation Project.

- 4.2. Approval of CORCs. Operator shall be solely responsible for any and all actions necessary to obtain approval of CORCs for the Wood Preservation Project including acceptance and assumption of any ongoing and/or future obligations necessary to maintain the CORCs in good standing. Accordingly, any contracts necessary for the approval of CORCs shall be in the name of the Operator or its assigns and all responsibilities thereunder shall be explicitly allocated to Operator.
- 4.3. Operation and Maintenance. Operator shall be solely responsible for any and all operation, maintenance, monitoring, remediation, repair, or any other ongoing work necessary to keep the Wood Preservation Project in compliance with all applicable laws, covenants, contracts, and agreements. Operator shall also become solely responsible for the operation, maintenance, monitoring, remediation, or repair of the Pit Road once Builder's responsibilities for the road transfer to Operator consistent with paragraph 2.3.1, above. During the Maintenance Phase of the Wood Preservation Project, Operator shall provide Landowner with notice at least 10 calendar days prior to performing any work that requires the use of heavy equipment on the Property.
- 4.4. Use of Easement. Operator shall exercise its rights to the easement described in Paragraph 2.3, above, in a manner so as to minimize the impacts to the Property. Accordingly, if Operator's use of the Property results in damage to the Property, Operator shall make reasonable efforts to restore that portion of the Property to a pre-disturbance state.
- 4.5. Trust Account. Within 10 business days of the capping of each Preservation Pit, Operator shall deposit an amount of money into a trust fund account equal to \$10 for each metric ton of dry biomass buried in said pit such that upon the completion of the Construction Phase of the Wood Preservation Project the trust fund will contain an amount of money representing \$10 for each metric ton of dry biomass buried in the Wood Preservation Project ("Landowner Trust Account"). The balance of the Landowner Trust Account shall be adjusted every 5 years commencing on the date of the first deposit into the Landowner Trust Account by the percentage change in consumer prices as measured by the United States Consumer Price Index entitled "All Urban Consumers: All items in U.S. City Average" or a similar index should such index no longer be published ("CPI Adjustment"). Landowner shall be identified as the sole beneficiary of the Landowner Trust Account in order to protect Landowner from the costs of any obligation for the Wood Preservation Project that goes beyond the limited responsibilities assumed by the Landowner in Paragraph 2, above. One of the purposes of the Landowner Trust Account is to ensure that funding is available for future operation, maintenance, monitoring, remediation, or other costs related to the long term (100+ years) maintenance of Wood Preservation Project in compliance with all

applicable laws, covenants, and agreements. The Parties recognize that the State of Colorado and Huerfano County may also require bonding or the reservation of trust funds as a condition to the approval and closure of the Wood Preservation Project. In the event that this occurs and upon closure of the Wood Preservation Project, the Landowner Trust Account will be reduced by the amount of bonding or trust funds required by the State of Colorado and Huerfano County such that the total amount of money associated with the Landowner Trust Account and any other required bonds or trust funds do not exceed an amount of money representing \$10 for each metric ton of dry biomass buried in the Wood Preservation Project (“Landowner Trust Account Reconciliation”). The CPI Adjustment shall continue to apply to the Landowner Trust Account after any Landowner Trust Account Reconciliation.

- 4.6. Duties to Landowner. Operator shall have a fiduciary duty to Landowner for purposes of ensuring that neither the Landowner nor the Property incur any responsibilities, obligations, or encumbrances associated with the Wood Preservation Project beyond those specifically identified in Paragraph 2, above.
- 4.7. Indemnification. Operator agrees to indemnify and hold the Landowner harmless from any claims or causes of action against Landowner and its successors and assigns arising from or related to Operator’s acts and omissions on the Property including its actions related to the Wood Preservation Project, the Preservation Pits, the easements and license granted herein and any CORCs that may result from the Wood Preservation Project. This indemnification is explicitly intended to apply with equal force to any party who purchases the Property in the future.
5. Agreement Term. The term of this Agreement shall be for 100 years from the date of execution. At the end of the Agreement Term, the Agreement shall automatically renew for one additional 100 year period unless: (1) the Parties amend this Agreement prior to the end of the Agreement Term to describe an alternate outcome or (2) Landowner or Operator provides written notice to the other Party at least 180 days prior to the end of the Agreement Term that he or she does not desire for the Agreement to automatically renew (“Notice of Non-Renewal”). The Notice of Non-Renewal will result in the automatic termination of the Agreement at the end of the Agreement Term, subject only to Operator’s remediation obligations described in paragraph 6, below. This Agreement shall automatically terminate if Operator becomes owner of the Property.
6. Payment to Landowner. In exchange for use of the Property under the terms of this Agreement, Operator shall pay Landowner \$ 20 per metric ton of ECM buried in the Preservation Pits. ECM shall be calculated as described in paragraph 3.4, above. Operator shall make the required payments to Landowner within 60 days of the completion of construction of the cap of each Preservation Pit and the amount of the payment shall reflect the number of tons of ECM buried in that particular Preservation Pit. Separate payments shall be made upon the capping of each Preservation Pit. Failure by Operator to make the

payments contemplated herein shall constitute a breach of this agreement for which Operator shall remedy by (1) making the required payment or (2) by removing all wood from the Preservation Pits, restoring the Property to the state that existed prior Builder's and Operator's activities on the Property, and removing any covenants or land use restrictions from the Property associated with the Wood Preservation Project.

7. Remediation at End of Agreement Term. At the end of the Agreement Term, Operator shall remediate the Property to a state that permits the termination of the Covenant described in Paragraph 2.1. This may include the removal of the wood in the Preservation Pits, filling in the Preservation Pits, and planting native vegetation. Operator shall be responsible for acquiring termination of said Covenant on Landowner's behalf and shall coordinate with Landowner on such efforts. Operator's responsibilities under this paragraph 7 shall survive the termination of this Agreement in the event that they are not satisfied prior to the Termination of this Agreement pursuant to Paragraph 5, above.
8. Termination by Mutual Agreement. This Agreement may only be terminated prior to the end of the Agreement Term by mutual written agreement of the Parties or if Operator becomes owner of the Property. The Parties are free to negotiate the terms under which they will mutually agree to terminate this Agreement, and those terms may include requirements concerning the remediation of the Property and such other actions as may be necessary to remove the Covenant from the Property.
9. Sale of the Property. Nothing in this Agreement prevents Landowner from selling the Property at any time. However, Parties acknowledge that the terms of this Agreement shall run with the land and that the Property may become subject to a restrictive covenant as described in Paragraph 2.1, above and that the sale of the Property shall be subject to the terms of this Agreement and any restrictive covenant placed on the Property pursuant to this Agreement. Landowner shall provide notice to Builder, if the term of license described in paragraph 2.2 has not expired, and Operator at least 30 calendar days prior to publicly listing the Property for sale. Builder and Operator agree to cooperate with Landowner with respect to the sale of the Property including providing Landowner with any documents and information related to the Wood Preservation Project and Preservation Pits that are requested by a potential buyer.
10. Transfer of Property to Operator. Landowner may, at its sole discretion, transfer ownership of the Property to Operator at any time and for any reason and Operator hereby agrees to accept the transfer of the Property subject to the terms of this paragraph 10. Landowner shall not be entitled to additional compensation for the transfer of the Property to Operator, but Operator shall be responsible for any transfer fees, recording fees, or closing costs necessary to transfer the Property to Operator. If Operator becomes the owner of the Property, then the terms of this Agreement shall terminate and be of no further force or effect.

11. CC Lab Lease. The Parties acknowledge that a portion of the Property, including Pit Road, is subject to an existing lease with Carbon Containment Lab (“CC Lab”) for purposes of carrying out scientific experimentation on the Property. Builder and Operator shall exercise their rights and responsibilities under this Agreement in a manner so as not to interfere with CC Lab’s experiments or its access to the Property. Builder and Operator agree to coordinate their use of the Property with CC Labs and any other users of the Property to ensure that CC Labs’ experiments are not disturbed and to minimize any conflicts concerning the parties’ use of the Property.
12. Default. In the event a default occurs in the performance of any party’s obligations hereunder, the non-defaulting party shall, as a condition of exercising its remedies hereunder, provide written notice of such default to the other party. The defaulting party shall thereafter have 14 calendar days, commencing the day notice is given, in which to remedy such default. Notice shall be deemed given when received. The burden of proving notice was given shall be on the party giving the notice. If either party defaults hereunder and fails to timely cure such default, the party not in default shall be entitled to seek any remedies under Colorado law at the time of breach, including, without limitation, specific performance.
13. Notice. All notices required or permitted by this Agreement shall be in writing and shall be personally delivered or delivered by overnight delivery service, to the addresses set forth below, or transmitted by email to the email address for each party set forth. Any party may change the address to which notices are to be given by giving notice in this manner.

For Landowner:

Ramon Bongiovanni and Nancy Bongiovanni
 4912 County Road 350
 La Veta, CO 81055
 Email: raybon02@swbell.net
 Telephone: 940-231-0333

For Operator and Builder:

Serge Bushman
 90 North 400 East,
 Provo, UT 84606
 Email: serge@woodcache.org
 Telephone: 913-991-7179

For CC Labs

Sinead M. Crotty, PhD
 Email: sinead@cclab.org
 Telephone: 203-980-7354

14. Waiver. The waiver by either Party of any breach of any term, condition, or provision herein contained shall not be deemed to be a waiver of such term, condition, or provision, or any subsequent breach of the same, or any other term, condition, or provision contained herein.

- 15. Attorneys' Fees. In any action between the parties relating to this Agreement, the prevailing party shall be entitled to an award of its attorneys' fees and costs.
- 16. Binding Effect; Assignment. This Agreement shall be binding upon, inure to the benefit of and be enforceable by the parties hereto and their respective successors and assigns. This Agreement shall be automatically assigned to any purchaser of the Property. Operator and Builder shall not assign their rights and responsibilities under this Agreement without the written consent of the Landowner, which consent shall not be unreasonably withheld.
- 17. Amendment. Any amendments to this Agreement must occur in writing and be executed by each Party.
- 18. Severability. In the event any court of competent jurisdiction holds that any provision of this Agreement is illegal and, thus, invalid or unenforceable, such holding shall not invalidate or render unenforceable any other provision of this Agreement.
- 19. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, and all of which taken together shall constitute the agreement of the parties.
- 20. Recording. Operator shall record this Easement Agreement with the Huerfano County Clerk and Recorder.

LANDOWNER

OPERATOR

Ramon Bongiovanni

Serge Bushman, Managing Member
Woodcache PBC, a Kansas for Profit
Corporation

Nancy Bongiovanni

BUILDER

Serge Bushman, Managing Member
Wood Cache Completion Corp, a Kansas for
Profit Corporation

STATE OF COLORADO)
)ss
COUNTY OF _____)

The foregoing was acknowledged to me this _____ day of November, 2024 by Ramon Bongiovanni.

Witness my hand and official seal.

My commission expires:

Notary Public

STATE OF COLORADO)
)ss
COUNTY OF _____)

The foregoing was acknowledged to me this _____ day of November, 2024 by Nancy Bongiovanni.

Witness my hand and official seal.

My commission expires:

Notary Public

STATE OF _____)
)ss
COUNTY OF _____)

The foregoing was acknowledged to me this _____ day of November, 2024 by Serge Bushman as Managing Member of Woodcache PBC, a Kansas for Profit Corporation.

Witness my hand and official seal.

My commission expires:

Notary Public

EXHIBIT A TO EASEMENT AGREEMENT: MAP OF PROPERTY



EXHIBIT B TO EASEMENT AGREEMENT: CDPHE EXAMPLE COVENANT

This property is subject to a notice of environmental use restrictions imposed by the Colorado Department of Public Health and Environment pursuant to section 25-15-321.5, Colorado Revised Statutes

Notice of Environmental Use Restrictions

Whereas, **Ray and Nancy Bongiovanni** (“Owners”) are the owners of certain property commonly referred to as Lot 30, River Ridge Ranch, Phase I, located within a portion of the Northwest ¼ of Section 2, Township 29 south, Range 67 West of the sixth principal meridian, Huerfano county, State of Colorado, more particularly described in **Attachment A**, and depicted in **Attachment B** attached hereto and incorporated herein by reference as though fully set forth (hereinafter referred to as “the Property”); and

WHEREAS, a portion of the Property is known as the Wood Vault Area. The Wood Vault Area is more particularly described in **Attachment C** and depicted in **Attachment D**, attached hereto and incorporated herein by reference as though fully set forth (hereinafter referred to as “the Wood Vault Area”); and

WHEREAS, Owners have executed a separate Easement Agreement with Wood Cache Completion Corp, a Kansas for Profit Corporation, whose street address is 80127 W. 145th Street, Overland Park, KS 66223 (“Operator”) recorded with the Huerfano County Clerk and Recorder at Reception No. 430313 that permits Operator to construct and maintain a wood preservation project on the Property for purposes of generating carbon dioxide removal certificates/credits (“Easement Agreement”).

WHEREAS, the Easement Agreement between Owners and Operator requires that Owners accept a restrictive covenant on the Property to facilitate the construction and operation of the wood preservation project in exchange for Operator accepting all ongoing responsibilities associated with the wood preservation project including any responsibilities under this Notice of Environmental Use Restrictions not expressly assigned to Owner under the terms of the Easement Agreement.

Whereas, the Hazardous Materials and Waste Management Division of the Colorado Department of Public Health and the Environment (“the Department”), which is located at 4300 Cherry Creek Drive South, Denver, Colorado 80246-1530, is authorized to issue Notices of Environmental Use Restrictions (a/k/a “Restrictive Notices”) pursuant to § 25-15-320(4)(a) of the Colorado Hazardous Waste Act, § 25-15-101, et seq., Colorado Revised Statutes; and

Whereas, for purposes of indexing in the County Clerk and Recorder's office Grantor-Grantee index only Ray and Nancy Bongiovanni shall be considered the **Grantors**, and the Department shall be considered the **Grantee**. Nothing in the preceding sentence shall be construed to create or transfer any right, title or interest in the Property; and

Whereas, the purpose of this Restrictive Notice is to ensure protection of human health and the environment by restricting activities associated with the Wood Vault Area to promote carbon sequestration; and

Whereas, Ray and Nancy Bongiovanni have requested that the Department approve this Restrictive Notice as provided in Article 15 of Title 25, Colorado Revised Statutes;

Now, therefore, the Department approves this Restrictive Notice pursuant to 5 25-15-321.5, Colorado Revised Statutes The Wood Vault Area of the Property described in **Attachment C and depicted in Attachment D** shall hereinafter be subject to the following use restrictions set forth in paragraph 1. The Property described in **Attachment A and depicted in Attachment B** shall hereinafter be subject to the following requirements set forth in paragraphs 2 through 13 below, which shall be binding on the Owners and all persons, including the Operator, now or subsequently having any right, title or interest in the Property, or any part thereof, and any persons using the land, as described herein. As used in this Restrictive Notice, the term Owner means the current record owner of the Property and, if any, any other person or entity otherwise legally authorized to make decisions regarding the transfer of the Property or placement of encumbrances on the Property, other than by the exercise of eminent domain.

1. Use restrictions.

- a. Owner shall post signs legible from at least 20 feet on all four sides of the Wood Vault Area, stating "Monofill Cover. Authorized Personnel Only."
- b. Activities that may damage the Wood Vault Area are prohibited. Such activities include, but are not limited to, digging, drilling, tilling, grading, excavation, construction of any sort, use as an athletic field, placing of any objects or structures on the cover, and vehicular traffic. Nothing in the preceding sentence shall prohibit the use of vehicles needed to perform any authorized maintenance or repairs on the cover. Grazing is permitted.
- c. Access to the Wood Vault Area is prohibited, except for authorized monitoring, maintenance, and remedial activities.
- d. Irrigation of the Wood Vault Area is prohibited, except for as approved by the Department.
- e. Nothing in this Restrictive Notice shall prohibit the installation or use of monitoring or remedial wells on the Property. Installation of monitoring

or remedial wells within the Wood Vault Area is prohibited except for as approved by the Department.

- f. Nothing in this Restrictive Notice shall prohibit the installation or use of a domestic use well that serves residential buildings on the Property, so long as the well is not constructed within 50 feet of the Wood Vault Area.
 - g. Owner and Operator shall comply with all provisions of the approved Design & Operations Plan for the Wood Vault Area, on file with the Department at file #13240836. The Design & Operations Plan can be found in the Hazardous Materials and Waste Management Division's records (<https://oitco.hylandcloud.com/CDPHERMPublicAccess/index.html>). After clicking the link, select Search Type "CDPHERM HAZ Search by SW Facility ID" from the dropdown menu at the top of the page. In the field "SYS Document Handle" type in the file #13240836 to retrieve the Design & Operations Plan.
 - h. Nothing in this Restrictive Notice shall prohibit the installation of enclosed or non-enclosed structures on the Property. No enclosed or non-enclosed structures may be built or placed on the Wood Vault Area, except for as approved by the Department.
2. **Modifications.** This Restrictive Notice shall remain in full force and effect unless modified or terminated in accordance with this paragraph and pursuant to § 25-15-321.5, C.R.S. or any successor statute. Owner or Operator may request that the Department approve a modification or termination of the Restrictive Notice. The request shall contain information showing that the proposed modification or termination shall, if implemented, ensure protection of human health and the environment. The Department shall review any submitted information and may request additional information. If the Department determines that the proposal to modify or terminate the Restrictive Notice will ensure protection of human health and the environment, it shall approve the proposal. No modification or termination of this Restrictive Notice shall be effective unless the Department has approved such modification or termination in writing. Information to support a request for modification or termination may include one or more of the following:
- a. proposal to perform additional remedial work;
 - b. new information regarding the risks posed by the residual contamination;
 - c. information demonstrating that residual contamination has diminished;
 - d. information demonstrating that an engineered feature or structure is no longer necessary;
 - e. information demonstrating that the proposed modification would not adversely impact the remedy and is protective of human health and the environment; and
 - f. other appropriate supporting information.

3. **Conveyances.** Owner or Operator shall notify the Department at least fifteen (15) days prior to any conveyance of any interest in any or all of the Property. Within thirty (30) days after any such conveyance, Owner or Operator shall provide the Department with the name, mailing address and telephone number of the new Owner.
4. **Notice to Lessees.** Owner agrees to incorporate either in full or by reference the restrictions of this Restrictive Notice in any leases, licenses, or other instruments granting a right to use the Property.
5. **Notification for proposed construction and land use.** Owner shall notify the Department simultaneously when submitting any application to a local government for a building permit or change in land use.
6. **Inspections.** The Department, including its authorized employees, agents, representatives and independent contractors, shall have the right of entry to the Property at reasonable times with prior notice for the purpose of determining compliance with the terms of this Restrictive Notice.
7. **Third Party Beneficiary.** The Owner of the Property and Operator are third party beneficiaries with the right to enforce the provisions of this Restrictive Notice as provided in § 25-15-322, C.R.S.
8. **No Liability.** The Department does not acquire any liability under State law by virtue of issuing this Restrictive Notice.
9. **Enforcement.** The Department may enforce the terms of this Restrictive Notice pursuant to § 25-15-322, C.R.S. against Owner and Operator and may file suit in district court to enjoin actual or threatened violations of this Restrictive Notice.
10. **Owner's Compliance Certification.** Owner shall execute and return a certification form provided by the Department, on an annual basis, detailing Owner and Operator's compliance, and any lack of compliance, with the terms of this Restrictive Notice.
11. **Severability.** If any part of this Restrictive Notice shall be decreed to be invalid by any court of competent jurisdiction, all of the other provisions hereof shall not be affected thereby and shall remain in full force and effect.
12. **Notices.** Any document or communication required under this Restrictive Notice shall be sent or directed to:

Sarah Foreman
Solid Waste Engineering Unit
Hazardous Materials and Waste Management Division

Colorado Department of Public Health and the Environment
4300 Cherry Creek Drive South
Denver, Colorado 80246-1530

FOR OWNER

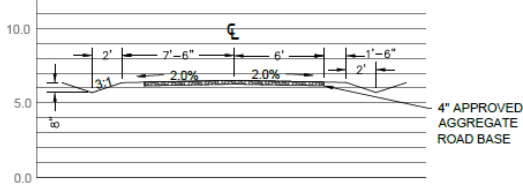
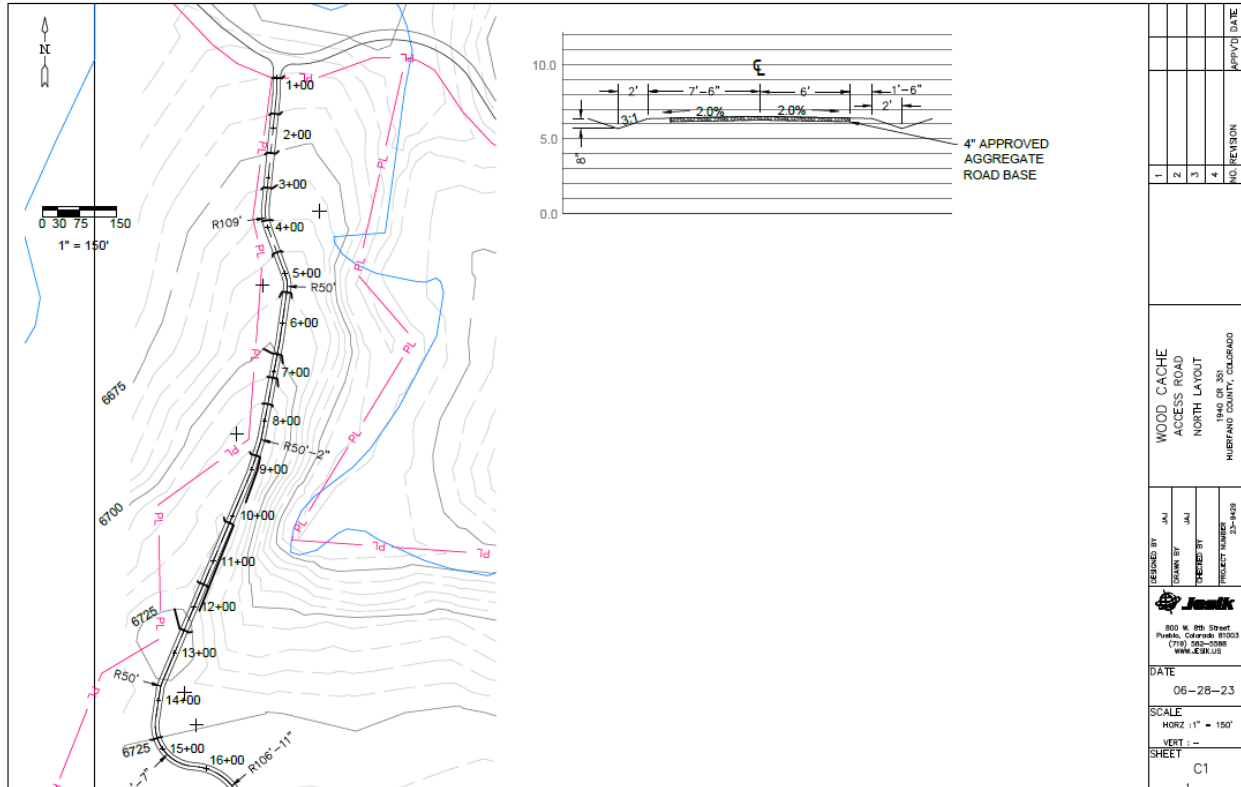
Ramon Bongiovanni and Nancy Bongiovanni
4912 County Road 350
La Veta, Co. 81055
raybon02@swbell.net

FOR OPERATOR

Wood Cache Completion Corp
c/o Serge Bushman
80127 W. 145th Street,
Overland Park, KS 66223
serge.bushman@gmail.com

- 13. Subdivision of Property.** At least 90 days prior to any subdivision of the Property, Owner shall submit a plan addressing the certification of compliance set forth in paragraph (10) of this Restrictive Notice. The plan may provide for contractual assignment of such obligations to, and assumption of such obligations by, a property management entity charged with managing the Property (including but not limited to a homeowner's association of multiple Owners). The Department shall approve the plan if it determines that the plan reasonably will ensure continued compliance with the requirements of this Restrictive Notice. Any Department notice of disapproval shall include the Department's rationale for its decision, including any additional information or changes to the plan that the Department requires before the plan can be approved. Any appeal of a Department notice of disapproval shall be taken in accordance with section 25-15-305(2), C.R.S. If Owner fails to obtain approval of such plan prior to subdividing the Property, the owner of each subdivided parcel shall be responsible for certifying its own compliance with the restrictions set forth in paragraph (1) of this Restrictive Notice.

EXHIBIT C TO EASEMENT AGREEMENT: INGRESS/EGRESS CORRIDOR



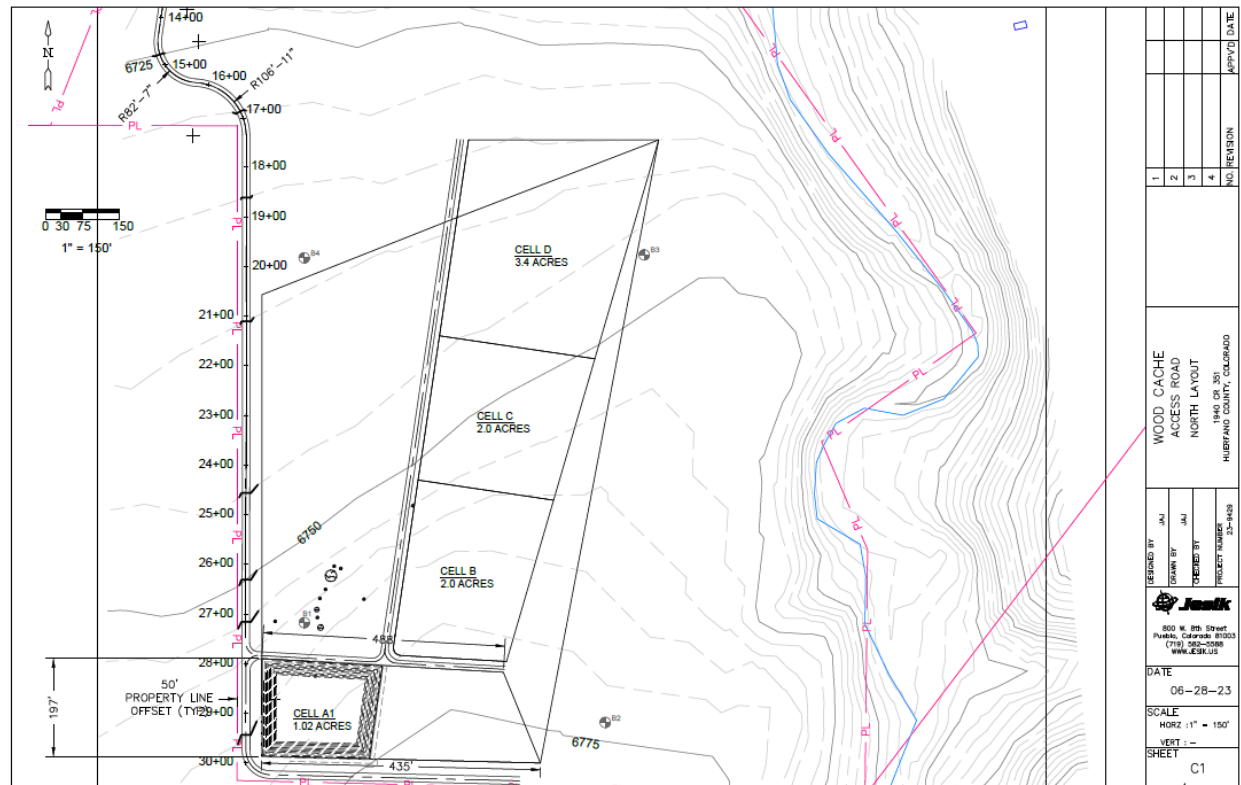
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WOOD CACHE
ACCESS ROAD
NORTH LAYOUT
1840 OR 351
HUBBARD COUNTY, COLORADO

DESIGNED BY: JMJ
DRAWN BY: JMJ
CHECKED BY: JMJ
PROJECT NUMBER: 23-1458

Jensnik
800 W. 8th Street
Pueblo, Colorado 81003
(719) 566-0888
www.JENNIK.US

DATE: 06-28-23
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VERT: -
SHEET: C1



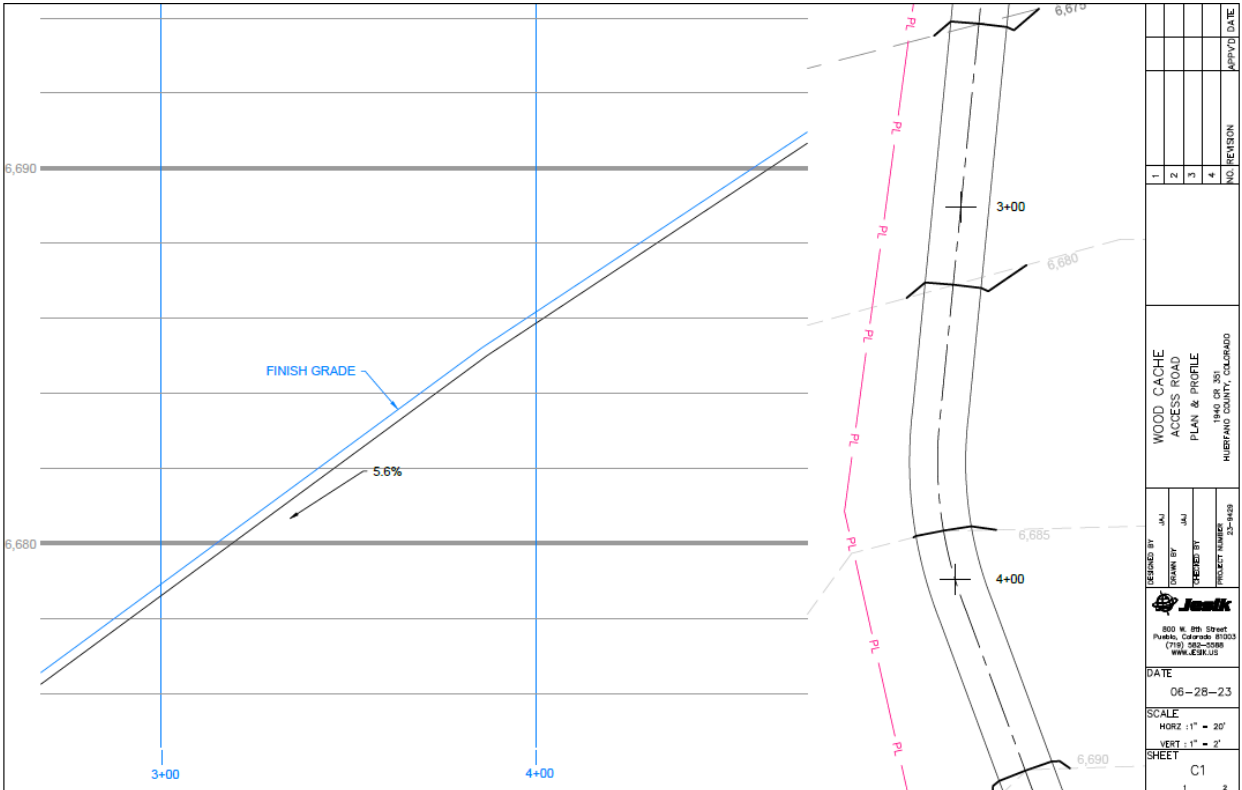
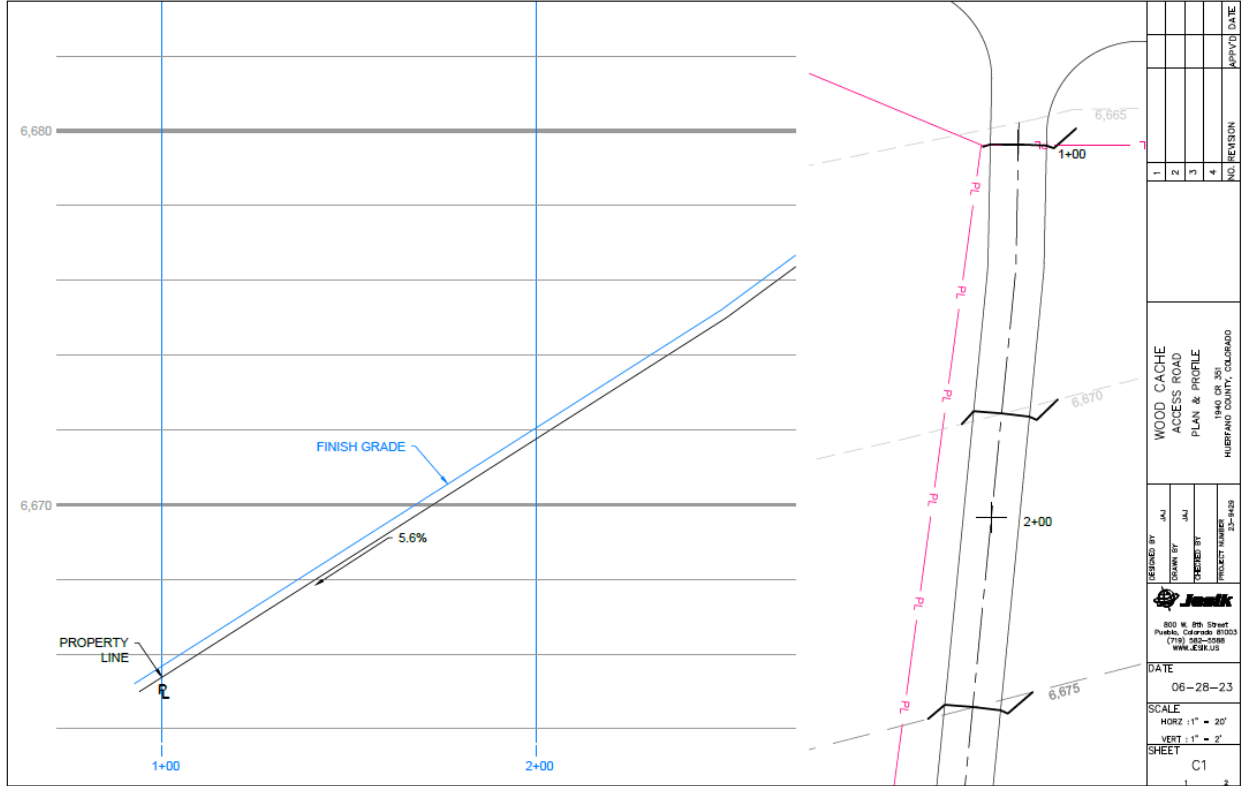
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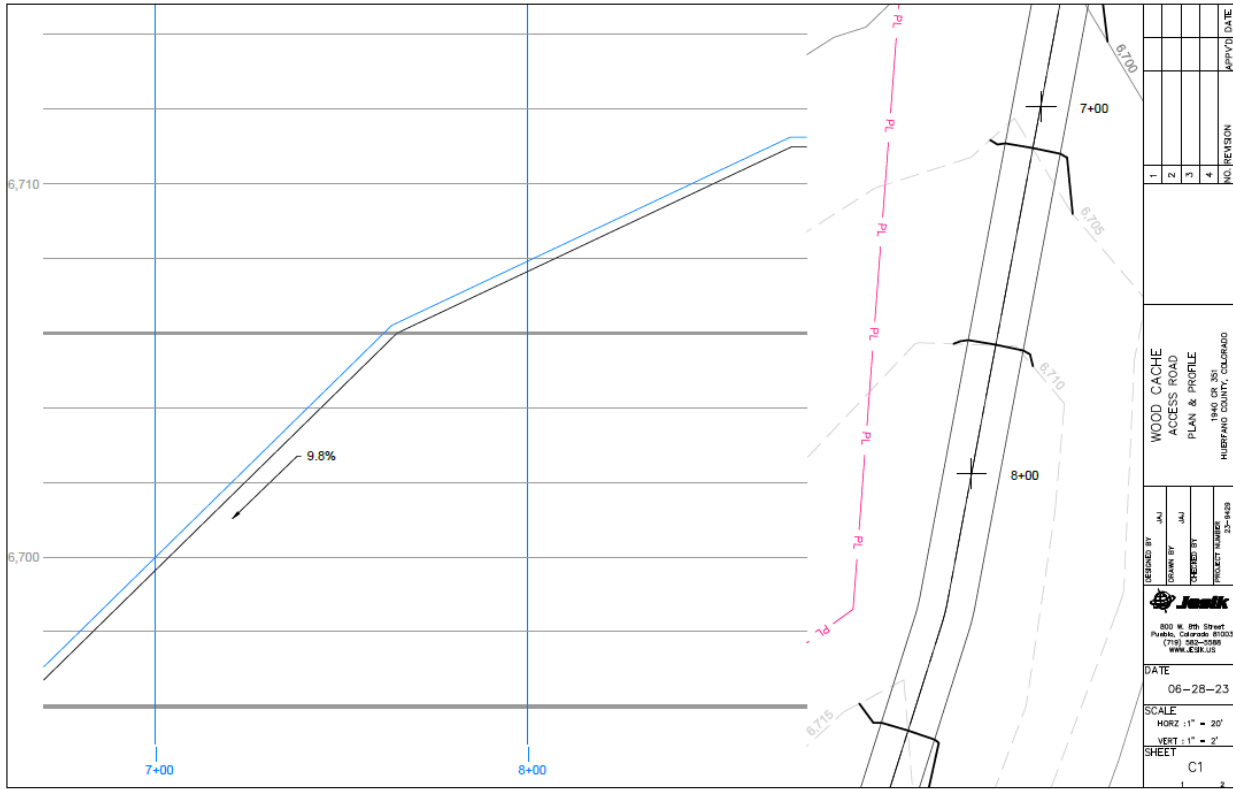
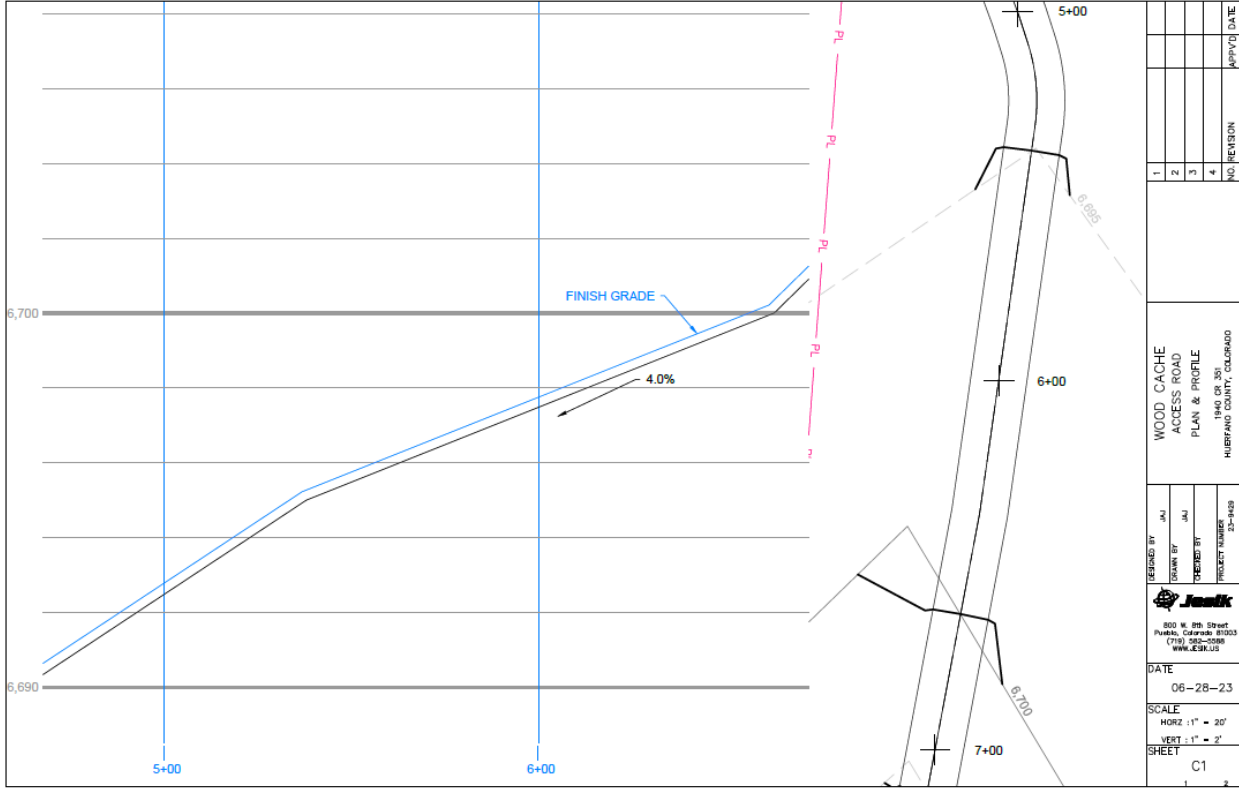
WOOD CACHE
ACCESS ROAD
NORTH LAYOUT
1840 OR 351
HUBBARD COUNTY, COLORADO

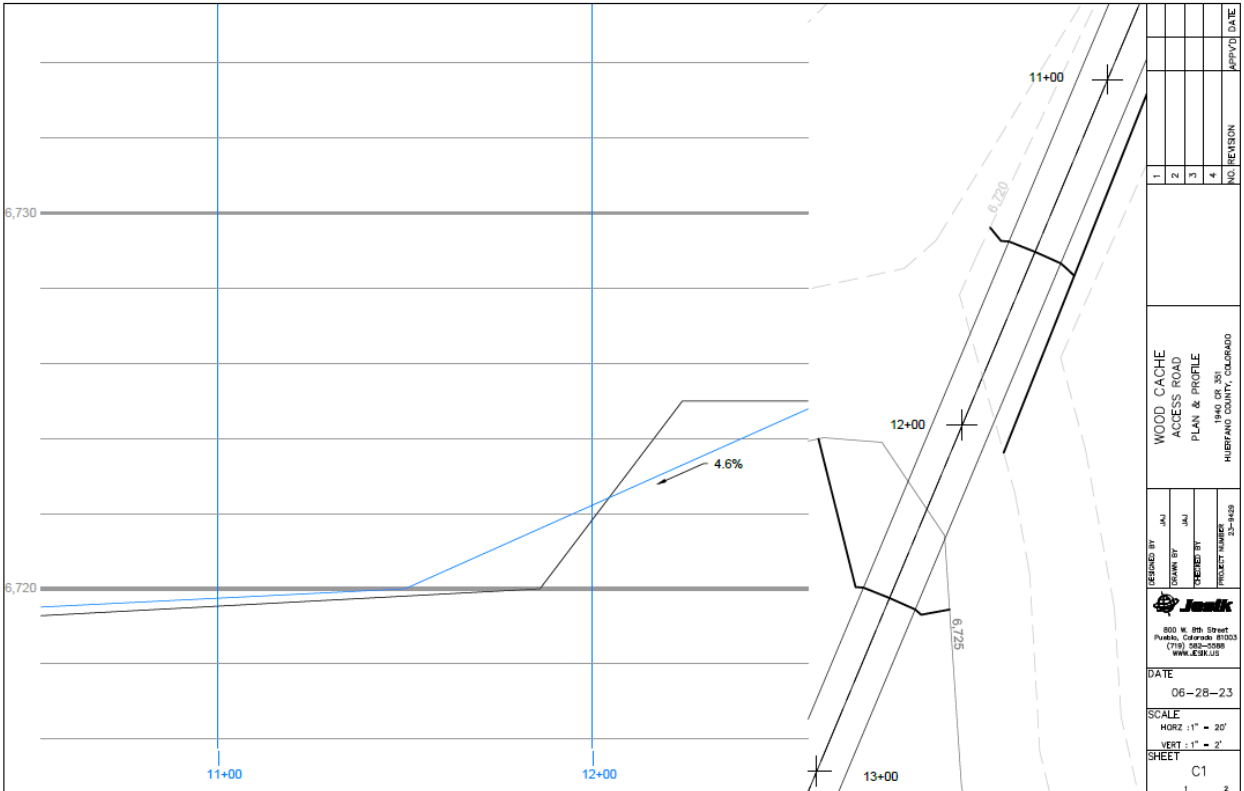
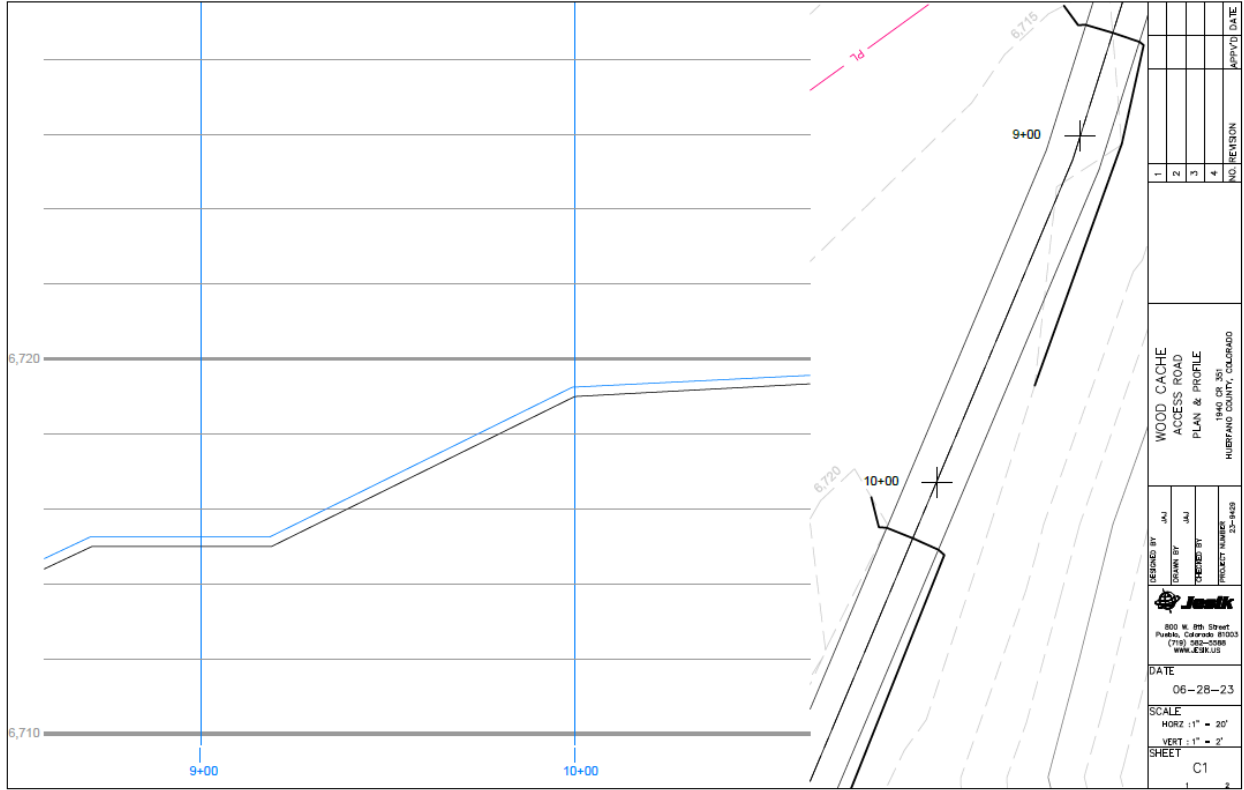
DESIGNED BY: JMJ
DRAWN BY: JMJ
CHECKED BY: JMJ
PROJECT NUMBER: 23-1458

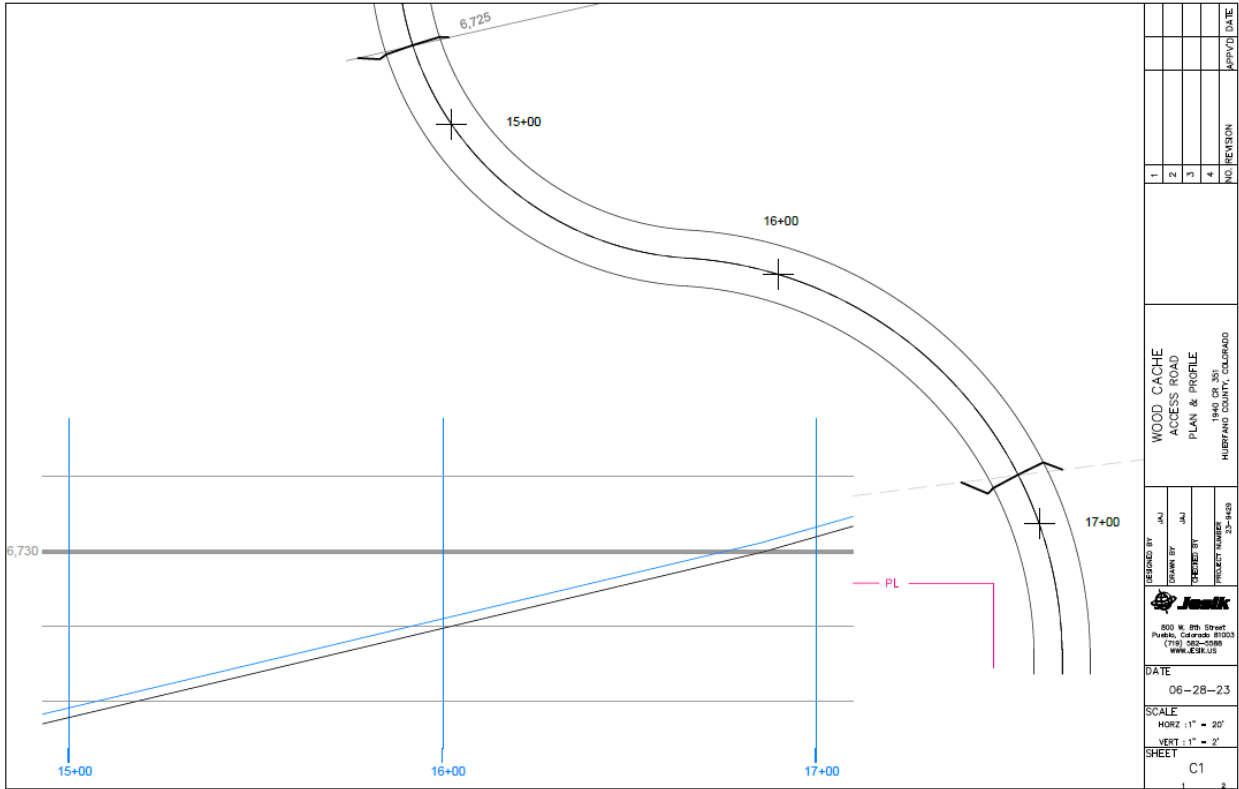
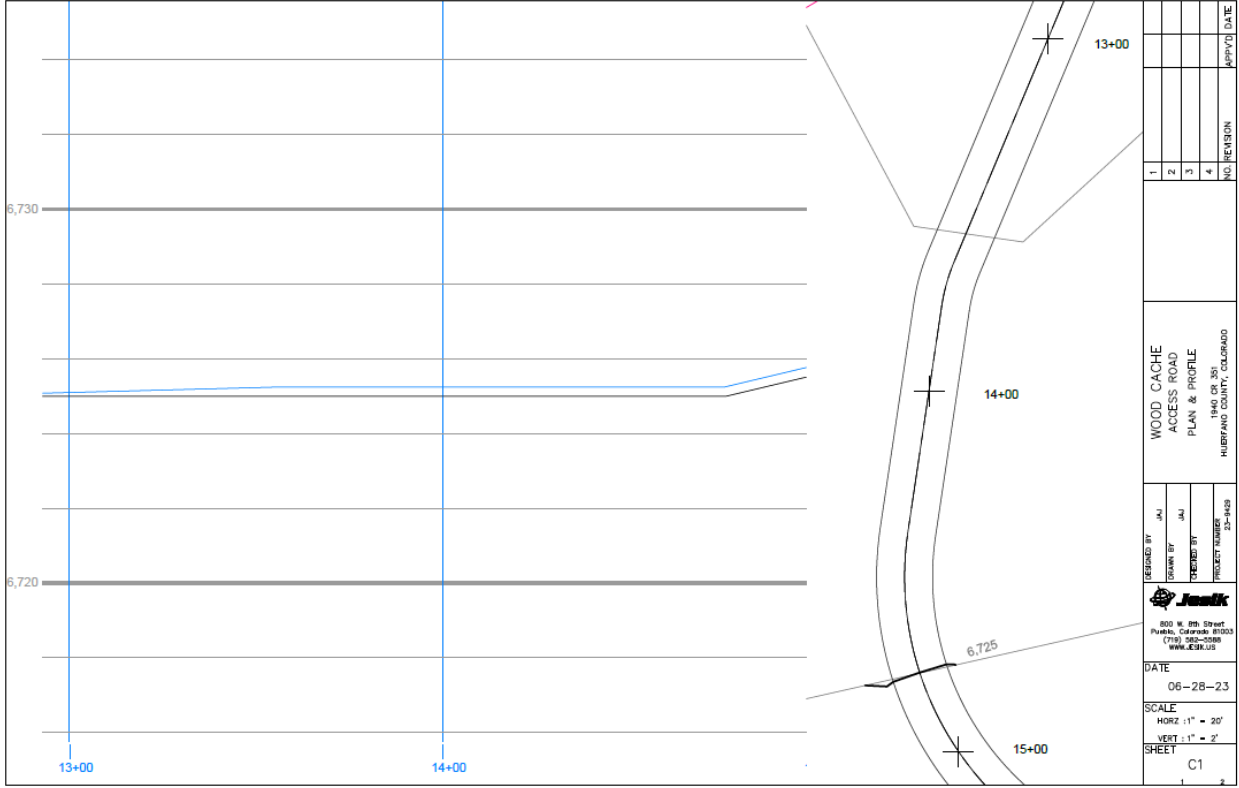
Jensnik
800 W. 8th Street
Pueblo, Colorado 81003
(719) 566-0888
www.JENNIK.US

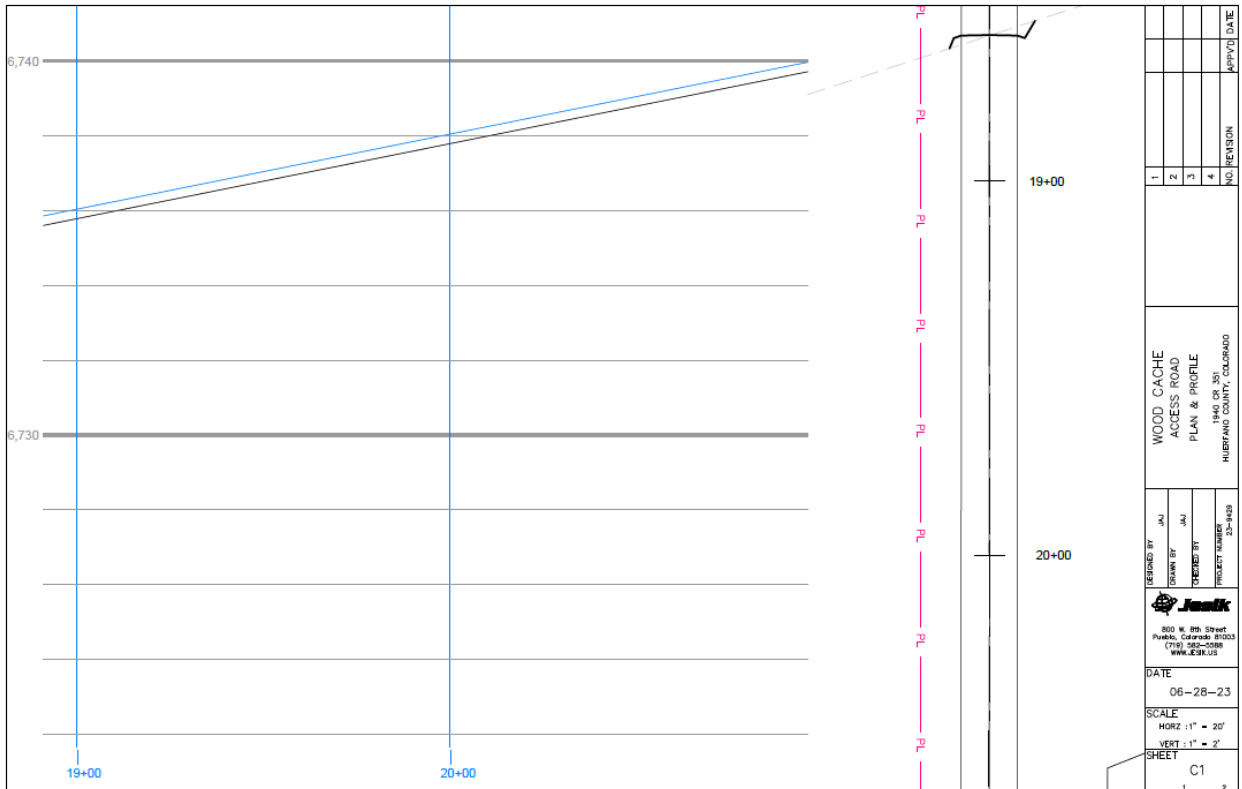
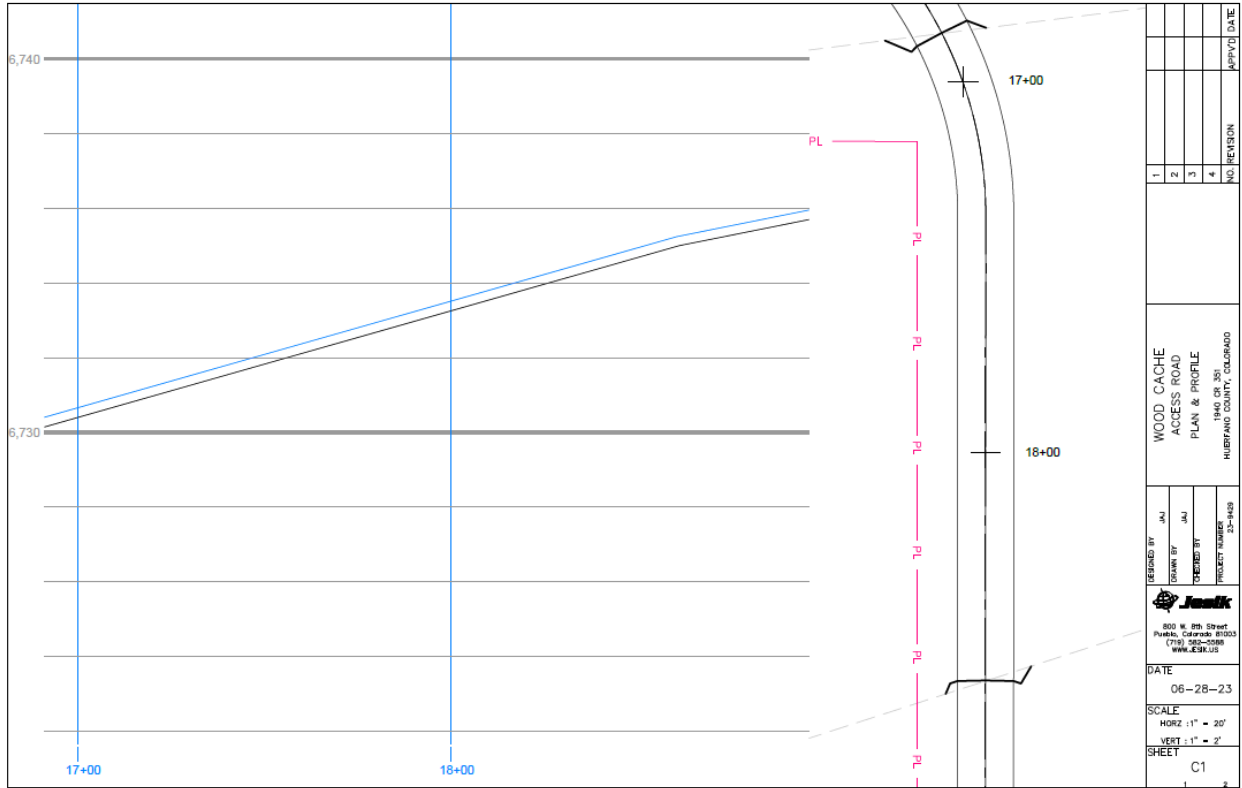
DATE: 06-28-23
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SHEET: C1

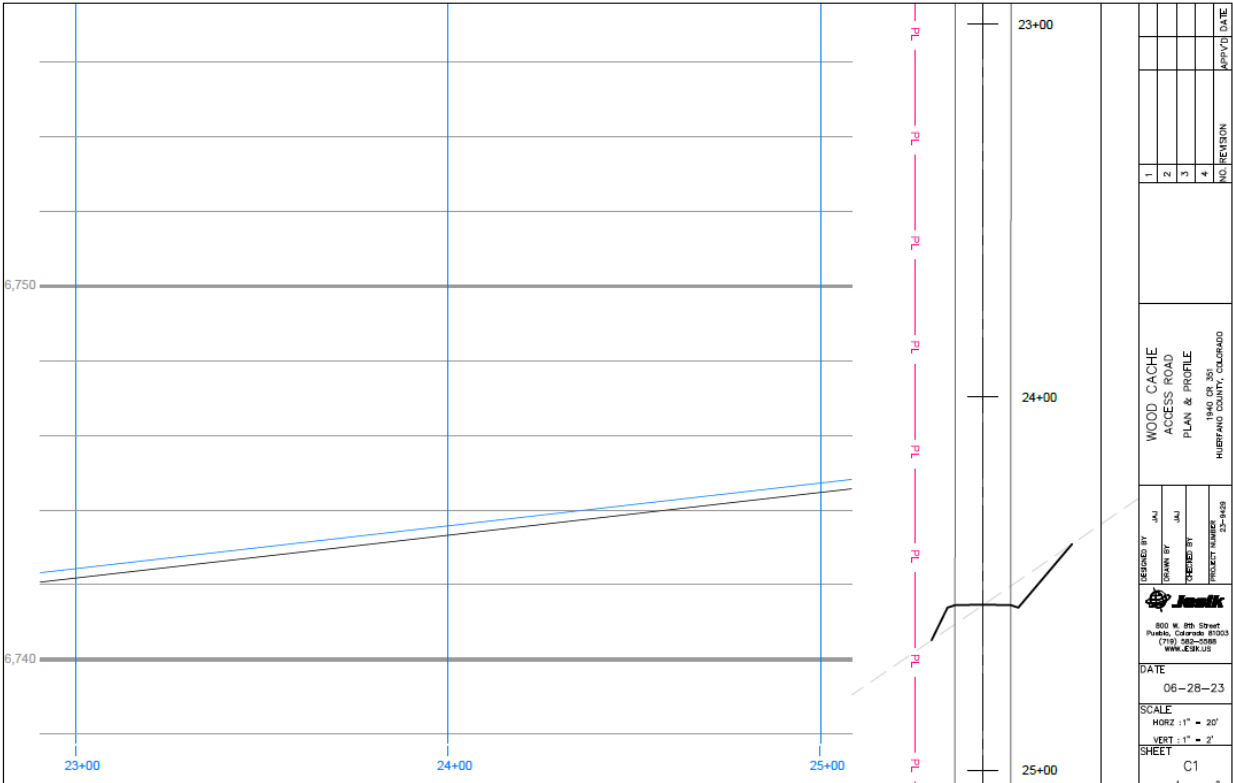
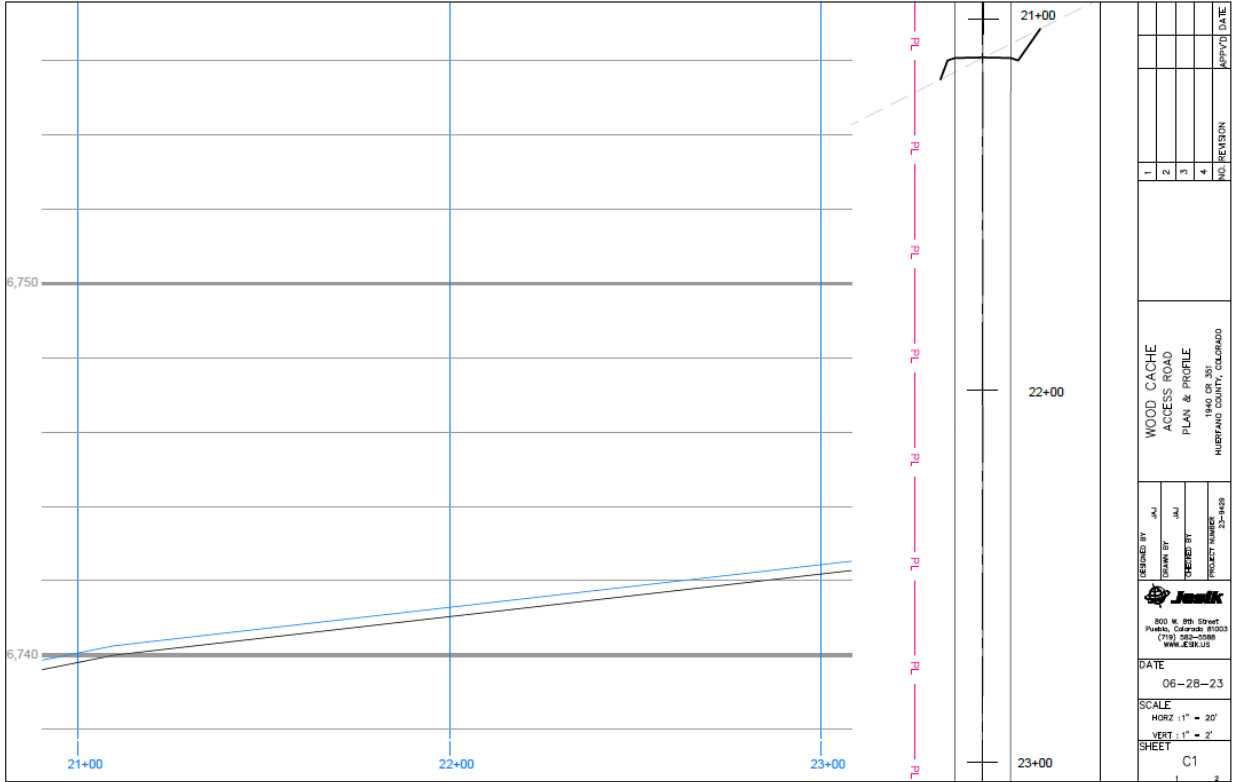












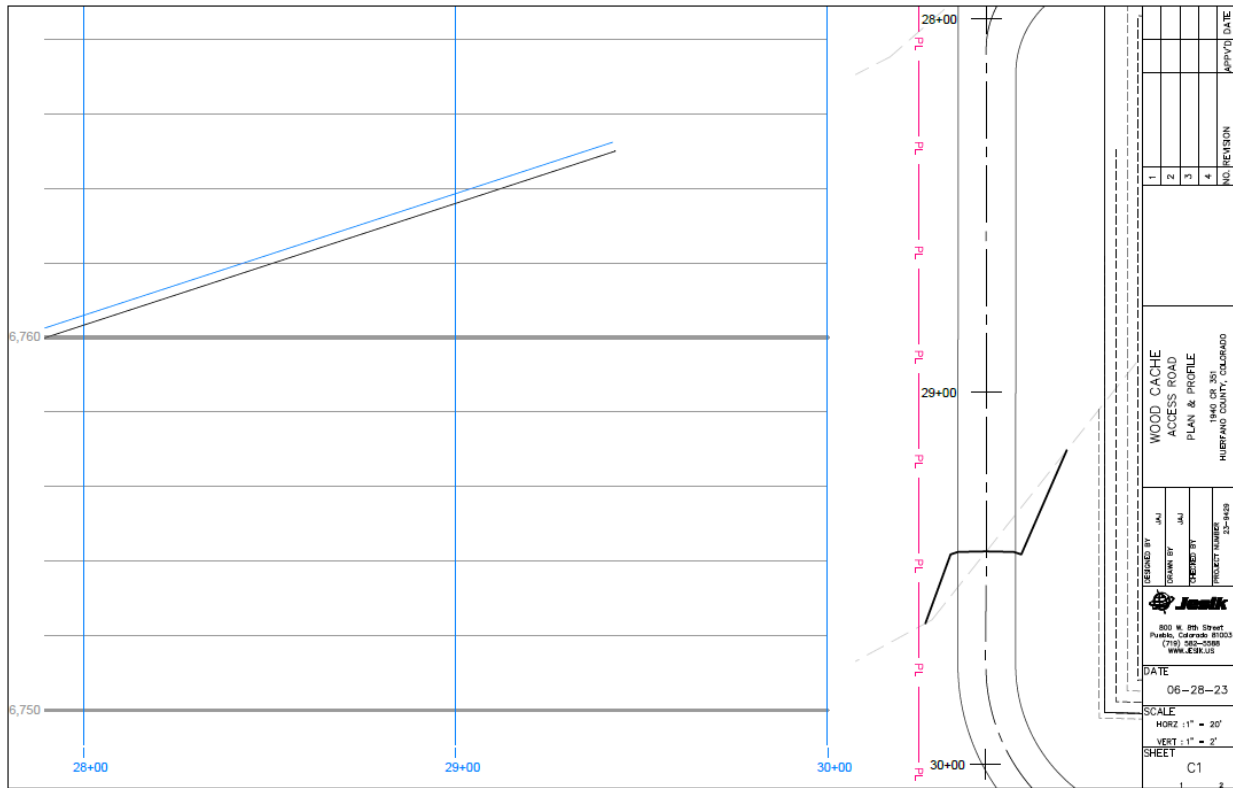
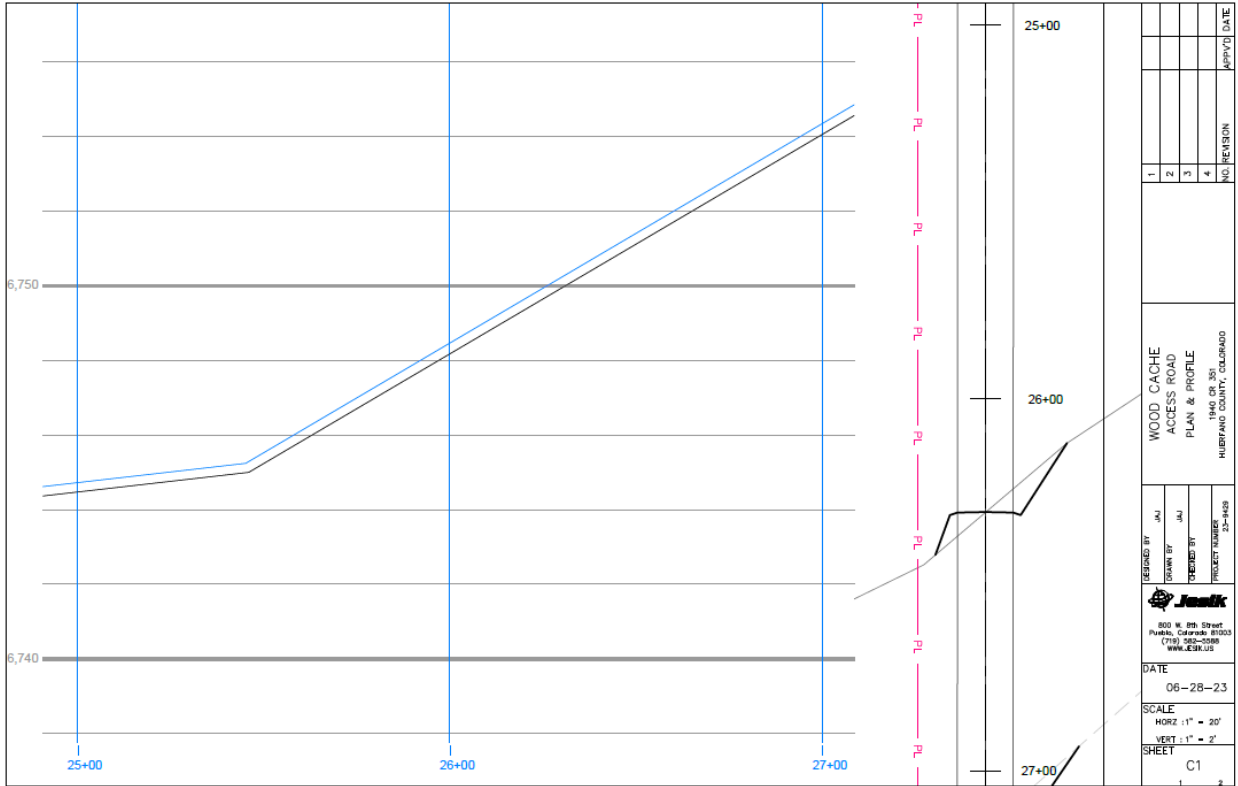
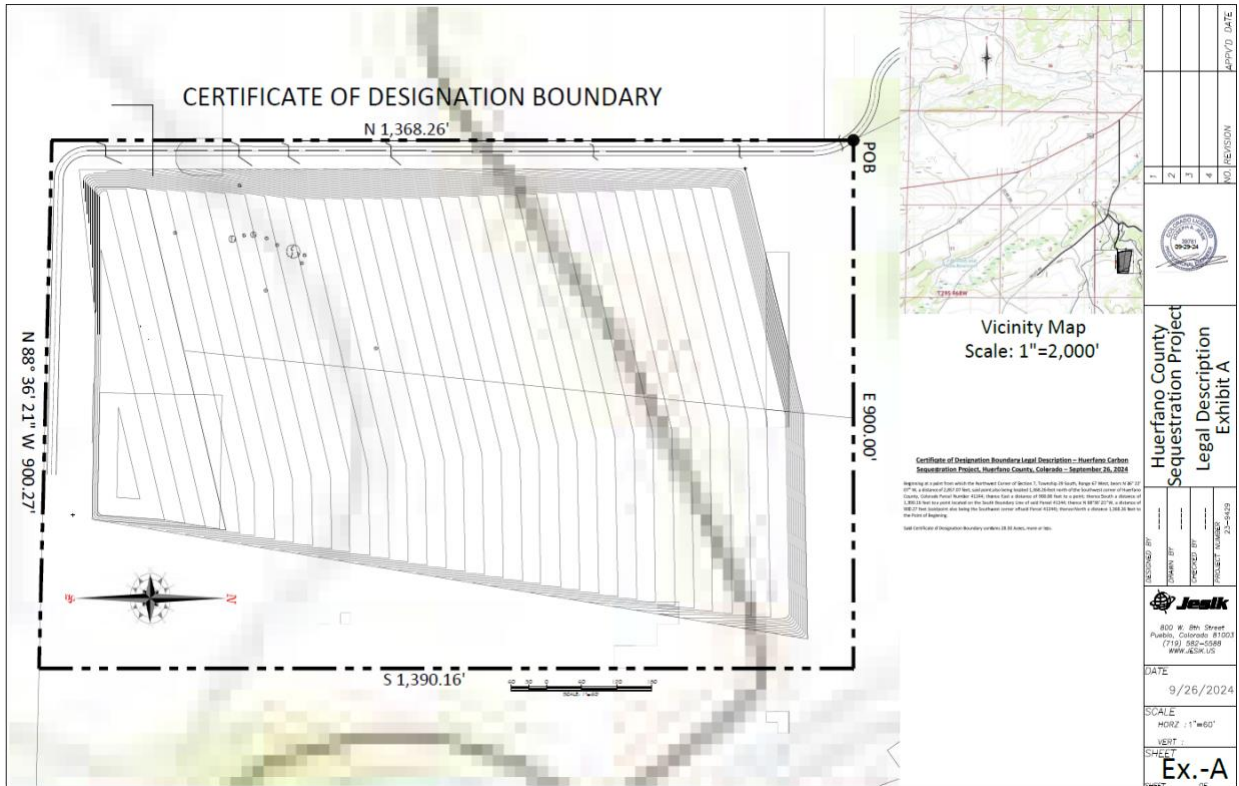
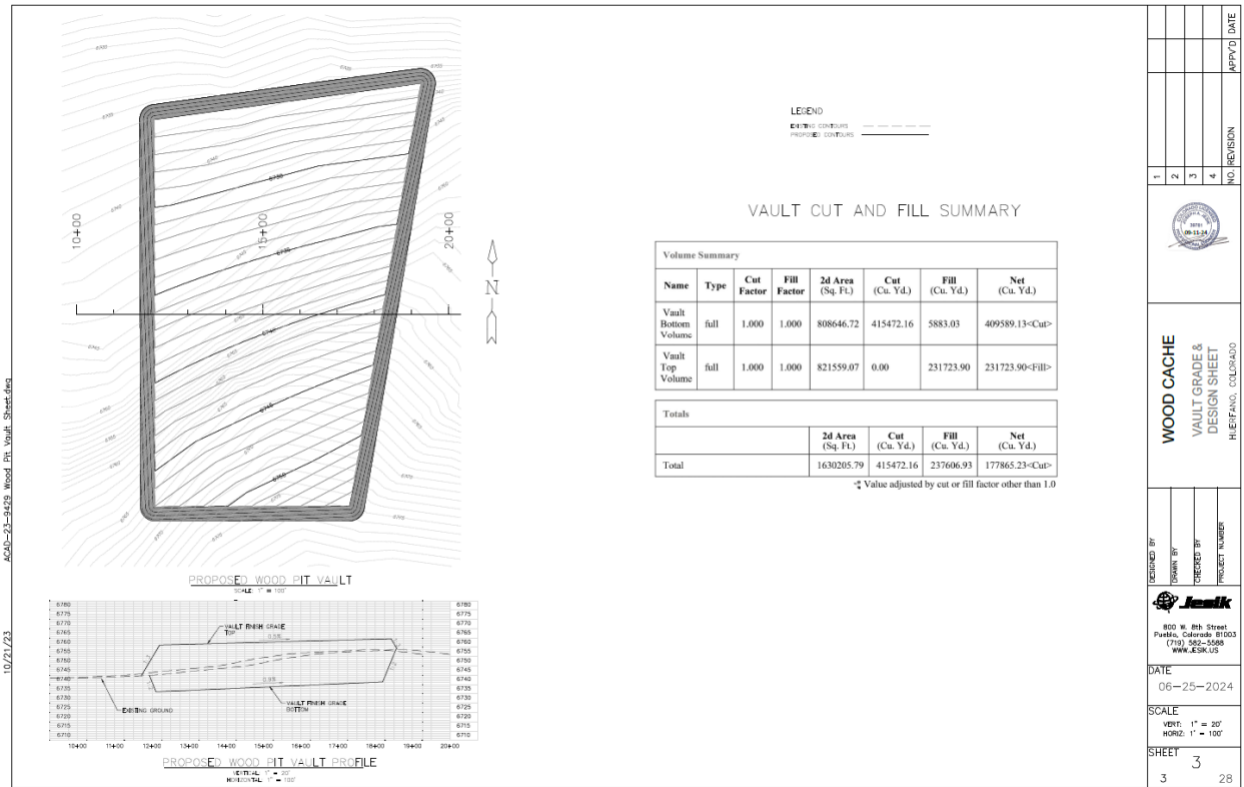


EXHIBIT D TO EASEMENT AGREEMENT: FOOTPRINT OF WOOD PRESERVATION PROJECT





1	2	3	4	NO REVISION	APP'D	DATE
WOOD CACHE SITE PLAN H.E.F.P.A.S., COLORADO						
DESIGNED BY	DRAWN BY	CHECKED BY	PROJECT NUMBER			
800 W. 18th Street Pueblo, Colorado 81003 (719) 582-1588 www.J&K.US						
DATE: 06-24-2024						
SCALE: 1" = 150'						
SHEET: 2						
28						



LEGEND
 EXISTING CONTOURS: - - - - -
 PROPOSED CONTOURS: _____

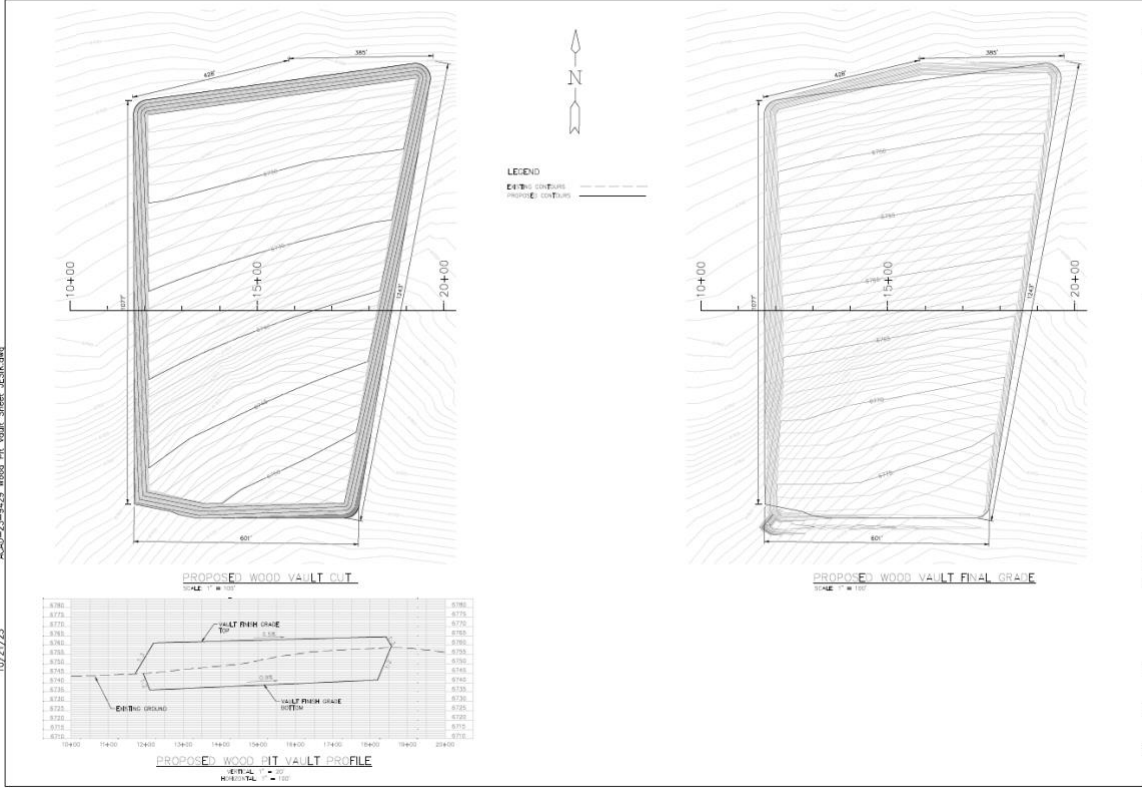
VAULT CUT AND FILL SUMMARY

Volume Summary							
Name	Type	Cut Factor	Fill Factor	2d Area (Sq. Ft.)	Cut (Cu. Yd.)	Fill (Cu. Yd.)	Net (Cu. Yd.)
Vault Bottom Volume	fill	1.000	1.000	808646.72	415472.16	5883.03	409589.13-Cut>
Vault Top Volume	fill	1.000	1.000	821559.07	0.00	231723.90	231723.90-Fill>
Totals							
				2d Area (Sq. Ft.)	Cut (Cu. Yd.)	Fill (Cu. Yd.)	Net (Cu. Yd.)
Total				1630205.79	415472.16	237606.93	177865.23-Cut>

* Value adjusted by cut or fill factor other than 1.0

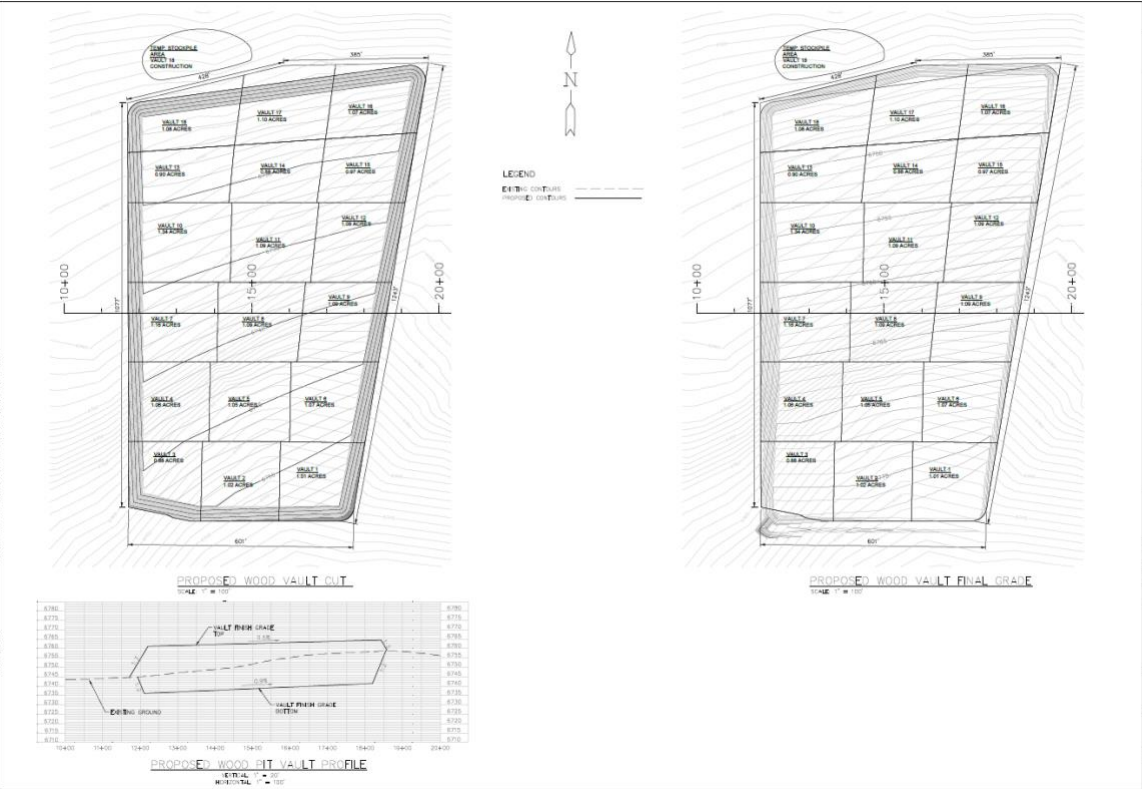
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WOOD CACHE VAULT GRADE & DESIGN SHEET H.E.F.P.A.S., COLORADO						
DESIGNED BY	DRAWN BY	CHECKED BY	PROJECT NUMBER			
800 W. 18th Street Pueblo, Colorado 81003 (719) 582-1588 www.J&K.US						
DATE: 06-25-2024						
SCALE: VERT: 1" = 20' HORIZ: 1" = 100'						
SHEET: 3						
28						

19/21/23 A05-23-2429 Wood Dr. Vault Sheet_BSK.dwg

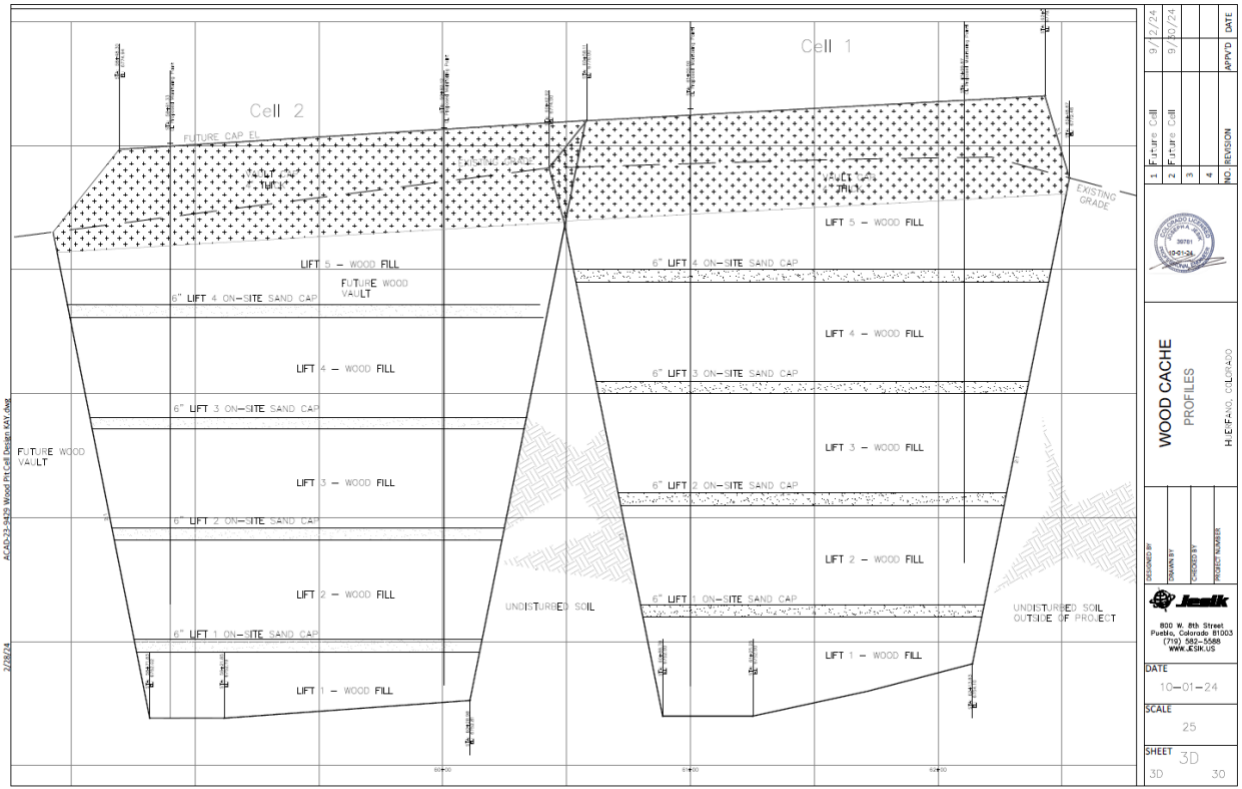
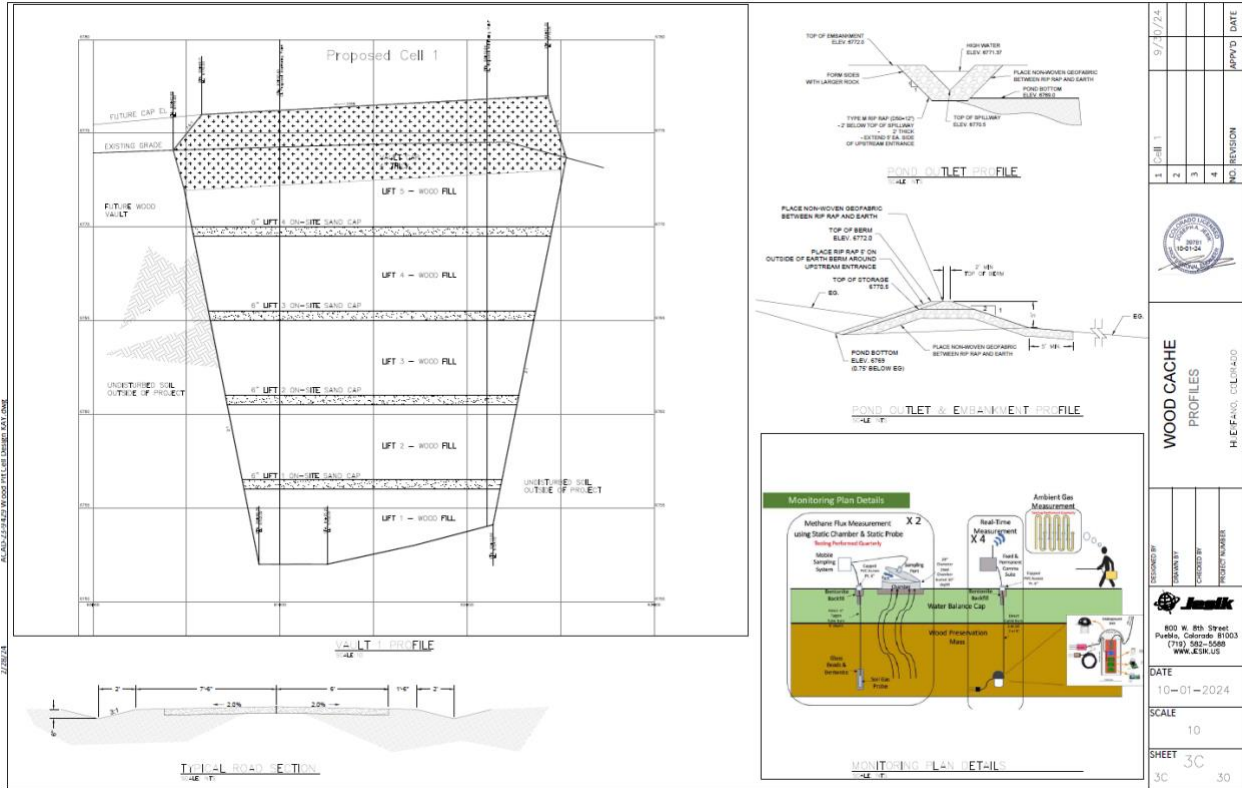


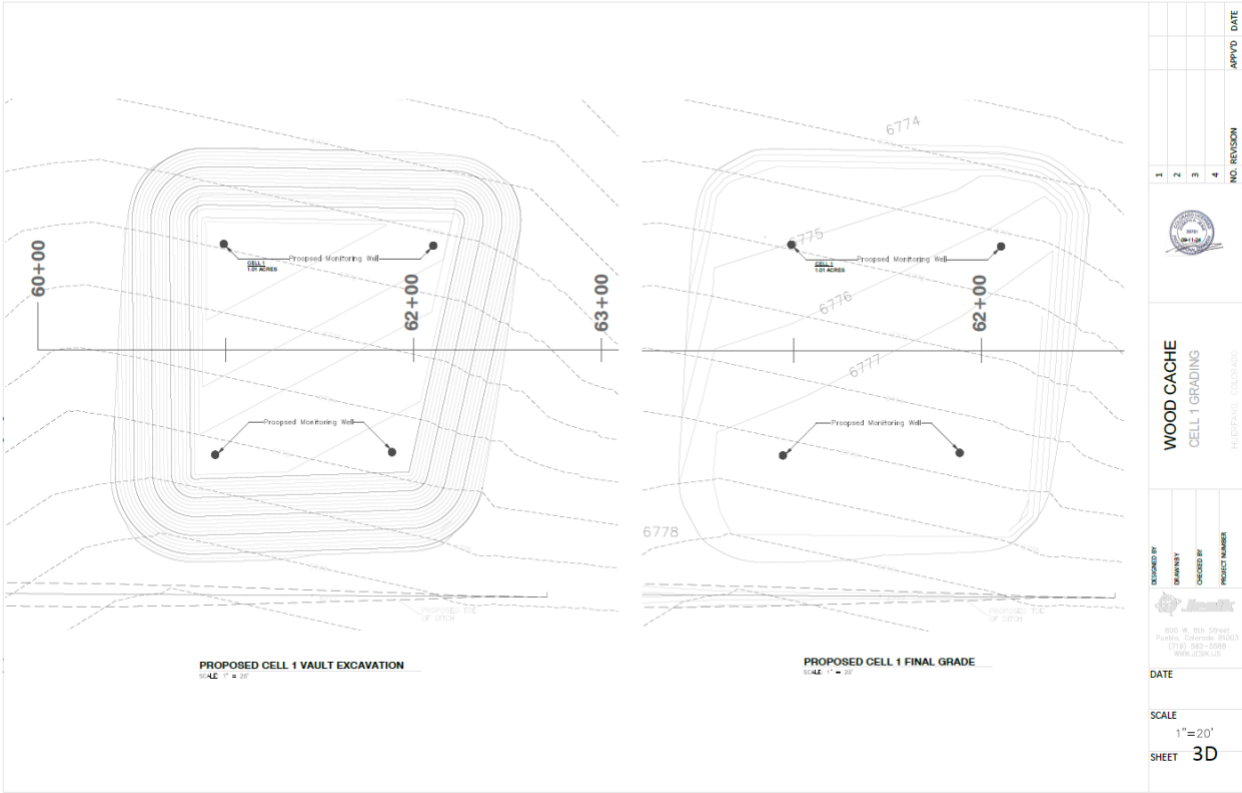
NO.	1	2	3	4	NO. REVISION	APPROVAL	DATE
WOOD CACHE VAULT GRADE H.E. FAYO, COLORADO							
DESIGNED BY	CHKD BY	PROJECT NUMBER					
DATE	06-25-2024						
SCALE	VERT: 1" = 20' HORIZ: 1" = 100'						
SHEET	3A	3A					
	3A		28				

19/21/23 A05-23-2429 Wood Dr. Vault Sheet_BSK.dwg



NO.	1	2	3	4	NO. REVISION	APPROVAL	DATE
WOOD CACHE PHASING H.E. FAYO, COLORADO							
DESIGNED BY	CHKD BY	PROJECT NUMBER					
DATE	06-25-2024						
SCALE	VERT: 1" = 20' HORIZ: 1" = 100'						
SHEET	3B	3B					
	3B		28				





NO. REVISION				APPROV. DATE
1				
2				
3				
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		WOOD CACHE CELL 1 GRADING <small>HEBERT/PAUL CONSULTING</small>
<small>DESIGNED BY</small> <small>DRAWN BY</small> <small>CHECKED BY</small> <small>PROJECT NUMBER</small>	 <small>300 W. 10th Street</small> <small>Fort Collins, Colorado 80503</small> <small>970.225.0500</small> <small>WWW.JCSK.COM</small>	
<small>DATE</small>		<small>SCALE</small> 1" = 20'
<small>SHEET</small>		3D

**Wood Cache Completion Corp
Closure and Post Closure Financial Plan
Huerfano County Carbon Sequestration Project
Cell 1
October 6, 2024**

Overview

This document describes the obligations of Wood Cache, PBC to the state of Colorado Department of Health and Environment under 6 CCR 1007-2 Part 1, Section 4. These obligations are financial in nature and request a description of the Wood Cache, PBC plan to fulfill them. This document will be organized in alignment with the regulation. In addition, an accompanying spreadsheet describes expected expenses over time. This Facility will be in operation for approximately 5 years and this submission is for Cell 1 only.

4.1.2 Scope and Applicability

This facility is located at 4912 County Road 351, La Veta, Co 81055, and has been classified as a mono-fill. These finances are for the initial Cell opening and Closure only, as well as Post Closure care for that cell alone in accordance with the process presented in our EDOP. It is estimated that 2,000 tonnes of woody biomass will be collected and buried in this first tranche.

4.1.4 Duration of Financial Assurance Coverage

The Coverage will begin before this first cell is dug, and will continue for 30 years after Cell closure.

4.2 Closure Cost Estimates

Cell opening and closing will be conducted by either Reed Excavating or H&H Forestry:

Brandon Reed, Owner
(719) 688 1679

H&H Forestry
Tyler & Nathaniel Huff, owners
(719) 250-1108

Opening and Closing are expected to occur within 7 weeks of each other, and the fulfillment of the Closure requirement is expected in that time frame.

A Quote for cell opening and closing costs from H&H Forestry can be found as an attachment to this document and are incorporated into the accompanying spreadsheet. Specifically, the closure costs, based on the estimate are:

Backfill (with Dirt & Logs) 2,000 tonnes Wood \$65,013

Backfill costs include grading and preparation of the soil for revegetation per the Design Plan.

Revegetation will be performed by the Landowner and Wood Cache PBC utilizing a local Hydroseeding supplier in accordance with NRCS guidance. A conservative estimate of \$3,500 to initially revegetate has been used primarily for seed and mulch as needed.

4.3 Post-Closure Cost Estimates

Post-Closure care will be provided by Wood Cache, PBC.

Wood Cache Completion Corp has made a good faith effort to describe the ongoing costs of monitoring the facility, which can be viewed in the “post-closure” tab of the accompanying spreadsheet. Elements of post-closure costs include:

Revegetation - Based on discussions with local water conservancy and hydrology representatives, we have been informed that full revegetation can take up to 5 years. However, we are extending this to 8 years to ensure success. This post-closure expense is for periodic repair to the final cover until fully self-sustaining as grazing land.

Onsite Monitoring - Costs have been estimated for Quarterly site visits per the Operational plan. \$250 has been allocated per visit based on local representatives performing the Inspections and Testing. This is based on experience with the pilot performing and documenting the Inspections. 8 Hrs. at approximately \$30/Hr.

Remote Monitoring - As servers and infrastructure have already been built and paid for, only a \$250 annual “subscription” will be required for access to the data. Repair if necessary is included in Infrastructure estimate.

Infrastructure - Onsite monitoring and management assets which will require periodic maintenance and repair. This would include above and below ground monitoring equipment as well as storage building and other on-site equipment.

Insurance - Insurance represents the right to call upon an external financing source to deal with emergencies that might require excavation. See Section 4.4 below

4.4 Corrective Action Cost Estimates

Wood Cache, PBC will buy insurance to cover the cost of any necessary Corrective Action. Over time, Wood Cache, PBC will self-insure the unlikely need for corrective action.

4.5 Revising Closure, Post-Closure, and Corrective Action Cost Estimates

- Our cost projections envision a 3% annual inflation rate. We will adjust these estimates each year in accordance with section 4.5.1, Annual Inflation Revision.
- Funds will be accounted for and released in alignment with 4.5.2 c or d.

- Annual and five-year cost estimates will be conducted and shared with the department as required.

4.6 Financial Assurance Requirements

The Financial Assurance mechanism described here is intended to fulfill requirements described in this document, as well as those required by governing authorities, including any local governing authorities.

The mechanism is also intended to fulfill market and customer requirements, including those imposed by carbon credit markets, in which we plan to participate.

As such, the financial assurance requirements described here are intended to cover the maximum requirements imposed by a range of authorities, including those of the State of Colorado.

4.6.1.D

In accordance with the options for a financial instrument described here, Wood Cache, PBC will seek a surety bond. The surety bond will align with the language put forward in Appendix A.

Please contact Serge Bushman or Ray Bongiovanni if additional clarification is required.

Serge Bushman
913 991 7179
Woodcache.org

Ray Bongiovanni
940 231 0333
raybon02@swbell.net

Excavation and Closure Estimate

Excavation Payment Schedule

Project Overview

- **Project Name:** Woodcache Pit excavation
- **Location:**
- **Start Date:**
- **Completion Date:**

Payment Schedule

1. Deposit/Initial Payment

- **Amount:** \$8500
- **Due Date:** When equipment is on site for beginning of excavation.
- **Description:** To secure the project and cover initial mobilization costs.

2. Milestone 1: Completion of digging the hole.

- **Amount:** \$14.00 per cubic yard moved
- **Due Date:** Completion of the pit excavation
- **Description:** Payment upon completion of pit excavation. Total cubic yards to be determined by measuring the pit and/or using Stockpile Record Lite app.

3. Milestone 2: Completion of wood being buried

- **Amount:** \$22.00 per cubic yard of dirt and wood buried in pit
- **Due Date:** Due upon final inspection of buried wood.
- **Description:** Payment upon commencement of wood burial and inspection. Total cubic yards to be determined by measuring stockpiles remaining and measurement of finished grade compared to existing grade using Stockpile Record Lite app.

Terms and Conditions

- **Payment Method:** Check
- **Late Payment Penalties:** %10 after 30 days
- **Change Order Process:** See Attached A1

Signatures

- **Contractor Signature:** _____
- **Client Signature:** _____
- **Date:** _____

Woodcache

Burial rate based on 2000 ton of wood

Volume of truck: calculated at $(8'(\text{width}) \times 8.5'(\text{height}) \times 18.5'(\text{length of log})) / 27 = 46.59$ cubic yards.

Trucks will have two turkey racks per load for a total of $93.18(\text{truck volume})$ cubic yards total.

Cubic yards per ton will vary with weight of logs. $(\text{Truck volume}/\text{tonnage}) = \text{cubic yards per ton}$

26 ton = 3.58 cy per ton
 28 ton = 3.33 cy per ton
 30 ton = 3.11 cy per ton

We can average the tonnage of the trucks for a more exact tonnage.

Example:

2000 ton x 3.33 cy per ton = 6660 total cubic yards of wood

Price:

$(\text{Total cubic yards of wood} \times \$8.00) + (\text{cubic yards of dirt} \times \$12.00) = \$65,013.36.$

\$8.00 per yard of wood put into the pit

\$12.00 per yard of dirt including compaction and final grading of cap

Cubic yards of dirt figured by subtracting total after cap is install over wood from total excavated.

Estimated material used:

60 x 80 at 6" = 88.89 cubic yards at 3 lifts = 266.67

60 x 80 at 4' = 711.11 cubic yards for the cap

Total cubic yards of dirt added = 977.78

Example $(6660 \times 8) + (977.78 \times 12)$
 $(\text{cubic yards of wood} \times \$8) + (\text{cubic yards of dirt} \times 12)$

53280 + 11733.36 = \$65,013.36

We will continue testing the Stockpile Record Lite App on wood piles to see if it is accurate enough.

Excavation rate based on total amount of materiel removed for pit.

4000 cy of material @ \$10.00 per = \$40,000. Measured by Stockpile Record Lite App.



Via Electronic Mail, c/o Sarah Foreman: sarah.foreman@state.co.us

December 3, 2024

Huerfano County Board of County Commissioners
401 Main Street
Walsenburg, CO 81089
commissioners@huerfano.us

RE: Recommendation for Approval of Certificate of Designation Application - Engineering Design and Operations Plan
Huerfano Carbon Sequestration Project
La Veta, Colorado
CDPHERM HAZ SW / Permitting / HRF19

Honorable Commissioners:

This letter is the formal response from the Colorado Department of Public Health and Environment (CDPHE or Department) Hazardous Materials and Waste Management Division (the Division) regarding Huerfano County’s referral for technical review of an application for a certificate of designation as identified below.

“Engineering Design and Operations Plan;” prepared for Wood Cache PBC (Wood Cache); prepared by Jesik Consulting (Jesik); dated November 4, 2024; herein referred to as the “EDOP” or “application.”

The owner and operator, Wood Cache, is proposing to construct a 19-acre commercial wood waste monofill. The monofill would only accept and dispose of natural, unprocessed wood branches and trunks for the purpose of carbon sequestration. Huerfano County referred the application to CDPHE pursuant to C.R.S. 30-20-103 on July 26, 2024.

The Division conducted a comprehensive technical review of the EDOP to determine its compliance with the requirements set forth in the Solid Waste Disposal Sites and Facilities Act, Title 30, Article 20, Parts 1 and 10 (the Solid Waste Act) of the Colorado Revised Statutes (CRS), as amended, and with the regulations promulgated thereunder: the Regulations Pertaining to Solid Waste Sites and Facilities, 6 CCR 1007-2, Part 1 (the Solid Waste Regulations).

It is the determination of the Division that Wood Cache, as the owner and operator of the facility, can comply with technical, environmental, and public health standards of the Solid Waste Act and the Solid Waste Regulations if the Facility is constructed, operated, monitored and maintained as described in the EDOP and with the Division’s conditions of recommendation as stated below. Based on the Division’s review and determination, the Division recommends, with conditions, that Huerfano County may approve the application for the wood waste monofill based on these and any local criteria.

The Division’s recommendation for approval of the application including the final revised EDOP, dated November 4, 2024, has the following conditions that must be incorporated into the Certificate of Designation, if issued by Huerfano County:

1. In accordance with Section 4 of the Solid Waste Regulations, revised third party financial assurance cost estimates for closure and post closure care (financial assurance cost estimate) must be submitted to the Division within sixty (60) days of the issuance of the certificate of designation



(the CD). Wood Cache submitted the first revision of the financial assurance cost estimates to the Division on October 8, 2024. Once the Division approves the financial assurance estimates, the Facility will have thirty (30) days to submit a financial assurance mechanism for review and approval. The financial assurance mechanism must be in-place and approved by the Division before the start of construction of the Facility. Pursuant to Section 4 of the Solid Waste Regulations, Wood Cache must adjust financial assurance cost estimates annually to account for inflation or deflation by using the implicit price deflator for the gross domestic product. Additionally, the facility must replace the original cost estimate every five (5) years unless otherwise required by the Division.

2. Compliance with this CD requires Wood Cache to comply with the EDOP and any future Department-approved EDOP conditions, including both Department approved revisions or additions to the EDOP and stand-alone plans necessary to comply with the Solid Waste Act and Regulations. Non-compliance of the EDOP as revised constitutes a violation of this CD. This CD need not be necessarily amended upon EDOP amendment unless required by the local governing authority. CDPHE reserves the right to make unilateral modifications to the EDOP language and conditions at any time during the life of the facility, including during the post-closure care period. CDPHE will attempt to consult with Huerfano County prior to doing so.
3. In addition to complying with the Division's Solid Waste Regulations, the facility must comply with all relevant federal, state, and local regulations, including but not limited to the appropriate requirements of the Division of Water Resources, the Water Quality Control Division, and the Air Pollution Control Division.

Please also note that provisions of the Solid Waste Act found at CRS 30-20-104 reserve certain factors for consideration solely by the local governing authority as part of the review of a certificate of designation application. Accordingly, the Division's review is not intended to, nor did it consider those local land use provisions. CRS 30-20-104 also warrants careful consideration by the local governing authority as it contains key procedural requirements for the issuance of a certificate of designation related to the timing of public notice and the public hearing.

If Huerfano County approves the application, the final EDOP, and the issued certificate of designation or resolution containing the certificate of designation, must be placed in the Facility's operating record. Please provide a copy of any decision by Huerfano County to the undersigned.

The Division is authorized to bill for its review of technical submittals at a rate of \$125 per hour in accordance with Section 1.7 of the Regulations. An invoice for the Division's review of the above-referenced document will be transmitted to Wood Cache under separate cover.

Should you have any questions about this recommendation or the conditions or if you would like to discuss the application, feel free to contact me at 303-692-3316 or sarah.foreman@state.co.us.

Sincerely,

Sarah Foreman
 Digitally signed by Sarah Foreman
 Date: 2024.12.03 09:53:17 -07'00'

Sarah Foreman, PE
 Solid Waste Permitting
 Engineering Design Unit
 Solid Waste and Materials Management Program
 Hazardous Materials and Waste Management Division

Jill Parisi
 Digitally signed by Jill Parisi
 Date: 2024.12.03 10:40:19 -07'00'

Jill Parisi, PE
 Solid Waste Permitting
 Engineering Design Unit Leader
 Solid Waste and Materials Management Program
 Hazardous Materials and Waste Management Division



cc: Carl Young - Huerfano County Administrator
Serge Bushman - Wood Cache PBC
Ray Bongiovanni - Wood Cache PBC
Huerfano County Land Use Department





Electronic Document Submittal:
ray@woodcache.org

December 3, 2024

Mr. Ray Bongiovanni
 Woodstone Holdings, LLC
 Wood Cache PBC
 4912 County Road 350
 La Veta, Colorado 81055

Re: CDPHE Approval of the Closure and Post-Closure Financial Plan - Cell 1
 Huerfano Carbon Sequestration Project, Huerfano County, Colorado
 CDPHERM HAZ SW / Financial Assurance / HRF19

Dear Mr. Bongiovanni,

The Colorado Department of Public Health and Environment (“CDPHE” or “Department”) Hazardous Materials and Waste Management Division (Division) received the following financial assurance planning documents (hereafter referred to as the “Cell 1 Financial Plan”) in October 2024:

“Closure and Post Closure Financial Plan - Huerfano County Carbon Sequestration Project - Cell 1;” prepared by Wood Cache PBC (Wood Cache); dated October 6, 2024; received by the Division on October 8, 2024.

“Financial Maintenance Model - Cell 1;” prepared by Wood Cache, received by the Division on October 8, 2024 and revised on November 21, 2024.

Wood Cache submitted the first revision of the Cell 1 Financial Plan on October 8, 2024. The Division provided comments via email on November 21, 2024. Wood Cache responded to the comments on the same day and provided a revised version of the spreadsheet titled *Financial Maintenance Model - Cell 1*.

The Division reviewed the Cell 1 Financial Plan to determine its compliance with the requirements of the Solid Waste Disposal Sites and Facilities Act, CRS 30-20-100.5 *et. seq* (Act), the Regulations Pertaining to Solid Waste Sites and Facilities, 6 CCR 1007-2, Part 1 (Regulations), and the Engineering Design & Operations Plan (EDOP). **Based on its review, the Division has determined that the Cell 1 Financial Plan meets the requirements of the Act, Regulations, and EDOP.**

Therefore, the Division approves the financial assurance cost estimate as follows:

Closure Cost:	\$65,000
Post-Closure Cost:	<u>\$64,750</u>
Total:	\$129,750

Wood Cache should incorporate the Cell 1 Financial Plan into the financial assurance funding submittal and submit it to the financial assurance email box (cdphe_haz_financialassurance@state.co.us) as soon as possible. Annual inflation updates are also required by April 30th of each year and should also be submitted to cdphe_haz_financialassurance@state.co.us. The next five-year revised cost estimate is due by April 30, 2030 unless design changes to the facility necessitate a new cost estimate before 2030.

The Division offers the following comment from its review of the Cell 1 Financial Plan. This comment are for information only for incorporation into the next revised cost estimate. No response is required.


- 1) In future submittals of the Financial Assurance Plan, please clearly state the total closure, post-closure, and combined costs to facilitate the review of the cost estimates. Costs for opening each vault should be separated from the total closure/post-closure cost or not included in the estimate at all.
- 2) The closure costs included do not account for engineering oversight during closure of the vault, including soils testing, survey, preparation of the closure report, etc. Please ensure that these costs are included in future cost estimates.

Please note that the Division’s approval of the above-referenced document does not preclude separate review action by Huerfano County.


The Division is authorized to bill for its review of technical submittals at a rate of \$125 per hour pursuant to Section 1.7 of the Regulations. An invoice for the Division’s review of the above-referenced document will be transmitted under separate cover.

Should you have any questions about this letter please call me at (303)-692-3316 or email me at sarah.foreman@state.co.us.

Sincerely,

 Digitally signed by Sarah Foreman
Date: 2024.12.03 13:10:31 -07'00'

Sarah Foreman, PE
Solid Waste Permitting
Engineering Design Unit
Solid Waste and Materials Management Program
Hazardous Materials and Waste Management Division

 Digitally signed by Jill Parisi
Date: 2024.12.03 14:07:03 -07'00'

Jill Parisi, PE
Solid Waste Permitting
Engineering Design Unit Leader
Solid Waste and Materials Management Program
Hazardous Materials and Waste Management Division

ec: Carl Young - Huerfano County Administrator
Serge Bushman - Wood Cache PBC
Tanya Gray - CDPHE Financial Assurance Manager
Huerfano County Land Use Department



Huerfano County Department of Human Services
121 W. 6th St., Walsenburg, CO 81089
719-738-2810



Heather Wellman, PhD., Director

Dear Commissioners Wardell, Sporeleder, and Chamberlin; and County Administrator Young,

As you know, the Huerfano County Department of Human Services has been diligently working to improve our Assistance Payments Unit timeliness metrics. We have seen great success over the course of the past year and hit a high note in November with 95% timeliness. However, the month of December saw a dip in our timeliness. During December, we experienced several state level systems outages and nearly every eligibility technician needed to take sick time as a virus rampaged through our office. This along with the several holidays during the month of December led to a decrease in timeliness.

A decrease in timeliness means our most vulnerable neighbors may experience delays in receiving their benefits. We would like to nip this issue in the bud through a concerted effort by the Assistance Payments Unit through the use of overtime. We would like 5 technicians to work 10 hours of overtime each for a total of 50 overtime hours. Each technician would stay for one hour beyond our normal operating hours for the course of ten business days. We believe this would give us enough time to address the backlog of applications and redeterminations and bring our timeliness metrics back into compliance with state expectations.

Thank you so much for your understanding and support,

Heather Wellman, PhD
Director
Huerfano County Department of Human Services

GRANT ADMINISTRATION SERVICE AGREEMENT

THIS GRANT WRITING SERVICE AGREEMENT (the "Agreement") is dated this 13th day of January, 2025.

CLIENT
Huerfano County
401 Main Street, Walsenburg, CO
81089

(the "Client")

CONTRACTOR

Southern Colorado Economic
Development
District

301 N. Main St., Suite 306A, Pueblo,
Colorado 81003

(the "Contractor")

BACKGROUND

- A. The Client is of the opinion that the Contractor has the necessary qualifications, experience, and abilities to provide services to the Client.
- B. The Contractor is agreeable to providing such services to the Client on the terms and conditions set out in this Agreement.

IN CONSIDERATION OF the matters described above and of the mutual benefits and obligations set forth in this Agreement, the receipt and sufficiency of which consideration is hereby acknowledged, the Client and the Contractor (individually the "Party" and collectively the "Parties" to this Agreement) agree as follows:

SERVICES PROVIDED

- 1. The Client hereby agrees to engage the Contractor to provide the Client with the following services (the "Services"):
 - Grant Administration.
- 2. The Services will also include any other tasks which the parties may agree on. The Contractor hereby agrees to provide such Services to the Client.

TERM OF AGREEMENT

- 3. The term of this Agreement (the "Term") will begin on the date of this Agreement and will remain in full force and effect until the completion of the Services, subject to earlier termination as provided in this Agreement. The Term may be extended with the written consent of the Parties.

4. In the event that either Party wishes to terminate this Agreement prior to the completion of the Services, that Party will be required to provide 10 days' written notice to the other Party.

PERFORMANCE

5. The Parties agree to do everything necessary to ensure that the terms of this Agreement take effect.

CURRENCY

6. Except as otherwise provided in this Agreement, all monetary amounts referred to in this Agreement are in USD (US Dollars).

COMPENSATION

7. The Contractor will charge the Client for the Services at the rate of **\$40.00 per hour** for the Services (the "Compensation"), not to exceed \$5,000.
8. The Contractor will invoice the Client every month.
9. Invoices submitted by the Contractor to the Client are due upon receipt.
10. In the event that this Agreement is terminated by the Client prior to completion of the Services but where the Services have been partially performed, the Contractor will be entitled to pro rata payment of the Compensation to the date of termination provided that there has been no breach of contract on the part of the Contractor.
11. The above Compensation includes all applicable sales tax and duties as required by law.
12. The Contractor will not be reimbursed for any expenses incurred in connection with providing the Services of this Agreement.

CONFIDENTIALITY

13. Confidential information (the "Confidential Information") refers to any data or information relating to the business of the Client which would reasonably be considered to be proprietary to the Client including, but not limited to, accounting records, business processes, and client records and that is not generally known in the industry of the Client and where the release of that Confidential Information could reasonably be expected to cause harm to the Client.
14. The Contractor agrees that they will not disclose, divulge, reveal, report or use, for any purpose, Any Confidential Information which the Contractor has obtained, except as authorized by the Client or as by law. The obligations of confidentiality will apply during the Term and will survive indefinitely upon termination of this Agreement.
15. All written and oral information and material disclosed or provided by the Client to the Contractor under this Agreement is Confidential Information regardless of whether it was provided before or after the date of this Agreement or how it was provided to the Contractor.

RETURN OF PROPERTY

- 16. Upon the expiration or termination of this Agreement, the Contractor will return to the Client any property, documentation, records, or Confidential Information which is the property of the Client.
- 17. In the event that this Agreement is terminated by the Client prior to completion of the Services the Contractor will be entitled to recovery from the site or premises where the Services were carried out, of any materials or equipment which is the property of the Contractor or, where agreed between the Parties, to compensation in lieu of recovery.

CAPACITY/INDEPENDENT CONTRACTOR

- 18. In providing the Services under this Agreement it is expressly agreed that the Contractor is acting as an independent contractor and not as an employee. The Contractor and the Client acknowledge that this Agreement does not create a partnership or joint venture between them and is exclusively a contract for services. The Client is not required to pay, or make any contributions to any social security, local, state or federal tax, unemployment compensation, workers' compensation, insurance premium, profit-sharing, pension or any other employee benefit for the Contractor during the Term. The Contractor is responsible for paying, and complying with reporting requirements for, all local, state and federal taxes related to payments made to the Contractor under this Agreement.

AUTONOMY

- 19. Except as otherwise provided in this Agreement, the Contractor will have full control over working time, methods, and decision making in relation to provision of the Services in accordance with the Agreement. The Contractor will work autonomously and not at the direction of the Client. However, the Contractor will be responsive to the reasonable needs and concerns of the client.

NO EXCLUSIVITY

- 20. The Parties acknowledge that this Agreement is non-exclusive and that either Party will be free, during and after the Term, to engage or contract with third parties for the provision of service similar to the Services.

NOTICE

- 21. All notices, requests, demands or other communications required or permitted by the terms of this Agreement will be given in writing and delivered to the Parties at the following addresses:
 - **Huerfano County**
401 Main Street, Walsenburg, CO 81089
 - Southern Colorado Economic Development District
301 N. Main Street., Suite 306A, Pueblo, Colorado 81003

or to such other addresses as either Party may from time to time notify the other and will be deemed to be properly delivered (a) immediately upon being served personally, (b) two days after being deposited with the postal service if served by registered mail, or (c) the following day after being deposited with an overnight courier.

INDEMNIFICATION

- 22. Except to the extent paid in settlement from any applicable insurance policies, and to the extent permitted by applicable law, each Party agrees to indemnify and hold harmless the other Party and its respective directors, shareholders, affiliates, officers, agents, employees, and permitted successors and assigns against any and all claims, losses, damages, liabilities, penalties, punitive damages, expenses, reasonable legal fees and costs of any kind or amount whatsoever, which result from or arise out of any act or omission of the indemnifying party, its respective directors, shareholders, affiliates, officers, agents, employees, and permitted successors and assigns that occurs in connection with this Agreement. This indemnification will survive the termination of this Agreement.

TIME OF THE ESSENCE

- 23. Time is of the essence in this Agreement. No extension or variation of this Agreement will operate as a waiver of this provision.

SEVERABILITY

- 24. In the event that any of the provisions of this Agreement are held to be invalid or unenforceable in whole or in part, all other provisions will nevertheless continue to be valid and enforceable with the invalid or unenforceable parts severed from the remainder of this Agreement.

Grant Administration Service Agreement

Item 7b.

Karl S. Sporleder,
Chairman, Board of County Commissioners

Leslie Mastroianni, Executive Director

_____ Date

_____ Date



MEMORANDUM

MEETING TYPE: Board of County Commissioners Meeting

MEETING DATE: January 21, 2025

ITEM NAME: Approval to Accept Colorado Tourism Office Marketing Grant

SUBMITTED BY: Robert Gilbert

SUMMARY: The Huerfano County Tourism Board applied to a Colorado Tourism Office Marketing Grant in Fall 2024 that the BOCC previously approved and that the CTO subsequently awarded to Huerfano County.

RECOMMENDATION: Motion to accept the award of a Colorado Tourism Office Marketing Grant in the amount of \$29,984.66 for the purpose of creating new audiovisual marketing materials supporting the County’s tourism industry.

BACKGROUND: This grant also has a local match of \$15,127.34 for a total project amount of \$45,112. The local match is accounted for and included in HC Tourism’s 2025 budget. The project will be completed within the calendar year of 2025 and will include a multiple-day photo/video shoot highlighting points of interest throughout Huerfano County, a stargazing timelapse video featuring the Spanish peaks, and supporting industry sectors such as gravel and mountain biking, as well as historical, arts & culture, and geological tourism, among others.

BOARD ACTION TAKEN:

APPROVED

DENIED

OTHER

SIGNATURE OF THE CHAIR: _____

NOTES:

Cash Requirement Summary (APLT30)

Huerfano County

Fund	Cash Account	Cash Balance	AP Cash Pending	GL Cash Pending	Cash Available
001 GENERAL FUND	001-00000-10200	\$1,032,705.66	(\$173,742.54)	\$0.00	\$858,963.12
002 ROAD & BRIDGE FUND	002-00000-10200	\$779,762.28	(\$44,139.10)	\$0.00	\$735,623.18
003 LODGING TAX TOURISM FUND	003-00000-10200	\$125,615.70	(\$16,595.00)	\$0.00	\$109,020.70
004 SPECIAL PROJECT FUND	004-00000-10200	(\$1,024,841.14)	(\$3,321.01)	\$0.00	(\$1,028,162.15)
051 P.I.L.T.	051-00000-10200	(\$214,676.12)	(\$13,052.50)	\$0.00	(\$227,728.62)
069 EMERGENCY SERVICES FUND	069-00000-10200	\$124,865.90	(\$22,065.15)	\$0.00	\$102,800.75
070 GARDNER PUBLIC IMP DISTRICT	070-00000-10200	\$70,920.93	(\$684.03)	\$0.00	\$70,236.90
Grand Totals:		\$894,353.21	(\$273,599.33)	\$0.00	\$620,753.88

Approved by-----

Approved on Date: _____

County Commissioner: _____

County Commissioner: _____

County Commissioner: _____

Invoice Initial Approval

Huerfano County

Batch ID: 1/22GJVR

Batch Post-On Date: 1/22/2025

Status	Invoice	Vendor Name	Invoice Date	Due Date	Invoice Amount	Approved Amount	Wire?	Approved?
O	010125	ACCA	12/24/2024	1/22/2025	\$150.00	\$150.00	<input type="checkbox"/>	<input type="checkbox"/>
	Yearly Dues				Bank: 3	031236331	Entered By: gjones	
	GL Account	Distribution Description			GL Amount			
	001-47900-51339	Yearly Dues			\$150.00			
	Invoice GL Total:				\$150.00			
O	8935	ADPRO	11/30/2024	1/22/2025	\$4,595.00	\$4,595.00	<input type="checkbox"/>	<input type="checkbox"/>
	Search, Social, Social Mgmt Bronze, acct mgmt, pr, web dev				Bank: 3	031236331	Entered By: gjones	
	GL Account	Distribution Description			GL Amount			
	003-48700-51304	Search, Social, Social Mgmt Bronze, acct mgmt, pr, web dev			\$4,595.00			
	Invoice GL Total:				\$4,595.00			
O	9015	ADPRO	12/31/2024	1/22/2025	\$450.00	\$450.00	<input type="checkbox"/>	<input type="checkbox"/>
	PR				Bank: 3	031236331	Entered By: gjones	
	GL Account	Distribution Description			GL Amount			
	001-40127-51304	PR			\$450.00			
	Invoice GL Total:				\$450.00			
O	2025-01	ALAMOSA COUNTY VETER	1/3/2025	1/22/2025	\$54.00	\$54.00	<input type="checkbox"/>	<input type="checkbox"/>
	Joseph Tiroff - Vet Transport				Bank: 3	031236331	Entered By: gjones	
	GL Account	Distribution Description			GL Amount			
	001-46700-51601	Joseph Tiroff - Vet Transport			\$54.00			
	Invoice GL Total:				\$54.00			

O 16102 ALL-PRO FORMS INC. 12/19/2024 1/22/2025 \$1,862.90 \$1,862.90
 window envelopes **Bank:** 3 031236331 **Entered By:** gjones

GL Account	Distribution Description	GL Amount
001-40300-51322	window envelopes	\$1,862.90
Invoice GL Total:		\$1,862.90

O 012025 ANTHONY LUGINBILL 1/15/2025 1/22/2025 \$40.00 \$40.00
 Cell Phone Stipend **Bank:** 3 031236331 **Entered By:** gjones

GL Account	Distribution Description	GL Amount
001-49500-51457	Cell Phone Stipend	\$40.00
Invoice GL Total:		\$40.00

O 321291 ARCHIVE SOCIAL LLC 1/1/2025 1/22/2025 \$4,397.40 \$4,397.40
 Social Media Archiving Sub **Bank:** 3 031236331 **Entered By:** gjones

GL Account	Distribution Description	GL Amount
001-47900-51339	Social Media Archiving Sub	\$4,397.40
Invoice GL Total:		\$4,397.40

O 2024 BOIES-ORTEGA FUNERAL 12/22/2024 1/22/2025 \$150.00 \$150.00
 Decedent Transportation **Bank:** 3 031236331 **Entered By:** gjones

GL Account	Distribution Description	GL Amount
001-42130-51488	Decedent Transportation	\$150.00
Invoice GL Total:		\$150.00

O 2025-677 CCI FOUNDATION 1/3/2025 1/22/2025 \$12,951.00 \$12,951.00
 Annual Dues - 2025 **Bank:** 3 031236331 **Entered By:** gjones

GL Account	Distribution Description	GL Amount
001-47900-51420	Dist: 0	\$12,951.00
Invoice GL Total:		\$12,951.00

O	1/8/2025	CENTURYLINK	1/8/2025	1/22/2025	\$128.88	\$128.88	<input type="checkbox"/>	<input type="checkbox"/>
	GPID				Bank: 3	031236331	Entered By: gjones	
	GL Account	Distribution Description			GL Amount			
	070-49100-51321	GPID			\$128.88			
			Invoice GL Total:		\$128.88			
O	RB1/8/25	CENTURYLINK	1/8/2024	1/22/2025	\$70.12	\$70.12	<input type="checkbox"/>	<input type="checkbox"/>
	RB LaVeta Shop				Bank: 3	031236331	Entered By: gjones	
	GL Account	Distribution Description			GL Amount			
	002-43080-51321	RB LaVeta Shop			\$70.12			
			Invoice GL Total:		\$70.12			
O	RBGardner1/8/25	CENTURYLINK	1/8/2024	1/22/2025	\$67.81	\$67.81	<input type="checkbox"/>	<input type="checkbox"/>
	RB Gardner				Bank: 3	031236331	Entered By: gjones	
	GL Account	Distribution Description			GL Amount			
	002-43080-51321	RB Gardner			\$67.81			
			Invoice GL Total:		\$67.81			
O	12025	CIARLO'S EMERGENCY MA	1/15/2025	1/22/2025	\$7,000.00	\$7,000.00	<input type="checkbox"/>	<input type="checkbox"/>
	January 2025 payment				Bank: 3	031236331	Entered By: gjones	
	GL Account	Distribution Description			GL Amount			
	069-42100-51310	January 2025 payment			\$7,000.00			
			Invoice GL Total:		\$7,000.00			
O	2024	Colin Low	12/30/2024	1/22/2025	\$378.80	\$378.80	<input type="checkbox"/>	<input type="checkbox"/>
	On Call, Investigations, Mileage				Bank: 3	031236331	Entered By: gjones	
	GL Account	Distribution Description			GL Amount			
	001-42130-51441	On Call, Investigations, Mileage			\$352.00			
	001-42120-51330	On Call, Investigations, Mileage			\$26.80			
			Invoice GL Total:		\$378.80			

O	2025EFF20	COLORADO DIVISION OF FI	10/1/2024	1/22/2025	\$3,168.58	\$3,168.58	<input type="checkbox"/>	<input type="checkbox"/>
	Assessment for 2025				Bank: 3	031236331	Entered By: gjones	
	GL Account	Distribution Description			GL Amount			
	001-42110-51440	Assessment for 2025			\$3,168.58			
		Invoice GL Total:			\$3,168.58			
O	3199	COLORADO RURAL WATE	12/1/2024	1/22/2025	\$215.00	\$215.00	<input type="checkbox"/>	<input type="checkbox"/>
	Yearly Membership				Bank: 3	031236331	Entered By: gjones	
	GL Account	Distribution Description			GL Amount			
	070-49100-51420	Yearly Membership			\$215.00			
		Invoice GL Total:			\$215.00			
O	In00288534	CONVERGINT	12/31/2024	1/22/2025	\$5,052.50	\$5,052.50	<input type="checkbox"/>	<input type="checkbox"/>
	Labor				Bank: 3	031236331	Entered By: gjones	
	GL Account	Distribution Description			GL Amount			
	051-47200-51945	Labor			\$5,052.50			
		Invoice GL Total:			\$5,052.50			
O	In00293073	CONVERGINT	1/15/2025	1/22/2025	\$600.00	\$600.00	<input type="checkbox"/>	<input type="checkbox"/>
	1/15/2025-1/14/26 Alarm Monitoring				Bank: 3	031236331	Entered By: gjones	
	GL Account	Distribution Description			GL Amount			
	001-50200-51820	1/15/2025-1/14/26 Alarm Monitoring			\$600.00			
		Invoice GL Total:			\$600.00			
O	2024	EL PASO COUNTY FINANCI	12/22/2024	1/22/2025	\$10,850.00	\$10,850.00	<input type="checkbox"/>	<input type="checkbox"/>
	2024				Bank: 3	031236331	Entered By: gjones	
	GL Account	Distribution Description			GL Amount			
	001-42130-51315	2024			\$10,850.00			
		Invoice GL Total:			\$10,850.00			

O	INV-23615	EQUATURE/DSS CORPORA	12/1/2023	1/22/2025	\$4,879.40	\$4,879.40	<input type="checkbox"/>	<input type="checkbox"/>
	Dispatch recording System				Bank: 3	031236331	Entered By: gjones	
	GL Account	Distribution Description			GL Amount			
	069-49000-51310	Dispatch recording System			\$4,879.40			
					Invoice GL Total:	\$4,879.40		
O	1731	GPMBF,LLC	1/1/2025	1/22/2025	\$8,749.00	\$8,749.00	<input type="checkbox"/>	<input type="checkbox"/>
	Drafting Solano v Bruce Newman et al.				Bank: 3	031236331	Entered By: gjones	
	GL Account	Distribution Description			GL Amount			
	001-42110-51310	Drafting Solano v Bruce Newman et al.			\$8,749.00			
					Invoice GL Total:	\$8,749.00		
O	012025	JERRY SPORCICH	1/15/2025	1/22/2025	\$40.00	\$40.00	<input type="checkbox"/>	<input type="checkbox"/>
	Cell Phone Stipend				Bank: 3	031236331	Entered By: gjones	
	GL Account	Distribution Description			GL Amount			
	002-43080-51457	Cell Phone Stipend			\$40.00			
					Invoice GL Total:	\$40.00		
O	012025	Kimberly Sue Trujillo	1/15/2025	1/22/2025	\$40.00	\$40.00	<input type="checkbox"/>	<input type="checkbox"/>
	Cell Phone Stipend				Bank: 3	031236331	Entered By: gjones	
	GL Account	Distribution Description			GL Amount			
	001-47900-51457	Cell Phone Stipend			\$40.00			
					Invoice GL Total:	\$40.00		
O	10217916	KLJ ENGINEERING LLC	11/22/2024	1/22/2025	\$1,575.50	\$1,575.50	<input type="checkbox"/>	<input type="checkbox"/>
	GIS Assessment				Bank: 3	031236331	Entered By: gjones	
	GL Account	Distribution Description			GL Amount			
	001-49500-51310	GIS Assessment			\$1,575.50			
					Invoice GL Total:	\$1,575.50		

O	012025	LESTER BERRY	1/15/2025	1/22/2025	\$40.00	\$40.00	<input type="checkbox"/>	<input type="checkbox"/>
		Cell Phone Stipend			Bank: 3	031236331	Entered By: gjones	
	GL Account	Distribution Description			GL Amount			
	001-50100-51457	Cell Phone Stipend			\$40.00			
		Invoice GL Total:			\$40.00			

O	12302024	MOUNTAIN DISPOSAL, INC	12/30/2024	1/22/2025	\$190.00	\$190.00	<input type="checkbox"/>	<input type="checkbox"/>
		Monthly Toilet			Bank: 3	031236331	Entered By: gjones	
	GL Account	Distribution Description			GL Amount			
	001-40600-51310	Monthly Toilet			\$190.00			
		Invoice GL Total:			\$190.00			

O	012025	NICK L. ARCHULETA	1/15/2025	1/22/2025	\$40.00	\$40.00	<input type="checkbox"/>	<input type="checkbox"/>
		Cell Phone Stipend			Bank: 3	031236331	Entered By: gjones	
	GL Account	Distribution Description			GL Amount			
	002-43080-51457	Cell Phone Stipend			\$40.00			
		Invoice GL Total:			\$40.00			

O	18437	ONSOLVE LLC	11/15/2024	1/22/2025	\$9,922.50	\$9,922.50	<input type="checkbox"/>	<input type="checkbox"/>
		2024			Bank: 3	031236331	Entered By: gjones	
	GL Account	Distribution Description			GL Amount			
	069-49000-51310	2024			\$9,922.50			
		Invoice GL Total:			\$9,922.50			

O	01012025	PLACER LABS INC.	1/3/2025	1/22/2025	\$12,000.00	\$12,000.00	<input type="checkbox"/>	<input type="checkbox"/>
		Analytics Platform			Bank: 3	031236331	Entered By: gjones	
	GL Account	Distribution Description			GL Amount			
	003-48700-51304	Dist: 0			\$12,000.00			
		Invoice GL Total:			\$12,000.00			

O	116015	PRO COM	11/30/2024	1/22/2025	\$122.00	\$122.00	<input type="checkbox"/>	<input type="checkbox"/>
	NonDOT PreEmployment Drug Test				Bank:	3	031236331	Entered By: gjones
	GL Account	Distribution Description			GL Amount			
	001-47900-51759	NonDOT PreEmployment Drug Test			\$122.00			
	Invoice GL Total:				\$122.00			
O	116571	PRO COM	12/31/2024	1/22/2025	\$156.00	\$156.00	<input type="checkbox"/>	<input type="checkbox"/>
	Random Drug Tests				Bank:	3	031236331	Entered By: gjones
	GL Account	Distribution Description			GL Amount			
	002-43080-51540	Random Drug Tests			\$156.00			
	Invoice GL Total:				\$156.00			
O	117403	PRO COM	1/1/2025	1/22/2025	\$49.00	\$49.00	<input type="checkbox"/>	<input type="checkbox"/>
	Annual Fee				Bank:	3	031236331	Entered By: gjones
	GL Account	Distribution Description			GL Amount			
	001-47900-51759	Annual Fee			\$49.00			
	Invoice GL Total:				\$49.00			
O	2024	REBECCA ANN BROWN	12/22/2024	1/22/2025	\$584.69	\$584.69	<input type="checkbox"/>	<input type="checkbox"/>
	On Call, Investigation, Mileage				Bank:	3	031236331	Entered By: gjones
	GL Account	Distribution Description			GL Amount			
	001-42130-51441	On Call, Investigation, Mileage			\$513.00			
	001-42120-51330	On Call, Investigation, Mileage			\$71.69			
	Invoice GL Total:				\$584.69			
O	01012025	SECOM INC	1/1/2025	1/22/2025	\$115.47	\$115.47	<input type="checkbox"/>	<input type="checkbox"/>
	internet services BIZ fiber				Bank:	3	031236331	Entered By: gjones
	GL Account	Distribution Description			GL Amount			
	001-49500-51680	internet services BIZ fiber			\$115.47			
	Invoice GL Total:				\$115.47			

O CO95994 ShredAmerica 1/3/2025 1/22/2025 \$13.20 \$13.20
 Scheduled Service, Fuel Surcharge **Bank:** 3 031236331 **Entered By:** gjones

GL Account	Distribution Description	GL Amount
001-47900-51210	Scheduled Service, Fuel Surcharge	\$13.20
Invoice GL Total:		\$13.20

O I005920 Spatialest Inc 12/1/2024 1/22/2025 \$8,000.00 \$8,000.00
 Yearly Fee **Bank:** 3 031236331 **Entered By:** gjones

GL Account	Distribution Description	GL Amount
051-47200-52000	Yearly Fee	\$8,000.00
Invoice GL Total:		\$8,000.00

O INV00571058 USA BLUE BOOK 12/17/2024 1/22/2025 \$340.15 \$340.15
 ISCO Strip Chart 60-2313-019 4.5' **Bank:** 3 031236331 **Entered By:** gjones

GL Account	Distribution Description	GL Amount
070-49100-51220	ISCO Strip Chart 60-2313-019 4.5'	\$340.15
Invoice GL Total:		\$340.15

O 03q040702 WAGNER EQUIPMENT COM 1/3/2025 1/22/2025 \$889.02 \$889.02
 Coolant take for Unit #338 **Bank:** 3 031236331 **Entered By:** gjones

GL Account	Distribution Description	GL Amount
002-43040-51506	Dist: 0	\$889.02
Invoice GL Total:		\$889.02

O 43508-1 WAGNER EQUIPMENT COM 1/7/2025 1/22/2025 \$18,807.75 \$18,807.75
 Cutting Edges for all Graders **Bank:** 3 031236331 **Entered By:** gjones

GL Account	Distribution Description	GL Amount
002-43040-51508	Dist: 0	\$18,807.75
Invoice GL Total:		\$18,807.75

O P03C0598648 WAGNER EQUIPMENT COM 12/13/2024 1/22/2025 \$722.21 \$722.21
 Glass- Door Unit 396 **Bank:** 3 031236331 **Entered By:** gjones

GL Account	Distribution Description	GL Amount
002-43040-51506	Dist: 0	\$722.21
Invoice GL Total:		\$722.21

O P03C0599268 WAGNER EQUIPMENT COM 12/27/2024 1/22/2025 \$889.02 \$889.02
 Coolant Tank for Unit #388 CAT 140 Grader **Bank:** 3 031236331 **Entered By:** gjones

GL Account	Distribution Description	GL Amount
002-43040-51506	Dist: 0	\$889.02
Invoice GL Total:		\$889.02

O 506619 WALSENBURG LUMBER C 12/11/2024 1/22/2025 \$10.99 \$10.99
 pipe gate hinge **Bank:** 3 031236331 **Entered By:** gjones

GL Account	Distribution Description	GL Amount
001-40600-51380	pipe gate hinge	\$10.99
Invoice GL Total:		\$10.99

O 508459 WALSENBURG LUMBER C 12/13/2024 1/22/2025 \$2.84 \$2.84
 fasteners misc x2 **Bank:** 3 031236331 **Entered By:** gjones

GL Account	Distribution Description	GL Amount
001-40600-51380	fasteners misc x2	\$2.84
Invoice GL Total:		\$2.84

O 518150 WALSENBURG LUMBER C 12/27/2024 1/22/2025 \$17.49 \$17.49
 Lithium Photo Batt **Bank:** 3 031236331 **Entered By:** gjones

GL Account	Distribution Description	GL Amount
001-40600-51380	Lithium Photo Batt	\$17.49
Invoice GL Total:		\$17.49

O 520620 WALSENBURG LUMBER C 1/2/2025 1/22/2025 \$6.99 \$6.99
 CPR Battery AA 4PK **Bank:** 3 031236331 **Entered By:** gjones

GL Account	Distribution Description	GL Amount
001-40600-51380	CPR Battery AA 4PK	\$6.99
Invoice GL Total:		\$6.99

O 5328257v316 WASTE CONNECTIONS OF 1/1/2025 1/22/2025 \$55.92 \$55.92
 Huerfano Community Center **Bank:** 3 031236331 **Entered By:** gjones

GL Account	Distribution Description	GL Amount
001-40600-51311	Huerfano Community Center	\$55.92
Invoice GL Total:		\$55.92

Grand Total - Invoices: \$120,441.13 \$120,441.13

Fund Totals for Selected Batch

Fund	Fund Name	Fund Total
001	GENERAL FUND	\$46,625.77
002	ROAD & BRIDGE FUND	\$21,681.93
003	LODGING TAX TOURISM	\$16,595.00
051	P.I.L.T.	\$13,052.50
069	EMERGENCY SERVICES F	\$21,801.90
070	GARDNER PUBLIC IMP DI	\$684.03
Total All Funds:		\$120,441.13

Invoice Initial Approval

Huerfano County

Item 7d.

Batch ID: VR kst

Batch Post-On Date: 1/22/2025

Status	Invoice	Vendor Name	Invoice Date	Due Date	Invoice Amount	Approved Amount	Wire?	Approved?
O	Jan 2025	ACCA	1/16/2025	1/22/2025	\$150.00	\$150.00	<input type="checkbox"/>	<input type="checkbox"/>
	Yearly Membership				Bank: 3	031236331	Entered By: ktrujillo	
	GL Account	Distribution Description			GL Amount			
	001-47900-51339	Yearly Membership			\$150.00			
		Invoice GL Total:			\$150.00			
O	JAN 2025	David Vucetich	1/14/2025	1/22/2025	\$155.63	\$155.63	<input type="checkbox"/>	<input type="checkbox"/>
	DOT PHYSICAL REIMBURSEMENT				Bank: 3	031236331	Entered By: ktrujillo	
	GL Account	Distribution Description			GL Amount			
	002-43080-51393	DOT PHYSICAL REIMBURSEMENT			\$155.63			
		Invoice GL Total:			\$155.63			
O	Dec 2024	HUERFANO COUNTY	1/16/2025	1/22/2025	\$514.62	\$514.62	<input type="checkbox"/>	<input type="checkbox"/>
	Monthly Gas Useage				Bank: 3	031236331	Entered By: ktrujillo	
	GL Account	Distribution Description			GL Amount			
	001-40600-51335	Monthly Gas Useage			\$172.80			
	001-40124-51335	Monthly Gas Useage			\$78.57			
	069-49000-51335	Monthly Gas Useage			\$44.82			
	069-42100-51335	Monthly Gas Useage			\$218.43			
		Invoice GL Total:			\$514.62			

O 337894236 UNION PACIFIC RAILROAD 1/16/2025 1/22/2025 \$2,000.00 \$2,000.00

Item 7d.

Yearly Easement lease

Bank: 3 031236331

Entered By: ktrujillo

GL Account	Distribution Description	GL Amount
------------	--------------------------	-----------

002-43040-51509	Yearly Easement lease	\$2,000.00
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Invoice GL Total: \$2,000.00

Grand Total - Invoices: \$2,820.25 \$2,820.25

Fund Totals for Selected Batch

Fund	Fund Name	Fund Total
001	GENERAL FUND	\$401.37
002	ROAD & BRIDGE FUND	\$2,155.63
069	EMERGENCY SERVICES F	\$263.25
Total All Funds:		\$2,820.25

Invoices Selected for Payment (APLT33)

Invoice	Inv Date	Due Date	Description	Invoice Amt
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Vendor: 1306 AVENU INSIGHTS & ANALYTICS

INVB-059099	12/31/2024	1/22/2025	December invoice	\$2,846.13
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Bank: 3 Account: 031236331 Wire: No Direct Dep: No

GL Acct	GL Description	Amount
0014040051814	SOFTWARE LEASE AGREEMENT	\$2,846.13

Subtotal for Vendor 1306 : **\$2,846.13**

Vendor: 7153 COLORADO ASSESSORS ASSOCIATION

2643	12/31/2024	1/22/2025	assessor dues 2025	\$1,382.00
------	------------	-----------	--------------------	------------

Bank: 3 Account: 031236331 Wire: No Direct Dep: No

GL Acct	GL Description	Amount
0014040051420	DUES AND MEETINGS	\$1,382.00

Subtotal for Vendor 7153 : **\$1,382.00**

Vendor: 4925 COLORADO COUNTY CLERKS ASSOCIATION

1541	12/21/2024	1/22/2025	2025 DUES FOR LEVEL 4 COUNTY	\$1,031.02
------	------------	-----------	------------------------------	------------

Bank: 3 Account: 031236331 Wire: No Direct Dep: No

GL Acct	GL Description	Amount
0014021051420	DUES AND MEETINGS	\$1,031.02

wca25-19	1/10/2025	1/22/2025	CCCA 2025 WINTER CONFERENCE REGISTRATION	\$700.00
----------	-----------	-----------	--	----------

Bank: 3 Account: 031236331 Wire: No Direct Dep: No

GL Acct	GL Description	Amount
0014021051330	TRAVEL & TRANSPORTATION	\$350.00
0014025051330	TRAVEL & TRANSPORTATION	\$350.00

Subtotal for Vendor 4925 : **\$1,731.02**

Vendor: 3167 DEEP ROCK

Invoices Selected for Payment (APLT33)

Huerfano County

Invoice	Inv Date	Due Date	Description	Invoice Amt
13783492 122524	12/25/2024	1/22/2025	Water	\$100.91
		Bank: 3	Account: 031236331	Wire: No Direct Dep: No
		GL Acct	GL Description	Amount
		0014021051210	OFFICE SUPPLIES	\$100.91
		Subtotal for Vendor 3167 :		\$100.91
Vendor: 7503	DOMINION VOTING SYSTEMS INC			
DVS158224	1/7/2025	1/22/2025	Managed Services Agreement Year 3 of 6	\$18,162.92
		Bank: 3	Account: 031236331	Wire: No Direct Dep: No
		GL Acct	GL Description	Amount
		0014025051615	ELECTION EQUIPMENT	\$18,162.92
		Subtotal for Vendor 7503 :		\$18,162.92
Vendor: 7480	GOVOS INC.			
inv-8265	12/31/2024	1/22/2025	2025 renewal	\$5,565.48
		Bank: 3	Account: 031236331	Wire: No Direct Dep: No
		GL Acct	GL Description	Amount
		0014030051814	SOFTWARE LEASE AGREEMENT	\$2,782.74
		0014040051814	SOFTWARE LEASE AGREEMENT	\$2,782.74
		Subtotal for Vendor 7480 :		\$5,565.48
Vendor: 5697	M7 BUSINESS SYSTEMS			
113909	1/3/2025	1/22/2025	personal property forms	\$79.50
		Bank: 3	Account: 031236331	Wire: No Direct Dep: No
		GL Acct	GL Description	Amount
		0014040051350	PRINTING	\$79.50
		Subtotal for Vendor 5697 :		\$79.50

Invoices Selected for Payment (APLT33)

Invoice	Inv Date	Due Date	Description	Invoice Amt
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Vendor: 1057 MARSHALL & SWIFT

book	1/1/2025	1/22/2025	residential and commercial handbook renewal	\$1,082.15
Bank: 3 Account: 031236331 Wire: No Direct Dep: No				
GL Acct		GL Description		Amount
0014040051350		PRINTING		\$1,082.15
Subtotal for Vendor 1057 :				\$1,082.15

Vendor: 5377 SAUL'S CREEK ENGINEERING

24042	12/16/2024	1/22/2025	Jan-Jun 2025 Maintenance & Support	\$6,000.00
Bank: 3 Account: 031236331 Wire: No Direct Dep: No				
GL Acct		GL Description		Amount
0014021051420		DUES AND MEETINGS		\$6,000.00
Subtotal for Vendor 5377 :				\$6,000.00

Vendor: 1211 UNITED STATES POSTAL SERVICE

DEC232024	12/23/2024	1/22/2025	ELECTION POSTAGE	\$46.70
Bank: 3 Account: 031236331 Wire: No Direct Dep: No				
GL Acct		GL Description		Amount
0014025051322		POSTAGE		\$46.70
Subtotal for Vendor 1211 :				\$46.70

Vendor: 8132 VALUE WEST, INC

2828	1/5/2025	1/22/2025	January invoice	\$2,250.00
Bank: 3 Account: 031236331 Wire: No Direct Dep: No				
GL Acct		GL Description		Amount
0014040051310		PROFESSIONAL SERVICES		\$2,250.00
Subtotal for Vendor 8132 :				\$2,250.00

Invoices Selected for Payment (APLT33)

Huerfano Cour Item 7d.

Invoice	Inv Date	Due Date	Description	Invoice Amt
Grand Total :				\$39,246.81

Invoice	Inv Date	Due Date	Description	Invoice Amt
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Fund Totals		
Fund	Fund Name	Fund Total
001	GENERAL FUND	\$39,246.81
Grand Total:		\$39,246.81



1/16/25

Huerfano County Commissioners

Dear Commissioners,

Huerfano County Economic Development would like to request \$5302.88 to support the façade and lighting improvement project at 609 Main St. Walsenburg. Renovation of the Wheelhouse building is part of a public/private effort to revitalize downtown Walsenburg. Lighting up these buildings brings interest to our retailers and lights up our streets.

FrontdoorBack conceived the design on the accompanying pages, the retail design consultants brought in through the EDA grant have provided valuable insights to retailers throughout the County since they were hired at the beginning of 2024. The façade and lighting project consists of installing gooseneck lights and a blade sign on the front of the building, painting the building and redoing the sign with the Wheelhouse logo and colors, and installing track lighting in the windows and benches framing the doorway. HCED is applying to the Walsenburg URA for match funding and the blade sign is being submitted to the EDA for their support.

Huerfano County Economic Development looks forward to our continued support for projects like the Wheelhouse to create sustainable economic opportunities for new and existing businesses in the County. The façade and lighting project at 609 Main is one example where we can collaborate to bring change to downtown. We are in the process of raising funds to purchase the building enabling the facility to be part of long-term public/private resources to support economic prosperity.

Thank you in advance for your time and consideration of this request.

Sincerely,

Lola Spradley
Chair of Huerfano County Economic Development

Façade and window project: 609 Main St.

Item	Vendor	Total cost	County request	URA request	EDA request	
Exterior signage lighting - Blade sign	Sign Bracket	\$395.01			\$395.01	Purchased
Exterior signage - goosenecks	Sign Bracket	\$756.00	\$756.00			Purchased
Exterior signage - freight	Sign Bracket	\$159.92	\$79.96		\$79.96	purchased
Track lighting	Globe	\$615.52	\$615.52			purchased
Benches - Traditional Style Fire Corrosion and UV Resistant Metal Park Bench for Outdoor Worry-Free Comfort	litfad.com	\$426.40	\$426.40			
Install benches	Clean Slate	\$500	\$500			
Electrician	JAR Electric	\$3000	\$1500	\$1500		
	Pecks	\$2050	\$1025	\$1025		
Sign Permit	City of Walsenburg	\$70	\$70			purchased
Painting	Clean Slate	\$3800	\$1900	\$1900		
Totals		\$8772.85*	\$5302.88*	\$2925*	\$474.96	

*used low bid on electrical for totals

PURCHASE ORDER

Huerfano County

Purchase Order#: 2025017

Purchase OrderDate: 1/16/2025

Vendor: HUERFANO COUNTY ECONOMIC / 7771
PO BOX 308
WALSENBURG, CO 81089

Ship To: 401 Main Street -
Walsenburg CO, 81089
719-738-3000 ext. 210

Order Description:

DESCRIPTION	QUANTITY	UNIT PRICE	TOTAL COST	LEDGER
Façade Improvement	1	\$5,302.88	\$5,302.88	051-47200-51858
TOTAL:			\$5,302.88	

NOTES:

APPROVALS:

Approving Authority: _____

Budget Officer: _____

Huerfano County, Colorado

Financial Statements
with Independent Auditor's Report

December 31, 2023



Huerfano County, Colorado

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December 31, 2023

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Huerfano County, Colorado

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Independent Auditor's Report

Board of County Commissioners
Huerfano County, Colorado
Walsenburg, Colorado

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Huerfano County, Colorado (the County) as of and for the year ended December 31, 2023, 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 present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of December 31, 2023, 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 Auditor's 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.

Responsibilities of Management for the Financial Statements

The County's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, 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.

Office Locations:

Colorado Springs, CO
Denver, CO
Frisco, CO
Tulsa, OK

Denver Office:

750 W. Hampden Avenue,
Suite 400
Englewood,
Colorado 80110
TEL: 303.796.1000
FAX: 303.796.1001
www.HinkleCPAs.com

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 twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's 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 auditor's 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 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 required supplementary information such as budgetary comparison information presented on pages 34 - 39, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The County has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

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 nonmajor fund financial statements, the local highway finance report and the schedule of expenditures of federal awards, as required by *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 supplementary information listed in the table of contents is fairly stated, in all material respects, in relation to the basic financial statements as a whole.



Board of County Commissioners
Huerfano County, Colorado
Page 4

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 31, 2024 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 the County's internal control over financial reporting and compliance.

Hick & Company, PC

Englewood, Colorado
December 31, 2024



Basic Financial Statements

Huerfano County, Colorado
Statement of Net Position
December 31, 2023

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and Cash Equivalents	\$ 5,556,695	\$ 779,517	\$ 6,336,212
Sales Taxes Receivable	321,690	-	321,690
Property Taxes Receivable	3,371,621	-	3,371,621
Due from Other Governments	2,046,215	-	2,046,215
Due from Other Funds	420,000	(420,000)	-
Inventories, net	34,588	-	34,588
Capital Assets, <i>not being depreciated</i>	2,811,773	2,100,000	4,911,773
Capital Asser, <i>net of accumulated depreciation</i>	20,747,120	1,341,150	22,088,270
	<u>35,309,702</u>	<u>3,800,667</u>	<u>39,110,369</u>
Liabilities			
Accounts Payable	3,479,112	3,420	3,482,532
Accrued Salaries	229,562	-	229,562
Accrued Interest	560	-	560
Unearned Revenue	391,217	-	391,217
Long-term Debt			
Due within one year	456,426	195,843	652,269
Due in more than one year	8,410,521	2,706,312	11,116,833
	<u>12,967,398</u>	<u>2,905,575</u>	<u>15,872,973</u>
Deferred Inflows of Resources			
Unavailable revenue - property taxes	2,846,494	-	2,846,494
	<u>2,846,494</u>	<u>-</u>	<u>2,846,494</u>
Net Position			
Net Investment in Capital Assets	14,691,946	-	14,691,946
Restricted for Emergencies (TABOR)	318,000	-	318,000
Unrestricted, Unreserved	4,485,864	895,092	5,380,956
	<u>\$ 19,495,810</u>	<u>\$ 895,092</u>	<u>\$ 20,390,902</u>

See Notes to Financial Statements.

Huerfano County, Colorado
Statement of Activities
For the Year Ended December 31, 2023

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Change in Net Position			
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	Total
Primary Government							
Governmental Activities							
General Government	\$ 5,767,738	\$ 1,383,361	\$ 285,748	\$ 1,153,264	\$ (2,945,365)	\$ -	\$ (2,945,365)
Public Safety	5,157,453	805,948	187,122	-	(4,164,383)	-	(4,164,383)
Public Works	3,311,761	232,373	1,795,956	-	(1,283,432)	-	(1,283,432)
Human Services	2,933,991	-	2,997,156	-	63,165	-	63,165
Health and Sanitation	379,925	108,753	70,000	-	(201,172)	-	(201,172)
Culture and Recreation	378,644	223,477	634,306	-	479,139	-	479,139
Interest on Long-Term Debt	408,408	-	-	-	(408,408)	-	(408,408)
Total Governmental Activities	18,337,920	2,753,912	5,970,288	1,153,264	(8,460,456)	-	(8,460,456)
Business-Type Activities							
Correctional Facility	4,778	-	-	-	-	(4,778)	(4,778)
Gardner Water and Sewer Improvement District	75,735	104,718	-	-	-	28,983	28,983
Asset Management Enterprise	752,802	-	-	-	-	(752,802)	(752,802)
Total Business-Type Activities	833,315	104,718	-	-	-	(728,597)	(728,597)
Total Primary Government	\$ 19,171,235	\$ 2,858,630	\$ 5,970,288	\$ 1,153,264	(8,460,456)	(728,597)	(9,189,053)
General Revenues							
Taxes							
Property Tax					2,624,339	-	2,624,339
Sales and Use Tax					1,891,622	-	1,891,622
Specific Ownership Tax					246,642	-	246,642
Other Taxes					1,611,345	-	1,611,345
Investment income					290,971	10	290,981
Misc.					455,297	-	455,297
Transfer					(140,000)	140,000	-
Total General Revenues and Transfers					6,980,216	140,010	7,120,226
Change in Net Position					(1,480,240)	(588,587)	(2,068,827)
Net Position, Beginning of Year					20,976,050	1,483,679	22,459,729
Net Position, End of Year					\$ 19,495,810	\$ 895,092	\$ 20,390,902

See Notes to Financial Statements.

Huerfano County, Colorado
Balance Sheet
Governmental Funds
December 31, 2023

	General	Road and Bridge	Department of Human Services	Special Projects	Emergency Service	Disaster Recovery	Other Governmental Funds	Total
Assets								
Cash and Cash Equivalents	\$ 2,168,722	\$ 830,384	\$ 972,171	\$ (542,467)	\$ 906,018	\$ 1,009,844	\$ 212,023	\$ 5,556,695
Taxes Receivable	2,904,467	149,559	391,217	-	107,230	-	140,838	3,693,311
Due from Other Governments	-	-	2,046,215	-	-	-	-	2,046,215
Due from Other Funds	-	-	-	400,000	22,500	-	723,765	1,146,265
Inventories	-	34,588	-	-	-	-	-	34,588
Total Assets	\$ 5,073,189	\$ 1,014,531	\$ 3,409,603	\$ (142,467)	\$ 1,035,748	\$ 1,009,844	\$ 1,076,626	\$ 12,477,074
Liabilities								
Accounts Payable	\$ 300,478	\$ 37,188	\$ 2,438,272	\$ 739,710	\$ 19,539	\$ 15,101	\$ (71,176)	\$ 3,479,112
Accrued Salaries	174,101	33,276	-	-	22,185	-	-	229,562
Due to Other Funds	22,500	-	-	-	-	703,765	-	726,265
Deferred Revenue	-	-	391,217	-	-	-	-	391,217
Total Liabilities	497,079	70,464	2,829,489	739,710	41,724	718,866	(71,176)	4,826,156
Deferred Inflows of Resources								
Property Taxes	2,690,007	15,649	-	-	-	-	140,838	2,846,494
Fund Balance								
Restricted for TABOR	200,000	70,000	-	-	25,000	-	5,000	300,000
Committed	-	-	-	-	-	-	1,001,964	1,001,964
Unassigned	1,686,103	858,418	580,114	(882,177)	969,024	290,978	-	3,502,460
Total Fund Balance	1,886,103	928,418	580,114	(882,177)	994,024	290,978	1,006,964	4,804,424
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 5,073,189	\$ 1,014,531	\$ 3,409,603	\$ (142,467)	\$ 1,035,748	\$ 1,009,844	\$ 1,076,626	\$ 12,477,074

See Notes to Financial Statements.

Huerfano County, Colorado
 Reconciliation of Balance Sheet of the Governmental Funds
 to the Statement of Net Position
 December 31, 2023

Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:

Total Fund Balance of Governmental Funds	\$ 4,804,424
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in governmental funds.	23,558,893
Long-term liabilities and related items are not due and payable in the current year and, therefore, are not reported in governmental funds.	
Long-Term Debt	(8,494,744)
Capital Leases Payable	(342,225)
Accrued Compensated Absences	(29,978)
Accrued Interest Payable	<u>(560)</u>
Total Net Position of Governmental Activities	<u>\$ 19,495,810</u>

Huerfano County, Colorado
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the Year Ended December 31, 2023

	General	Road and Bridge	Department of Human Services	Special Projects	Emergency Service	Disaster Recovery	Other Governmental Funds	Total Governmental Funds
Revenues								
Taxes								
Property Tax	\$ 2,481,410	\$ 12,754	\$ -	\$ -	\$ -	\$ -	\$ 130,175	\$ 2,624,339
Specific Ownership Tax	231,605	1,409	-	-	-	-	13,628	246,642
Sales and Other Tax	2,240,201	1,367	-	-	1,131,129	-	12,491	3,385,188
Licenses and Permits	237,589	38,372	-	-	-	-	117,779	393,740
Charges for Services	1,758,823	194,001	-	-	74,538	-	365,170	2,392,532
Intergovernmental	199,138	1,795,956	2,997,156	-	-	-	652,685	5,644,935
Grant Income	7,926	-	-	1,360,691	-	-	40,000	1,408,617
Investment Income	290,606	-	-	-	-	1	365	290,972
Miscellaneous	383,976	90,613	-	50,510	11,494	-	4,124	540,717
Total Revenues	<u>7,831,274</u>	<u>2,134,472</u>	<u>2,997,156</u>	<u>1,411,201</u>	<u>1,217,161</u>	<u>1</u>	<u>1,336,417</u>	<u>16,927,682</u>
Expenditures								
Current								
General Government	3,746,759	-	-	-	43,726	-	395,531	4,186,016
Public Safety	3,574,369	-	-	-	683,883	197,417	21,447	4,477,116
Public Works	459,217	2,301,666	-	-	-	-	-	2,760,883
Health Services	258,586	-	2,933,991	-	-	-	121,339	3,313,916
Culture and Recreation	-	-	-	-	-	-	222,366	222,366
Capital Outlay	6,401	-	-	4,522,719	12,609	-	25,268	4,566,997
Debt Service								
Principal	265,000	-	-	-	47,462	-	-	312,462
Interest and Fiscal Charges	319,600	-	-	-	-	-	-	319,600
Total Expenditures	<u>8,629,932</u>	<u>2,301,666</u>	<u>2,933,991</u>	<u>4,522,719</u>	<u>787,680</u>	<u>197,417</u>	<u>785,951</u>	<u>20,159,356</u>
Excess Revenues Over (Under) Expenditures	<u>(798,658)</u>	<u>(167,194)</u>	<u>63,165</u>	<u>(3,111,518)</u>	<u>429,481</u>	<u>(197,416)</u>	<u>550,466</u>	<u>(3,231,674)</u>
Other Financing Sources (Uses)								
Transfers In	882,040	450,000	-	-	-	34,500	300,000	1,666,540
Transfers Out	-	-	-	(140,000)	(550,000)	-	(1,046,540)	(1,736,540)
Other Financing Sources (Uses)	<u>882,040</u>	<u>450,000</u>	<u>-</u>	<u>(140,000)</u>	<u>(550,000)</u>	<u>34,500</u>	<u>(746,540)</u>	<u>(70,000)</u>
Net Change in Fund Balance	<u>83,382</u>	<u>282,806</u>	<u>63,165</u>	<u>(3,251,518)</u>	<u>(120,519)</u>	<u>(162,916)</u>	<u>(196,074)</u>	<u>(3,301,674)</u>
Fund Balance, Beginning of Year	<u>1,802,721</u>	<u>645,612</u>	<u>516,949</u>	<u>2,369,341</u>	<u>1,114,543</u>	<u>453,894</u>	<u>1,203,038</u>	<u>8,106,098</u>
Fund Balance, End of Year	<u>\$ 1,886,103</u>	<u>\$ 928,418</u>	<u>\$ 580,114</u>	<u>\$ (882,177)</u>	<u>\$ 994,024</u>	<u>\$ 290,978</u>	<u>\$ 1,006,964</u>	<u>\$ 4,804,424</u>

See Notes to Financial Statements.

Huerfano County, Colorado
 Reconciliation of the Statement of Revenues, Expenditures and Changes in
 Fund Balance of Governmental Funds to the Statement of Activities
 For the Year Ended December 31, 2023

Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:

Net Change in Fund Balance of Governmental Funds	\$ (3,301,674)
<p>Capital outlays to purchase or construct capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are capitalized in the statement of net position and are allocated over their estimated useful lives as annual depreciation expense in the statement of activities.</p>	
Capital Outlays	2,317,810
Depreciation Expense	(907,757)
<p>Repayments of long-term liabilities are expenditures in governmental funds, but they reduce long-term liabilities in the statement of net position and do not affect the statement of activities.</p>	
Principal Payments on Long-Term Debt Capital Leases	415,063
Change in Accrued Compensated Absences	(3,795)
Change in Accrued Interest Payable	<u>113</u>
Change in Net Position of Governmental Activities	<u>\$ (1,480,240)</u>

Huerfano County, Colorado
Statement of Net Position
Proprietary Fund
December 31, 2023

Assets	Asset Management Enterprise	Correctional Facility	Gardner Water and Sewer Improvement District	Total
<i>Current Assets</i>				
Cash and Investments	\$ 711,495	\$ 11,049	\$ 56,973	\$ 779,517
Accounts Receivable	-	-	-	-
Total Current Assets	<u>711,495</u>	<u>11,049</u>	<u>56,973</u>	<u>779,517</u>
<i>Noncurrent Assets</i>				
Capital Assets, <i>not being depreciated</i>	2,100,000	-	-	2,100,000
Capital Assets, <i>Net of accumulated depreciation</i>	-	2,005	1,339,145	1,341,150
Total Noncurrent Assets	<u>2,100,000</u>	<u>2,005</u>	<u>1,339,145</u>	<u>3,441,150</u>
Total Assets	<u>2,811,495</u>	<u>13,054</u>	<u>1,396,118</u>	<u>4,220,667</u>
Liabilities				
<i>Current Liabilities</i>				
Accounts Payable	-	-	3,420	3,420
Due to Other Funds	420,000	-	-	420,000
Current Maturities of Long-Term Debt	195,843	-	-	195,843
Total Current Liabilities	<u>615,843</u>	<u>-</u>	<u>3,420</u>	<u>619,263</u>
<i>Non-Current Liabilities</i>				
Notes Payable	2,706,312	-	-	2,706,312
Total Liabilities	<u>3,322,155</u>	<u>-</u>	<u>3,420</u>	<u>3,325,575</u>
Net Position				
Net Investment in Capital Assets	2,100,000	2,005	1,339,145	3,441,150
Unrestricted	(2,610,660)	11,049	53,553	(2,546,058)
Total Net Position	<u>\$ (510,660)</u>	<u>\$ 13,054</u>	<u>\$ 1,392,698</u>	<u>\$ 895,092</u>

See Notes to Financial Statements.

Huerfano County, Colorado
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Fund
For the Year Ended December 31, 2023

	Asset Management Enterprise	Correctional Facility	Gardner Water and Sewer Improvement District	Total
Operating Revenues				
Charges for Services	\$ -	\$ -	\$ 104,718	\$ 104,718
Total Operating Revenues	<u>-</u>	<u>-</u>	<u>104,718</u>	<u>104,718</u>
Operating Expenses				
Contractual Services	752,802	-	3,951	756,753
Utilities	-	-	11,986	11,986
Repairs and Maintenance	-	-	10,004	10,004
Other Supplies and Expenses	-	-	92	92
Miscellaneous Expenses	-	-	9,518	9,518
Depreciation	-	4,778	40,184	44,962
Total Operating Expenses	<u>752,802</u>	<u>4,778</u>	<u>75,735</u>	<u>833,315</u>
Net Operating Income	<u>(752,802)</u>	<u>(4,778)</u>	<u>28,983</u>	<u>(728,597)</u>
Non-Operating Revenues (Expenses)				
Interest Income	-	10	-	10
Transfers In	<u>140,000</u>	<u>-</u>	<u>-</u>	<u>140,000</u>
Change in Net Position	(612,802)	(4,768)	28,983	(588,587)
Net Position, Beginning of Year	102,142	17,822	1,363,715	1,483,679
Net Position, End of Year	<u>\$ (510,660)</u>	<u>\$ 13,054</u>	<u>\$ 1,392,698</u>	<u>\$ 895,092</u>

Huerfano County, Colorado
Statement of Cash Flows
Proprietary Fund
For the Year Ended December 31, 2023

	Asset Management Enterprise	Correctional Facility	Gardner Water and Sewer Improvement District	Total
Cash Flows From Operating Activities				
Cash Received from Customers	\$ -	\$ -	\$ 104,718	\$ 104,718
Cash Paid to Suppliers	<u>(752,802)</u>	<u>-</u>	<u>(33,411)</u>	<u>(786,213)</u>
Net Cash Provided by Operating Activities	<u>(752,802)</u>	<u>-</u>	<u>71,307</u>	<u>(681,495)</u>
Cash Flows From Investing Activities				
Transfers In	140,000	-	-	140,000
Interest Received	<u>-</u>	<u>10</u>	<u>-</u>	<u>10</u>
Net Cash Used by Capital and Related Financing Activities	<u>140,000</u>	<u>10</u>	<u>-</u>	<u>140,010</u>
Cash Flows From Capital and Related Financing Activities				
Principal Payments on Capital Debt and Leases	<u>1,242,710</u>	<u>-</u>	<u>-</u>	<u>1,242,710</u>
	<u>1,242,710</u>	<u>-</u>	<u>-</u>	<u>1,242,710</u>
Net Change in Cash and Cash Equivalents	629,908	10	71,307	701,225
Cash and Cash Equivalents, Beginning of Year	<u>81,587</u>	<u>11,039</u>	<u>(14,334)</u>	<u>78,292</u>
Cash and Cash Equivalents, End of Year	<u>\$ 711,495</u>	<u>\$ 11,049</u>	<u>\$ 56,973</u>	<u>\$ 779,517</u>
Reconciliation of Net Operating Income to Net Cash Provided by Operating Activities:				
Net Operating Income	\$ (752,802)	\$ (4,778)	\$ 28,983	\$ (728,597)
Adjustments to Reconcile Net Operating Income to Net Cash Provided by Operating Activities				
Depreciation Expense	-	4,778	40,184	44,962
Changes in Assets and Liabilities Related to Operations				
Accounts Payable	<u>-</u>	<u>-</u>	<u>2,140</u>	<u>2,140</u>
Net Cash Provided by Operating Activities	<u>\$ (752,802)</u>	<u>\$ -</u>	<u>\$ 71,307</u>	<u>\$ (681,495)</u>

See Notes to Financial Statements.

Huerfano County, Colorado
Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2023

	<u>Agency Funds</u>
Assets	
<i>Current Assets</i>	
Cash and Investments	\$ <u>364,636</u>
Total Assets	<u>364,636</u>
Liabilities	
<i>Current Liabilities</i>	
Due to Other Governments	<u>364,636</u>
Total Current Liabilities	<u>364,636</u>
Net Position	
Unrestricted	<u>-</u>
Total Net Position	<u>\$ -</u>

See Notes to Financial Statements.

Huerfano County, Colorado
Notes to the Financial Statements
December 31, 2023

Note 1: Summary of Significant Accounting Policies

The financial statements of the Huerfano County, Colorado (the County) have been prepared in conformity with generally accepted accounting principles (GAAP) as applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the County's accounting policies are described below.

Reporting Entity

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

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

Component Units

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

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

Based on the application of these criteria, there are no component units included in the County's reporting entity.

Huerfano County, Colorado
Notes to the Financial Statements
December 31, 2023

Note 1: Summary of Significant Accounting Policies (Continued)

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all activities of the County and its component units. For the most part, the effect of interfund activity has been removed from these statements. Exceptions to this general rule are charges for interfund services that are reasonably equivalent to the services provided. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of the given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when the liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collected within the current year or soon enough thereafter to pay liabilities of the current year. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current year.

Taxes, intergovernmental revenues, and interest associated with the current year are considered to be susceptible to accrual and so have been recognized as revenues of the current year. All other revenues are considered measurable and available only when cash is received by the County.

Huerfano County, Colorado
Notes to the Financial Statements
December 31, 2023

Note 1: Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

(Continued)

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a fund's principal ongoing operations. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

In the fund financial statements, the County reports the following major governmental funds:

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

The *Road and Bridge Fund* - This fund accounts for maintenance of all county roads and bridges which includes salaries and benefits and other expenses related to maintenance. The main revenues are highway users trust fund receipts and property taxes. The fund also sells fuel to other departments and governmental agencies within the County.

The *Human Service Fund* - This fund accounts for the public welfare costs paid to qualifying clients. The majority of federal funds expended are incurred through this fund. In addition to the federal funds received this fund also receives state funds and property taxes.

The *Special Projects Fund* - This fund accounts for certain projects and specific funds received that are for the overall good of the County that are not classified as being from one particular fund.

The *Emergency Services Fund* - During 2009, the voters approved an additional 1% sales tax to be used for emergency/dispatch services for all residents of the County.

The *Disaster Recovery Fund* - This fund accounts for grants and other funds received to use for disaster recovery projects.

Proprietary fund financial statements are used to account for activities which are similar to those found in the private sector. The measurement focus is based upon determination of net income, financial position, and cash flows.

Huerfano County, Colorado
Notes to the Financial Statements
December 31, 2023

Note 1: Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

(Continued)

Proprietary funds are accounted for using the accrual basis of accounting as follows:

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

Proprietary funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or non-current) are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Net Position presents increases (revenue) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operating of the fund. All other expenses are reported as non-operating expenses.

The County reports the following major proprietary funds:

Correctional Facility - This fund accounts for funds received from a contract with CCA for the housing of prisoners. Currently no revenues of a material amount are being received as the local prison was closed.

Gardner Water & Sewer Improvement District - During 2011 the voters of the County approved a ballot question authorizing the County to take over operations of the improvement district. The fund accounts for water and sewer services to the Gardner area.

The County reports the following non-major funds:

Conservation Trust Fund - This fund accounts for lottery proceeds required to be expended solely on park and recreation improvements.

P.I.L.T Fund - This fund accounts for payments in lieu of taxes received from the federal government due to the amount of federally owned land in the County. The funds can be spent for any legal purpose.

Retirement Fund - This fund receives the Colorado Retirement Association (CRA) contributions from the eligible employees of each fund and pays the employee's and employer's share for the benefit of each eligible employee's retirement.

Huerfano County, Colorado
Notes to the Financial Statements
December 31, 2023

Note 1: Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

(Continued)

Federal Forest Project Fund - This fund accounts for reimbursements received for search and rescue missions and for the cost of those missions.

Lodging Tax Tourism Fund - During 2006 the voters approved a lodging tax that is levied against each hotel or motel room rented. The funds collected will be spent for economic development.

Waste Transfer Station Fund - This fund accounts for the fees and related costs of operating a waste transfer station.

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

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regard to interfund activities, payables and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal service fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated.

The County applies all applicable GASB pronouncements to the business-type activities. Reconciliation of the Fund financial statements to the Government-Wide financial statements is provided in the financial statements to explain the differences created by the integrated approach of GASB Statement No. 34.

Assets, Liabilities and Net Position/Fund Balances

Cash Equivalents - For purposes of the statement of cash flows, cash equivalents are defined as investments with original maturities of three months or less. The County considers all pooled cash and investments to be cash equivalents.

Receivables - Receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

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

Huerfano County, Colorado
Notes to the Financial Statements
December 31, 2023

Note 1: Summary of Significant Accounting Policies (Continued)

Assets, Liabilities and Net Position/Fund Balances (Continued)

Interfund Receivables and Payables - During the course of operations, certain transactions occur between individual funds. The resulting receivables and payables are classified on the balance sheet as *interfund receivables* and *interfund payables*. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as *internal balances*.

Prepaid Expenses - Certain payments to vendors reflect costs applicable to future accounting periods and are reported as prepaid expenses using the consumption method.

Capital Assets - Capital assets, which include land, buildings, equipment, and all infrastructure owned by the County, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and the proprietary funds in the fund financial statements. Capital assets are defined by the County as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at the acquisition value on the date of donation. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized.

Capital assets of the County are depreciated using the straight-line method over the following estimated useful lives.

Infrastructure	75 years
Buildings & Improvements	50 - 75 years
Furniture & Fixtures	7 - 10 years
Machinery, Equipment, & Vehicle	5 – 10 years

It is the County’s policy to capitalize all infrastructure purchased after July 1, 1980.

Compensated Absences - Employees of the County are allowed to accumulate unused vacation and sick time depending on the length of employment. Upon termination of employment from the County, an employee will be compensated for all accrued vacation time at their current rate of pay. If an employee has unused sick time and ceases employment with the county, the sick time is cancelled and there is no provision for payment for unused sick leave.

Accumulated, unpaid vacation time is accrued when earned in the government-wide financial statements and the proprietary funds in the fund financial statements. A liability is recorded in the governmental fund financial statements only when payment is due.

Huerfano County, Colorado
Notes to the Financial Statements
December 31, 2023

Note 1: Summary of Significant Accounting Policies (Continued)

Assets, Liabilities and Net Position/Fund Balances (Continued)

Long-Term Debt - In the government-wide financial statements and the proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities. Debt premiums, discounts and accounting losses resulting from debt refunding's are deferred and amortized over the life of the debt using the straight-line method. In the governmental fund financial statements, the face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts are reported as other financing uses.

Debt issuance costs, whether or not withheld from the debt proceeds, are reported as current expenses or expenditures.

Deferred Inflows of Resources - In addition to liabilities, the statement of net position and the governmental fund balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position and/or fund balance 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 types of items which arise both under the full accrual and modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the items, property taxes and unavailable grant revenue, are reported in both the governmental activities statement of net position and in the governmental funds balance sheet. The governmental funds report deferred inflows of resources from property taxes and unavailable grant revenue. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Since property tax revenues are collected in arrears during the succeeding year, a receivable and corresponding deferred inflow of resources is recorded at December 31. As the tax is collected in the succeeding year, the deferred inflow of resources is recognized as revenue and the receivable is reduced.

Fund Equity - In the fund financial statements, governmental funds report non-spendable amounts that are (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash such as inventories, prepaid items, long-term notes receivable and fund advances. Restrictions of fund balance represents amounts that are restricted for specific fund purposes stipulated by external resource providers constitutionally or through enabling legislation.

Committed fund balances include amounts that can only be used for the specific purposes determined by the passage of a resolution by the Board of County Commissioners. Commitments may be modified or changed only by the Board of County Commissioners approving a new resolution. Assigned fund balance includes amounts intended to be used by the County for specific purposes that are neither restricted nor committed. Intent is expressed by the County Administrator. Unassigned fund balance includes amounts that do not meet any of the above criteria. The County may report positive unassigned fund balances only in the general fund and negative unassigned fund balances may be reported in all funds.

Huerfano County, Colorado
Notes to the Financial Statements
December 31, 2023

Note 1: Summary of Significant Accounting Policies (Continued)

Assets, Liabilities and Net Position/Fund Balances (Continued)

Net Position - The County's net position is classified in the following components:

- *Net Investment in Capital Assets* - This component consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds, the portion of the debt attributable to the unspent proceeds is not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.
- *Restricted* - This component consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Restricted assets are assets which have restrictions placed on the use of the assets through external constraints imposed by creditors (such as through debt covenants), contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation. Generally, a liability relates to restricted assets if the asset results from a resource flow that also results in the recognition of a liability or if the liability will be liquidated with the restricted assets reported.
- *Unrestricted* - This component consists of the net amount of assets, deferred outflows of resources, liabilities and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

Property Taxes

Property taxes attach as an enforceable lien on property on January 1, are levied the following December, and collected in the subsequent year. Taxes are payable in full on April 30 or in two installments on February 28 and June 15. The County Treasurer's Office collects property taxes and remits to the County on a daily basis. Since property tax revenues are collected in arrears during the succeeding fiscal year, receivables and corresponding deferred inflows of resources are reported at year end.

Leases

The County is a party as a lessor and lessee for various noncancellable long-term leases of buildings, equipment, and land. The corresponding lease receivable or lease payable, are recorded in an amount equal to the present value of the expected future minimum lease payments received, respectively, discounted by an applicable interest rate.

Blended Component Unit

During 2022, the County created the Huerfano County Asset Management Corporation, a non-profit organization. This organization is accounted as a blended component unit as the Board of Directors and management of the corporation are the same as the County.

Huerfano County, Colorado
Notes to the Financial Statements
December 31, 2023

Note 1: Summary of Significant Accounting Policies (Continued)

Unearned Revenue

Unearned revenues include amounts recorded in accounts receivable activities prior to the end of the fiscal year but related to the subsequent accounting period. Unearned revenues also include amounts received from grant and contract sponsors that have not yet been earned.

Estimates

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

Subsequent Events

The County has evaluated subsequent events for recognition or disclosure through December 31, 2024, the date the financial statements were available for issuance.

Note 2: Cash and Investments

A summary of cash and investments at December 31, 2023, follows:

Petty Cash	\$ 3,380
Cash Deposits	1,830,929
Investments	4,881,948
Total	<u>\$ 6,716,257</u>

Cash and investments are reported in the financial statements as follows:

Cash and Investments	\$ 6,336,212
Agency Fund Cash	364,636
Total	<u>\$ 6,716,257</u>

Cash Deposits

The Colorado Public Deposit Protection Act (PDPA) requires all local government entities to deposit cash in eligible public depositories. Eligibility is determined by State regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. The PDPA allows the financial institution 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 uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. At December 31, 2023, the County had bank deposits of \$2,066,396 collateralized with securities held by the financial institutions' agents but not in the County's name.

Huerfano County, Colorado
Notes to the Financial Statements
December 31, 2023

Note 2: Cash and Investments (Continued)

Investments

The County is required to comply with State statutes which specify investments meeting defined rating, maturity, and concentration risk criteria in which the County may invest, which include the following. Custodial risk is not addressed by State statutes.

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

At December 31, 2023, the County had the following investments with the following maturities:

	S&P Rating	Carrying Amount	Less Than One Year	Less Than Five Years
Mutual Funds	N/A	\$ 721,944	\$ 721,944	\$ -
Local Government Pools	N/A	1,325,607	1,325,607	-
Money Market Funds	N/A	556,373	556,373	-
Government Bonds	AA+	345,079	-	345,079
Corporate Bonds	BB- to BBB-	430,978	-	430,978
Municipal Bonds	AA to A2	454,442	-	454,442
Certificate of Deposits	N/A	1,047,525	-	1,047,525
		<u>\$ 4,881,948</u>	<u>\$ 2,603,924</u>	<u>\$ 2,278,024</u>

Fair Value Measurements - The County reports its investments using the fair value measurements established by generally accepted accounting principles. As such, a fair value hierarchy categorizes the inputs used to measure the fair value of the investments into three levels. Level 1 inputs are quoted prices in active markets for identical investments; Level 2 inputs include quoted prices in active markets for similar investments, or other observable inputs; and Level 3 inputs are unobservable inputs. At December 31, 2023, the County's investments as shown above were measured utilizing quoted prices in active markets for similar investments (Level 2 inputs).

Interest Rate Risk - State statutes generally limit the maturity of investment securities to five years from the date of purchase unless the governing board authorizes the investment for a period in excess of five years.

Credit Risk - State statutes limit certain investments to those with specified ratings from nationally recognized statistical rating organizations, depending on the type of investment.

Huerfano County, Colorado
Notes to the Financial Statements
December 31, 2023

Note 2: Cash and Investments (Continued)

Investments (Continued)

Local Government Investment Pools - At December 31, 2023, the County had \$831,111 and \$1,435,776 invested in the Colorado Local Government Liquid Asset Trust (Colotrust) and the Colorado Surplus Asset Fund Trust (CSAFE), respectively. The pools are investment vehicles established for local government entities in Colorado to pool surplus funds. The Colorado Division of Securities administers and enforces the requirements of creating and operating the pools. The pools operate in conformity with the Securities and Exchange Commission's Rule 2a-7. The pools are measured at the net asset value per share, with each share valued at \$1. The pools are rated AAAM by Standard and Poor's. Investments of the pools are limited to those allowed by State statutes. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodian's internal records identify the investments owned by the participating governments.

Note 3: Capital Assets

Capital asset activity for the year ended December 31, 2023, is summarized below:

	Balance 12/31/2022	Additions	Transfer	Deletions	Balance 12/31/2023
Governmental Activities					
Capital Assets, <i>Not Being Depreciated</i>					
Land	\$ 639,334	\$ -	\$ -	\$ -	\$ 639,334
Construction in Progress	59,183	2,172,439	-	(59,183)	2,172,439
Total Capital Assets, <i>Not Being Depreciated</i>	698,517	2,172,439	-	(59,183)	2,811,773
Capital Assets, <i>Being Depreciated</i>					
Infrastructure	1,098,994	-	-	-	1,098,994
Buildings	29,179,122	-	-	59,183	29,238,305
Machinery & Equipment	10,055,553	145,371	-	-	10,200,924
Right to Use Leases	466,885	-	-	-	466,885
Total Capital Assets, <i>Being Depreciated</i>	40,800,554	145,371	-	59,183	41,005,108
Less Accumulated Depreciation					
Infrastructure	(102,571)	(14,649)	-	-	(117,220)
Buildings	(10,674,407)	(589,656)	-	-	(11,264,063)
Machinery & Equipment	(8,518,201)	(228,697)	-	-	(8,746,898)
Right to Use Leases	(55,052)	(74,755)	-	-	(129,807)
Total Accumulated Depreciation	(19,350,231)	(907,757)	-	-	(20,257,988)
Total Capital Assets, Being Depreciated, <i>Net</i>	21,450,323	(762,386)	-	59,183	20,747,120
Governmental Activities, Capital Assets, <i>Net</i>	\$ 22,148,840	\$ 1,410,053	\$ -	\$ -	\$ 23,558,893

Huerfano County, Colorado
Notes to the Financial Statements
December 31, 2023

Note 3: Capital Assets (Continued)

	Balance 12/31/2022	Additions	Transfer	Deletions	Balance 12/31/2023
Business-type Activities					
Capital Assets, <i>Not Being Depreciated</i>					
Land - Thorne Ranch	\$ 2,100,000	\$ -	\$ -	\$ -	\$ 2,100,000
Construction in Progress	-	-	-	-	-
Total Capital Assets, <i>Not Being Depreciated</i>	<u>2,100,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,100,000</u>
Capital Assets, <i>Being Depreciated</i>					
Distribution Assets	1,538,137	-	-	-	1,538,137
Equipment and Vehicles	622,853	-	-	-	622,853
Total Capital Assets, <i>Being Depreciated</i>	<u>2,160,990</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,160,990</u>
Less Accumulated Depreciation					
Distribution Assets	(507,609)	(40,184)	-	-	(547,793)
Equipment and Vehicles	<u>(267,269)</u>	<u>(4,778)</u>	<u>-</u>	<u>-</u>	<u>(272,047)</u>
Total Accumulated Depreciation	<u>(774,878)</u>	<u>(44,962)</u>	<u>-</u>	<u>-</u>	<u>(819,840)</u>
Total Capital Assets, Being Depreciated, <i>Net</i>	<u>1,386,112</u>	<u>(44,962)</u>	<u>-</u>	<u>-</u>	<u>1,341,150</u>
Business-type Activities, Capital Assets, <i>Net</i>	<u>\$ 3,486,112</u>	<u>\$ (44,962)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,441,150</u>

Depreciation expense for the governmental activities was charged to programs of the County as follows:

Governmental Activities	
General Government	\$ 240,557
Public Safety	508,386
Public Works	155,625
Culture and Recreation	3,189
Human Services	-
	<u>907,757</u>
	<u>\$ 907,757</u>

Depreciation expense for the business-type activities was charged to programs of the County as follows:

Business-Type Activities	
Correctional Facility	\$ 4,778
Gardner Water & Sewer Improvement District	40,184
	<u>44,962</u>
	<u>\$ 44,962</u>

Huerfano County, Colorado
Notes to the Financial Statements
December 31, 2023

Note 4: Long-Term Debt

Governmental Activities

The following is a summary of long-term debt transactions of the governmental activities for the year ended December 31, 2023:

<u>Governmental Activities</u>	<u>Balance 12/31/22</u>	<u>Additions</u>	<u>Payments</u>	<u>Balance 12/31/23</u>	<u>Due Within One Year</u>
COP - Judicial Center	\$ 7,990,000	\$ -	\$ (265,000)	\$ 7,725,000	\$ 280,000
Premium on COPs	847,818	-	(78,074)	769,744	75,484
Leases Payable (GASB 87)	414,214	-	(71,989)	342,225	70,964
Compensated Absences	26,183	3,795	-	29,978	29,978
Total Governmental Activities	\$ 9,278,215	\$ 3,795	\$ (415,063)	\$ 8,866,947	\$ 456,426

Business-Type Activities

The following is a summary of long-term debt transactions of the Business-Type activities for the year ended December 31, 2023

<u>Business-Type Activities</u>	<u>Balance 12/31/22</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/23</u>	<u>Due Within One Year</u>
Note Payable Thorne Ranch	\$ 1,659,445	\$ -	\$ (91,382)	\$ 1,568,063	\$ 57,846
Note Payable Asset Management	-	1,380,092	(46,000)	1,334,092	137,997
Total Business-Type Activities	\$ 1,659,445	\$ 1,380,092	\$ (137,382)	\$ 2,902,155	\$ 195,843

Certificates of Participation

During 2019, the County issued Certificates of Participation (COPs) for a new Judicial Center, the Judicial Center Facilities Project. The COPs will end at one of three occurrences; the County does not appropriate enough money to make the annual payments, the lease is paid in full before the maturity of the lease, or all the lease payments are made as required. Upon making all lease payments as required the property will belong to the County.

The lease requires semi-annual interest payments due on June 1 and December 1 of each year beginning December 1, 2020. The interest on the lease is 4.0% annually. The bonds are callable in 2029.

At the 2018 election, County electors approved an increase in the County's sales tax rate by 1%, with such sales tax effective January 1, 2020, with a fractional sunset of such tax on December 31, 2039, to a permanent rate of 0.25%. The County is allowed to collect and spend or reserve all revenues received from the tax for the purpose of providing continued operations of such facilities.

Huerfano County, Colorado
Notes to the Financial Statements
December 31, 2023

Note 4: Long-Term Debt (Continued)

The annual debt service for the Certificates of Participation are as follows:

Year Ending December 31,	Principal	Interest	Total
2024	\$ 280,000	\$ 309,000	\$ 589,000
2025	300,000	297,800	597,800
2026	315,000	285,800	600,800
2027	330,000	273,200	603,200
2028	355,000	260,000	615,000
2029-2033	2,100,000	1,069,800	3,169,800
2034-2038	2,720,000	602,400	3,322,400
2039	1,325,000	53,000	1,378,000
Total	<u>\$ 7,725,000</u>	<u>\$ 3,151,000</u>	<u>\$ 10,876,000</u>

Lease Liabilities

During 2020, the County entered into a lease purchase agreement for a CAT 140 motor grader. The terms of the agreement call for monthly payments of \$5,076 for 60 months including interest at 3.65%. At the end of the lease the County has the option to purchase the motor grader for \$1. The County exercised this option as it paid off the lease balance as of December 31, 2022.

During September 2021, the Huerfano County Sheriff's Office entered into an agreement with Motorola Solutions, Inc. for the purchase on new radio equipment. The terms of the lease were for 5 years, with a nominal interest rate of 2.870% with principal and interest payments in the amount of \$65,747 were to commence on October 1, 2022. The equipment was not delivered and did not become operational until summer of 2023. Title and interest of equipment therefore became effective in 2023. The first principal and interest payment were made on October 26, 2022. Subsequently, the lease was paid in full on December 5, 2022.

The County, as a lessee, has entered into lease agreements involving equipment and sand and gravel quarries. The annual principal and interest installments total approximately \$60,000 to \$80,000. Interest rates range from 1.00% to 2.06%.

The annual debt service for the leases are as follows:

	Payment	Interest	Principal	RTU Amortization	Net RTU
2024	\$ 77,062	\$ 6,098	\$ 70,964	\$ 72,510	264,567
2025	77,060	4,704	72,356	72,510	192,057
2026	76,831	3,288	73,543	72,288	119,769
2027	59,539	1,946	57,593	55,762	64,008
2028	69,869	2,101	67,768	64,008	-
Total	<u>\$ 360,361</u>	<u>\$ 18,137</u>	<u>\$ 342,224</u>	<u>\$ 337,078</u>	

Huerfano County, Colorado
Notes to the Financial Statements
December 31, 2023

Note 4: Long-Term Debt (Continued)

Note Payable

During June of 2022, Huerfano County, through its blended component unit the Huerfano County Asset Management Corporation, acquired land known as the Thorne Ranch for \$2,100,000. The funds used to acquire the property were obtained with a loan of \$420,000 from the Special Projects Fund and a \$1,680,000 bank loan.

The note payable bank loan matures on August 1, 2042. The agreement calls for annual payments of \$129,548 which comprise of both principal and interest, beginning on August 1, 2023.

The annual debt service for the note payable is as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 57,846	\$ 71,702	\$ 129,548
2025	60,431	69,116	129,547
2026	63,132	66,415	129,547
2027	65,955	63,593	129,548
2028	68,903	60,645	129,548
2029-2033	393,561	254,178	647,739
2034-2038	489,746	157,994	647,740
2039-2042	368,489	41,528	410,017
Total	<u>\$ 1,568,063</u>	<u>\$ 785,171</u>	<u>\$ 2,353,234</u>

During June of 2022, Huerfano County, through its blended component unit the Huerfano County Asset Management Corporation, executed a promissory note with San Isabel Electric Association in the amount of \$1,080,157. The proceeds on this note were first drawn down in May of 2023. These funds are being used to complete energy upgrades to County facilities.

The promissory notes is at 0% interest and with monthly installments until May 2034. The agreement calls for annual payments of \$146,497 which is comprised of both principal and program fees.

The annual debt service for the promissory note payable is as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Program Fee</u>	<u>Total</u>
2024	\$ 137,997	\$ 8,500	\$ 146,497
2025	137,997	8,500	146,497
2026	137,997	8,500	146,497
2027	137,997	8,500	146,497
2028	137,997	8,500	146,497
2029-2033	641,480	42,500	683,980
2034	2,627	708	3,335
Total	<u>\$ 1,334,092</u>	<u>\$ 85,708</u>	<u>\$ 1,419,800</u>

Huerfano County, Colorado
Notes to the Financial Statements
December 31, 2023

Note 5: Interfund and Component Unit Balances and Transactions

Interfund transfers during the year ended December 31, 2023, consisted of the following:

Transfers In	Transfers Out	Amount
General Fund	Asset Management Fund	\$ 162,040
Road & Bridge Fund	P.I.L.T	150,000
Parks and Recreation Fund	Emergency Services Fund	150,000
Total		<u>\$ 462,040</u>

Note 6: Retirement Plans

Defined Contribution Plan

The County provides pension benefits for all eligible full-time employees through an agent multi-employer public retirement system, the Colorado County Officials and Employees Retirement Association (CCOERA), a defined contribution plan.

In a defined contribution plan, benefits depend solely on the amounts contributed to the plan plus investment earnings. Full-time employees are eligible to participate after completing 1 year of service. The County has established that employees contribute 4% and the County contributes a matching 4% of the employee's wages each bi-weekly pay period. The County's contributions for each employee (and interest allocated to the employee's account) are fully vested after five years of continuous plan participation. The participants in this plan are offered various investment options through the plan and are allowed to invest all monies in their account, at their own discretion, among the options.

County contributions for, and interest forfeited by, employees who leave employment before five years of participation are used to reduce the County's current contribution requirements.

The County's total payroll in 2023 was approximately \$6,578,496, of which qualifying compensation was \$4,987,406. Both the County and the covered employees made the required contributions, amounting to approximately \$199,454 from each the County and from employees. The County had forfeitures of \$11,077 that were used to pay part of their contributions. Plan provisions and contribution requirements are established and may be amended by the Board of County Commissioners. That report may be obtained by writing to the Colorado Retirement Association, formerly CCOERA, 751 South Park Drive, Littleton, CO 80120 or by calling 1-800-352-0313.

Note 7: Colorado Contraband Forfeiture Act

The County has reviewed financial activities in the Sheriff's Department for compliance with the above referenced act. There were no sales of contraband during the year ended December 31, 2023.

Huerfano County, Colorado
Notes to the Financial Statements
December 31, 2023

Note 8: TABOR Amendment Reserve

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

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

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

TABOR also required local governments to establish emergency reserves to be used for declared emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. These reserves are required to be 3% or more of the fiscal year spending for the fiscal year ending after December 31, 1995. Fiscal year spending excludes enterprise spending. The County has reserved a portion of the December 31, 2023 year-end balances in the General Fund for this purpose in the aggregate amount of \$318,000, which is the approximate required emergency reserve.

Note 9: Risk Management

Colorado Counties Casualty and Property Pool (CAPP)

The County is exposed to various risks of loss related to property and casualty losses. The County joined together with other counties in the State of Colorado to form the Colorado Counties Casualty and Property Pool (CAPP), a public entity risk pool currently operating as a common risk management and insurance program for member counties. The County pays an annual contribution to CAPP for its property and casualty insurance coverage. The inter-governmental agreement of formation of CAPP provides that the pool will be financially self-sustaining through member contributions and additional assessments, if necessary, and the Pool will purchase excess insurance through commercial companies for members' claims in excess of a specified self-insured retention that is determined each policy year. There have been no significant reductions in insurance coverage. Settled claims from these risks have not exceeded insurance coverage for the current year or the three prior years.

Huerfano County, Colorado
Notes to the Financial Statements
December 31, 2023

Note 9: Risk Management (Continued)

Colorado Workers' Compensation Pool (CWCP)

The County is exposed to various risks of loss related to injuries of employees while on the job. The County has joined together with other counties in the State of Colorado to form the Colorado Workers' Compensation Pool (CWCP), a public entity risk pool currently operating as a common risk management and insurance program for member counties. The County pays an annual contribution to CWCP for its workers' compensation insurance coverage. The intergovernmental agreement of formation of CWCP provides that the pool will be financially self-sustaining through member contributions and additional assessments, if necessary, and the Pool will purchase excess insurance through commercial companies for members' claims in excess of a specified self-insured retention that is determined each policy year. There have been no significant reductions in insurance coverage. Settled claims from these risks have not exceeded insurance coverage for the current year or the three prior years.

Note 10: Commitments and Contingencies

Grant Programs

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

Litigation

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

Insurance Pools

The County is a member of the Colorado Counties Casualty and Property Pool (CAPP) and the Colorado Workers' Compensation Pool (CWCP). CAPP and CWCP have a legal obligation for claims against its members to the extent that funds are available in their annually established loss funds and amounts are available from insurance providers under excess specific and aggregate insurance contracts. Losses incurred in excess of loss funds are direct liabilities of the participating members. CAPP and CWCP have indicated that the amount of any excess losses would be billed to members in proportion to their contributions in the year such excess occurs. The ultimate liability to the County resulting from claims not covered by CAPP and CWCP is not presently determinable.

Required Supplementary Information

Huerfano County, Colorado
 Budgetary Comparison Schedule
 General Fund
 For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Taxes				
Property Tax	\$ 2,511,758	\$ 2,511,758	\$ 2,481,410	\$ (30,348)
Specific Ownership Tax	234,169	234,169	231,605	(2,564)
Sales and Other Tax	1,640,925	1,640,925	2,240,201	599,276
Licenses and Permits	230,620	230,620	237,589	6,969
Charges for Services	473,750	473,750	1,758,823	1,285,073
Intergovernmental	26,000	26,000	199,138	173,138
Grant Income	140,786	140,786	7,926	(132,860)
Investment Income	60	60	290,606	290,546
Miscellaneous	23,340	23,340	383,976	360,636
Total Revenues	<u>5,281,408</u>	<u>5,281,408</u>	<u>7,831,274</u>	<u>2,549,866</u>
Expenditures				
Current:				
General Government	3,096,681	3,096,681	3,746,759	(650,078)
Public Safety	2,563,525	2,563,525	3,574,369	(1,010,844)
Public Works	451,320	451,320	459,217	(7,897)
Health Services	210,000	210,000	258,586	(48,586)
Capital Outlay	50,000	50,000	6,401	43,599
Debt Service				
Principal	264,000	264,000	265,000	(1,000)
Interest and Fiscal Charges	319,600	319,600	319,600	-
Total Expenditures	<u>6,955,126</u>	<u>6,955,126</u>	<u>8,629,932</u>	<u>(1,674,806)</u>
Excess Revenues Over (Under) Expenditures	(1,673,718)	(1,673,718)	(798,658)	875,060
Other Financing Sources (Uses)				
Transfers In	-	720,000	882,040	162,040
Net Change in Fund Balance	(1,673,718)	(953,718)	83,382	1,037,100
Fund Balance, Beginning of Year	<u>1,802,721</u>	<u>1,802,721</u>	<u>1,802,721</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 129,003</u>	<u>\$ 849,003</u>	<u>\$ 1,886,103</u>	<u>\$ 1,037,100</u>

Huerfano County, Colorado
 Budgetary Comparison Schedule
 Road and Bridge Fund
 For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Taxes				
Property Tax	\$ 12,859	\$ 12,859	\$ 12,754	\$ (105)
Specific Ownership Tax	1,470	1,470	1,409	(61)
Sales and Other Tax	129	129	1,367	1,238
Licenses and Permits	24,750	24,750	38,372	13,622
Charges for Services	95,000	95,000	194,001	99,001
Intergovernmental	1,906,303	1,906,303	1,795,956	(110,347)
Grant Income	18,337	18,337	-	(18,337)
Miscellaneous	64,479	64,479	90,613	26,134
	<u>2,123,327</u>	<u>2,123,327</u>	<u>2,134,472</u>	<u>11,145</u>
Total Revenues				
Expenditures				
Current:				
Public Works	<u>2,614,588</u>	<u>2,614,588</u>	<u>2,301,666</u>	<u>312,922</u>
Total Expenditures	2,614,588	2,614,588	2,301,666	312,922
Excess Revenues Over (Under) Expenditures	(491,261)	(491,261)	(167,194)	324,067
Other Financing Sources (Uses)				
Transfers In	<u>450,000</u>	<u>450,000</u>	<u>450,000</u>	<u>-</u>
Net Change in Fund Balance	(41,261)	(41,261)	282,806	324,067
Fund Balance, Beginning of Year	<u>335,813</u>	<u>335,813</u>	<u>645,612</u>	<u>309,799</u>
Fund Balance, End of Year	<u>\$ 294,552</u>	<u>\$ 294,552</u>	<u>\$ 928,418</u>	<u>\$ 633,866</u>

Huerfano County, Colorado
 Budgetary Comparison Schedule
 Department of Human Services Fund
 For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Taxes				
Property Tax	\$ 359,710	\$ 359,710	\$ -	\$ (359,710)
County Revenues/Tax	37,000	37,000	-	(37,000)
Intergovernmental	<u>1,939,842</u>	<u>1,939,842</u>	<u>2,997,156</u>	<u>1,057,314</u>
Total Revenues	<u>2,336,552</u>	<u>2,336,552</u>	<u>2,997,156</u>	<u>660,604</u>
Expenditures				
Current:				
Health Services	<u>2,444,451</u>	<u>2,444,451</u>	<u>2,933,991</u>	<u>(489,540)</u>
Total Expenditures	<u>2,444,451</u>	<u>2,444,451</u>	<u>2,933,991</u>	<u>(489,540)</u>
Net Change in Fund Balance	(107,899)	(107,899)	63,165	171,064
Fund Balance, Beginning of Year	<u>279,292</u>	<u>279,292</u>	<u>516,949</u>	<u>237,657</u>
Fund Balance, End of Year	<u>\$ 171,393</u>	<u>\$ 171,393</u>	<u>\$ 580,114</u>	<u>\$ 408,721</u>

Huerfano County, Colorado
 Budgetary Comparison Schedule
 Special Projects/Capital Expenditure Fund
 For the Year Ended December 31, 2023

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$ 2,661,199	\$ 1,360,691	\$ (1,300,508)
Other	-	50,510	50,510
Total Revenues	<u>2,661,199</u>	<u>1,411,201</u>	<u>(1,249,998)</u>
Expenditures			
Capital Outlay	3,927,568	4,522,719	(595,151)
Total Expenditures	<u>3,927,568</u>	<u>4,522,719</u>	<u>(595,151)</u>
Excess Revenues Over (Under) Expenditures	(1,266,369)	(3,111,518)	(1,845,149)
Other Financing Source (Uses)			
Transfers Out	-	(140,000)	(140,000)
Net Change in Fund Balance	(1,266,369)	(3,251,518)	(1,985,149)
Fund Balance, Beginning of Year	<u>2,369,341</u>	<u>2,369,341</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 1,102,972</u>	<u>\$ (882,177)</u>	<u>\$ (1,985,149)</u>

Huerfano County, Colorado
 Budgetary Comparison Schedule
 Emergency Services Fund
 For the Year Ended December 31, 2023

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Taxes			
Sales and Other Tax	\$ 950,000	\$ 1,131,129	\$ 181,129
Charges for Services	-	74,538	74,538
Grant Income	50,652	-	(50,652)
Miscellaneous	-	11,494	11,494
	<u>1,000,652</u>	<u>1,217,161</u>	<u>216,509</u>
Total Revenues			
Expenditures			
Current:			
Public Safety	904,401	727,609	176,792
Capital Outlay	30,000	60,071	(30,071)
	<u>934,401</u>	<u>787,680</u>	<u>146,721</u>
Total Expenditures			
Excess Revenues Over (Under) Expenditures	66,251	429,481	363,230
Other Financing Sources (Uses)			
Transfers Out	(550,000)	(550,000)	-
Net Change in Fund Balance	(483,749)	(120,519)	363,230
Fund Balance, Beginning of Year	(146,302)	1,114,543	1,260,845
Fund Balance, End of Year	<u>\$ (630,051)</u>	<u>\$ 994,024</u>	<u>\$ 1,624,075</u>

Huerfano County, Colorado
 Budgetary Comparison Schedule
 Disaster Recovery Fund
 For the Year Ended December 31, 2023

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Grant Income	\$ -	\$ -	\$ -
Total Revenues	-	-	-
Expenditures			
Current:			
Public Safety	1,258,661	197,416	1,061,245
Total Expenditures	1,258,661	197,416	1,061,245
Other Financing Source (Uses)			
Transfers In / (Out)	34,500	34,500	-
Net Change in Fund Balance	(1,224,161)	(162,916)	1,061,245
Fund Balance, Beginning of Year	95,001	453,894	358,893
Fund Balance, End of Year	<u>\$ (1,129,160)</u>	<u>\$ 290,978</u>	<u>\$ 1,420,138</u>

Huerfano County, Colorado
Notes to Required Supplementary Information
December 31, 2023

Note 1: Stewardship, Compliance, and Accountability

Budgets

Formal budgetary integration in all funds is employed as a management control device during the year. Budgets are adopted for all governmental fund types on a basis consistent with generally accepted accounting principles (GAAP) as applicable to governmental units. The County follows these procedures in establishing the budgetary data reflected in the financial statements:

- Prior to October 15, the County Budget Officer submits to the Board of County Commissioners a proposed operating budget for the fiscal year commencing the following January 1. The budget is prepared by funds and departments, and includes actual data from the prior year, current year and budget year estimated revenues and expenditures.
- Public hearings are conducted to obtain taxpayer comments.
- Prior to December 16, the budget is legally enacted, and the required mill levy is adopted through the passage of a resolution. This resolution authorizes an appropriation at each fund level and lapses at year end. The fund then becomes the level of control upon which expenditures cannot legally exceed appropriations.
- All appropriations lapse at the end of the year.
- Budgeted amounts in this report are as originally adopted or as amended by the Board of Commissioners during the year through supplemental appropriation.

Supplementary Information

Huerfano County, Colorado
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2023

	Parks and Recreation	P.I.L.T.	Conservation Trust Fund	Waster Transfer Station	Retirement	Federal Forest Project	Lodging Tax and Tourism	Contingency	Total Non-major Fund
Assets									
Cash and Investments	\$ 148,393	\$ (273,487)	\$ 54,054	\$ 37,311	\$ 46,787	\$ 69,190	\$ 91,815	\$ 37,960	\$ 212,023
Taxes Receivable	-	-	-	-	140,838	-	-	-	140,838
Due from Other Funds	-	723,765	-	-	-	-	-	-	723,765
Total Assets	<u>\$ 148,393</u>	<u>\$ 450,278</u>	<u>\$ 54,054</u>	<u>\$ 37,311</u>	<u>\$ 187,625</u>	<u>\$ 69,190</u>	<u>\$ 91,815</u>	<u>\$ 37,960</u>	<u>\$ 1,076,626</u>
Liabilities									
Accounts Payable	5,282	-	-	8,947	(87,700)	-	2,295	-	(71,176)
Accrued Salaries	-	-	-	-	-	-	-	-	-
Due to Other Funds	-	-	-	-	-	-	-	-	-
Total Liabilities	<u>5,282</u>	<u>-</u>	<u>-</u>	<u>8,947</u>	<u>(87,700)</u>	<u>-</u>	<u>2,295</u>	<u>-</u>	<u>(71,176)</u>
Deferred Inflows of Resources									
Property Taxes	-	-	-	-	140,838	-	-	-	140,838
Fund Balance									
Restricted for Emergency	-	-	-	-	5,000	-	-	-	5,000
Committed	143,111	450,278	54,054	28,364	129,487	69,190	89,520	37,960	1,001,964
Total Fund Balance	<u>143,111</u>	<u>450,278</u>	<u>54,054</u>	<u>28,364</u>	<u>134,487</u>	<u>69,190</u>	<u>89,520</u>	<u>37,960</u>	<u>1,006,964</u>
Total Liabilities and Fund Balance	<u>\$ 148,393</u>	<u>\$ 450,278</u>	<u>\$ 54,054</u>	<u>\$ 37,311</u>	<u>\$ 187,625</u>	<u>\$ 69,190</u>	<u>\$ 91,815</u>	<u>\$ 37,960</u>	<u>\$ 1,076,626</u>

See Accompanying Independent Auditor's Report.

Huerfano County, Colorado
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2023

	Parks and Recreation	P.I.L.T.	Conservation Trust Fund	Waste Transfer Station	Retirement	Federal Forest Project	Lodging Tax and Tourism	Contingency	Total Non-major Fund
Revenues									
Taxes									
Property Tax	\$ -	\$ -	\$ -	\$ -	\$ 130,175	\$ -	\$ -	\$ -	\$ 130,175
Specific Ownership Tax	-	-	-	-	13,628	-	-	-	13,628
Sales and Other Tax	-	-	-	-	12,491	-	-	-	12,491
Licenses and Permits	-	-	-	-	-	-	117,779	-	117,779
Charges for Services	223,477	-	-	108,753	32,940	-	-	-	365,170
Intergovernmental	-	613,236	21,070	-	-	18,379	-	-	652,685
Grant Income	-	-	-	-	-	-	40,000	-	40,000
Investment Income	-	-	365	-	-	-	-	-	365
Miscellaneous	-	-	1,300	2,824	-	-	-	-	4,124
Total Revenues	<u>223,477</u>	<u>613,236</u>	<u>22,735</u>	<u>111,577</u>	<u>189,234</u>	<u>18,379</u>	<u>157,779</u>	<u>-</u>	<u>1,336,417</u>
Expenditures									
Current:									
General Government	-	38,405	15,084	16,462	173,333	-	152,247	-	395,531
Public Safety	-	-	-	-	-	21,447	-	-	21,447
Health Services	-	-	-	121,339	-	-	-	-	121,339
Culture and Recreation	216,366	6,000	-	-	-	-	-	-	222,366
Capital Outlay	3,148	22,120	-	-	-	-	-	-	25,268
Total Expenditures	<u>219,514</u>	<u>66,525</u>	<u>15,084</u>	<u>137,801</u>	<u>173,333</u>	<u>21,447</u>	<u>152,247</u>	<u>-</u>	<u>785,951</u>
Excess Revenues Over (Under) Expenditures	<u>3,963</u>	<u>546,711</u>	<u>7,651</u>	<u>(26,224)</u>	<u>15,901</u>	<u>(3,068)</u>	<u>5,532</u>	<u>-</u>	<u>550,466</u>
Other Financing Sources (Uses)									
Transfers In	100,000	-	-	-	-	-	-	200,000	300,000
Transfers Out	-	(884,500)	-	-	-	-	-	(162,040)	(1,046,540)
Net Change in Fund Balance	<u>103,963</u>	<u>(337,789)</u>	<u>7,651</u>	<u>(26,224)</u>	<u>15,901</u>	<u>(3,068)</u>	<u>5,532</u>	<u>37,960</u>	<u>(196,074)</u>
Fund Balance, Beginning of Year	<u>39,148</u>	<u>788,067</u>	<u>46,403</u>	<u>54,588</u>	<u>118,586</u>	<u>72,258</u>	<u>83,988</u>	<u>-</u>	<u>1,203,038</u>
Fund Balance, End of Year	<u>\$ 143,111</u>	<u>\$ 450,278</u>	<u>\$ 54,054</u>	<u>\$ 28,364</u>	<u>\$ 134,487</u>	<u>\$ 69,190</u>	<u>\$ 89,520</u>	<u>\$ 37,960</u>	<u>\$ 1,006,964</u>

See Accompanying Independent Auditor's Report.

Huerfano County, Colorado
 Budgetary Comparison Schedule
 Asset Management Fund
 For the Year Ended December 31, 2023

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Transfer In	\$ 140,000	\$ -	\$ (140,000)
Miscellaneous	10,000	-	(10,000)
Total Revenues	<u>150,000</u>	<u>-</u>	<u>(150,000)</u>
Expenditures			
Current:			
Rental/Real Estate	140,000	752,802	(612,802)
Total Expenditures	<u>140,000</u>	<u>752,802</u>	<u>(612,802)</u>
Excess Revenues Over (Under) Expenditures	10,000	(752,802)	(762,802)
Other Financing Sources (Uses)			
Transfers In	-	-	-
Net Change in Fund Balance	10,000	(752,802)	(762,802)
Fund Balance, Beginning of Year	<u>102,142</u>	<u>102,142</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 112,142</u>	<u>\$ (650,660)</u>	<u>\$ (762,802)</u>

Huerfano County, Colorado
 Budgetary Comparison Schedule
 Correctional Facility Fund
 For the Year Ended December 31, 2023

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Investment Income	\$ 8	\$ 10	\$ 2
Total Revenues	<u>8</u>	<u>10</u>	<u>2</u>
Expenditures			
Depreciation	11,008	4,778	6,230
Total Expenditures	<u>11,008</u>	<u>4,778</u>	<u>6,230</u>
Net Change in Fund Balance	(11,000)	(4,768)	6,232
Fund Balance, Beginning of Year	<u>-</u>	<u>17,822</u>	<u>17,822</u>
Fund Balance, End of Year	<u>\$ (11,000)</u>	<u>\$ 13,054</u>	<u>\$ 24,054</u>

Huerfano County, Colorado
 Budgetary Comparison Schedule
 Gardner Water and Sewer Improvement District
 For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Charges for Services	\$ 105,500	\$ 105,500	\$ 104,718	\$ (782)
Miscellaneous	170	170	-	(170)
Total Revenue	<u>105,670</u>	<u>105,670</u>	<u>104,718</u>	<u>(952)</u>
Expenses				
Monitoring, Security Services and Wages	-	-	-	-
Contractual Services	1,680	1,680	3,951	(2,271)
Utilities	11,030	11,030	11,986	(956)
Repairs and Maintenance	5,000	5,000	10,004	(5,004)
Other Supplies and Expenses	4,637	4,637	92	4,545
Professional Fees	16,123	16,123	-	16,123
Miscellaneous Expenses	53,547	53,547	9,518	44,029
Depreciation	-	-	40,184	(40,184)
Total Expenses	<u>92,017</u>	<u>92,017</u>	<u>75,735</u>	<u>16,282</u>
Net Change in Fund Balance	13,653	13,653	28,983	15,330
Fund Balance, Beginning of Year	<u>10,959</u>	<u>10,959</u>	<u>1,363,715</u>	<u>1,352,756</u>
Fund Balance, End of Year	<u>\$ 24,612</u>	<u>\$ 24,612</u>	<u>\$ 1,392,698</u>	<u>\$ 1,368,086</u>

Huerfano County, Colorado
 Budgetary Comparison Schedule
 Parks and Recreation Fund
 For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Transfers In	\$ 300,000	\$ 300,000	\$ 100,000	\$ (200,000)
Other	20,000	20,000	100,000	80,000
Total Revenue	<u>320,000</u>	<u>320,000</u>	<u>200,000</u>	<u>(120,000)</u>
Expenses				
Current:				
Culture and Recreation	264,734	264,734	15,084	249,650
Total Expenses	<u>264,734</u>	<u>264,734</u>	<u>15,084</u>	<u>249,650</u>
Excess Revenues Over (Under) Expenditures	55,266	55,266	184,916	129,650
Net Change in Fund Balance	55,266	55,266	184,916	129,650
Fund Balance, Beginning of Year	<u>39,148</u>	<u>39,148</u>	<u>788,067</u>	<u>748,919</u>
Fund Balance, End of Year	<u>\$ 94,414</u>	<u>\$ 94,414</u>	<u>\$ 972,983</u>	<u>\$ 878,569</u>

Huerfano County, Colorado
 Budgetary Comparison Schedule
 P.I.L.T Fund
 For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Intergovernmental	\$ 550,000	\$ 550,000	\$ 613,236	\$ 63,236
Total Revenue	<u>550,000</u>	<u>550,000</u>	<u>613,236</u>	<u>63,236</u>
Expenses				
Current:				
General Government	12,500	12,500	38,405	(25,905)
Culture and Recreation	6,000	6,000	6,000	-
Capital Outlay	<u>-</u>	<u>-</u>	<u>22,120</u>	<u>(22,120)</u>
Total Expenses	<u>18,500</u>	<u>18,500</u>	<u>66,525</u>	<u>(48,025)</u>
Excess Revenues Over (Under) Expenditures	531,500	531,500	546,711	15,211
Other Financing Source (Uses)				
Transfers Out	<u>(834,500)</u>	<u>(834,500)</u>	<u>(884,500)</u>	<u>(50,000)</u>
Net Change in Fund Balance	(303,000)	(303,000)	(337,789)	(34,789)
Fund Balance, Beginning of Year	<u>245,986</u>	<u>245,986</u>	<u>788,067</u>	<u>542,081</u>
Fund Balance, End of Year	<u><u>\$ (57,014)</u></u>	<u><u>\$ (57,014)</u></u>	<u><u>\$ 450,278</u></u>	<u><u>\$ 507,292</u></u>

Huerfano County, Colorado
 Budgetary Comparison Schedule
 Conservation Trust Fund
 For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Intergovernmental	\$ 14,000	\$ 14,000	\$ 21,070	\$ 7,070
Investment Income	32	32	365	333
Other	<u>-</u>	<u>-</u>	<u>1,300</u>	<u>1,300</u>
 Total Revenue	 <u>14,032</u>	 <u>14,032</u>	 <u>22,735</u>	 <u>8,703</u>
Expenses				
Current:				
Culture and Recreation	<u>32,000</u>	<u>32,000</u>	<u>15,084</u>	<u>16,916</u>
 Total Expenses	 <u>32,000</u>	 <u>32,000</u>	 <u>15,084</u>	 <u>16,916</u>
 Excess Revenues Over (Under) Expenditures	 (17,968)	 (17,968)	 7,651	 25,619
 Other Financing Source (Uses)				
Transfers In	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Net Change in Fund Balance	 (17,968)	 (17,968)	 7,651	 25,619
 Fund Balance, Beginning of Year	 <u>6,273</u>	 <u>6,273</u>	 <u>46,403</u>	 <u>40,130</u>
 Fund Balance, End of Year	 <u><u>\$ (11,695)</u></u>	 <u><u>\$ (11,695)</u></u>	 <u><u>\$ 54,054</u></u>	 <u><u>\$ 65,749</u></u>

Huerfano County, Colorado
 Budgetary Comparison Schedule
 Water Transfer Station
 For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Licenses and Permits	\$ 103,500	\$ 103,500	\$ 108,753	\$ 5,253
Miscellaneous	5	5	2,824	2,819
Total Revenue	<u>103,505</u>	<u>103,505</u>	<u>111,577</u>	<u>8,072</u>
Expenses				
Current:				
General Government	27,574	27,574	16,462	11,112
Health Services	78,300	78,300	121,339	(43,039)
Capital Outlay	10,000	10,000	-	10,000
Total Expenses	<u>115,874</u>	<u>115,874</u>	<u>137,801</u>	<u>(21,927)</u>
Excess Revenues Over Net Change in Fund Balance	(12,369)	(12,369)	(26,224)	29,999
Other Financing Source (Uses)				
Transfers Out	(20,000)	(20,000)	-	20,000
Net Change in Fund Balance	(32,369)	(32,369)	(26,224)	6,145
Fund Balance, Beginning of Year	<u>31,433</u>	<u>31,433</u>	<u>54,588</u>	<u>23,155</u>
Fund Balance, End of Year	<u>\$ (936)</u>	<u>\$ (936)</u>	<u>\$ 28,364</u>	<u>\$ 29,300</u>

Huerfano County, Colorado
 Budgetary Comparison Schedule
 Retirement Fund
 For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Taxes				
Property Tax	\$ 136,837	\$ 136,837	\$ 130,175	\$ (6,662)
Specific Ownership Tax	10,000	10,000	13,628	3,628
Sales and Other Tax	-	-	12,491	12,491
Charges for Services	40,000	40,000	32,940	(7,060)
Miscellaneous	278	278	-	(278)
Total Revenue	<u>187,115</u>	<u>187,115</u>	<u>189,234</u>	<u>2,119</u>
Expenses				
Current:				
General Government	<u>194,555</u>	<u>194,555</u>	<u>173,333</u>	<u>21,222</u>
Total Expenses	<u>194,555</u>	<u>194,555</u>	<u>173,333</u>	<u>21,222</u>
Net Change in Fund Balance	(7,440)	(7,440)	15,901	23,341
Fund Balance, Beginning of Year	<u>82,692</u>	<u>82,692</u>	<u>118,586</u>	<u>35,894</u>
Fund Balance, End of Year	<u>\$ 75,252</u>	<u>\$ 75,252</u>	<u>\$ 134,487</u>	<u>\$ 59,235</u>

Huerfano County, Colorado
 Budgetary Comparison Schedule
 Federal Forest Project Fund
 For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Intergovernmental	\$ 16,000	\$ 16,000	\$ 18,378	\$ 2,378
Total Revenue	<u>16,000</u>	<u>16,000</u>	<u>18,378</u>	<u>2,378</u>
Expenses				
Current:				
Public Safety	<u>63,636</u>	<u>63,636</u>	<u>21,446</u>	<u>42,190</u>
Total Expenses	<u>63,636</u>	<u>63,636</u>	<u>21,446</u>	<u>42,190</u>
Net Change in Fund Balance	(47,636)	(47,636)	(3,068)	44,568
Fund Balance, Beginning of Year	<u>-</u>	<u>-</u>	<u>72,258</u>	<u>72,258</u>
Fund Balance, End of Year	<u>\$ (47,636)</u>	<u>\$ (47,636)</u>	<u>\$ 69,190</u>	<u>\$ 116,826</u>

Huerfano County, Colorado
 Budgetary Comparison Schedule
 Housing Authority Fund
 For the Year Ended December 31, 2023

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Transfer In	\$ -	\$ -	\$ -
Total Revenues	-	-	-
Expenditures			
Current:			
Professional Services	50,000	-	50,000
Total Expenditures	50,000	-	50,000
Excess Revenues Over (Under) Expenditures	(50,000)	-	50,000
Other Financing Sources (Uses)			
Transfers	-	-	-
Net Change in Fund Balance	(50,000)	-	50,000
Fund Balance, Beginning of Year	-	-	-
Fund Balance, End of Year	<u>\$ (50,000)</u>	<u>\$ -</u>	<u>\$ 50,000</u>

Huerfano County, Colorado
 Budgetary Comparison Schedule
 Lodging Tax and Tourism Fund
 For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Lodging Tax	\$ 75,000	\$ 75,000	\$ 117,779	\$ 42,779
Grant Income	40,000	40,000	40,000	-
Total Revenue	<u>115,000</u>	<u>115,000</u>	<u>157,779</u>	<u>42,779</u>
Expenses				
Current:				
General Government	150,250	150,250	152,247	(1,997)
Total Expenses	<u>150,250</u>	<u>150,250</u>	<u>152,247</u>	<u>(1,997)</u>
Net Change in Fund Balance	(35,250)	(35,250)	5,532	40,782
Fund Balance, Beginning of Year	<u>17,709</u>	<u>17,709</u>	<u>83,988</u>	<u>66,279</u>
Fund Balance, End of Year	<u>\$ (17,541)</u>	<u>\$ (17,541)</u>	<u>\$ 89,520</u>	<u>\$ 107,061</u>

Huerfano County, Colorado
 Budgetary Comparison Schedule
 Contingency Fund
 For the Year Ended December 31, 2023

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Transfer In	\$ 200,000	\$ 200,000	\$ -
Total Revenues	<u>200,000</u>	<u>200,000</u>	<u>-</u>
Expenditures			
Current:			
Reserve	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess Revenues Over (Under) Expenditures	200,000	200,000	-
Other Financing Sources (Uses)			
Transfers (Out)	<u>(162,040)</u>	<u>(162,040)</u>	<u>-</u>
Net Change in Fund Balance	37,960	37,960	-
Fund Balance, Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 37,960</u>	<u>\$ 37,960</u>	<u>\$ -</u>

Compliance Section



**Independent Auditor's Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed
in Accordance with *Government Auditing Standards***

Board of County Commissioners
Huerfano County, Colorado
Walsenburg, Colorado

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each discretely presented component unit, each major fund, and the aggregate remaining fund information of Huerfano County, Colorado (the County) as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the basic financial statements of the County, and have issued our report thereon dated December 31, 2024.

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or 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, we did identify deficiencies in internal control as described in the accompanying Schedule of Findings and Questioned Costs as items 2023-001 and 2023-002 that we consider to be material weaknesses.

Office Locations:

Colorado Springs, CO
Denver, CO
Frisco, CO
Tulsa, OK

Denver Office:

750 W. Hampden Avenue,
Suite 400
Englewood,
Colorado 80110
TEL: 303.796.1000
FAX: 303.796.1001
www.HinkleCPAs.com

Board of County Commissioners
Huerfano County, Colorado
Page 2

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 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 Huerfano County, Colorado's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Hick & Company, PC

Englewood, Colorado
December 31, 2024





Independent Auditor's Report on Compliance for Each Major Federal Program, Internal Control Over Compliance, and the Schedule of Expenditures of Federal Awards Required by The Uniform Guidance

Board of County Commissioners
Huerfano County, Colorado
Walsenburg, Colorado

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Huerfano County, Colorado (the County) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2023. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2023.

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 (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's 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.

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Tulsa, OK

Denver Office:

750 W. Hampden Avenue,
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Colorado 80110
TEL: 303.796.1000
FAX: 303.796.1001
www.HinkleCPAs.com

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.

Auditor's 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 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.



Report on Internal Control Over Compliance (Continued)

A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or 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 Auditor's 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.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, each discretely presented component unit, each major fund, and the aggregate remaining fund information of the County as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the basic financial statements of the County. We issued our report thereon dated December 31, 2024, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is 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 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.



Board of County Commissioners
Huerfano County, Colorado
Page 4

In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Hick & Company, PC

Englewood, Colorado
December 31, 2024



Huerfano County, Colorado
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2023

Federal Grantor/Pass - Through Grantor Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Cluster	Total Federal Expenditures
U.S. DEPARTMENT OF AGRICULTURE				
Passed Through Colorado Department of Human Services				
<u>SNAP Cluster</u>				
Supplemental Nutrition Assistance Program (SNAP)	10.551	N/A	\$ 163	\$ 163
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	N/A	174,272	174,272
Total U.S. Department of Agriculture			<u>174,435</u>	<u>174,435</u>
U.S. DEPARTMENT OF COMMERCE				
Direct				
<u>Economic Development Cluster</u>				
Economic Adjustment Assistance	11.307	N/A	<u>203,012</u>	<u>203,012</u>
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Direct				
Community Development Block Grant	14.228	N/A	-	-
U.S. DEPARTMENT OF TRANSPORTATION				
Direct				
Airport Improvement Program	20.106	N/A	-	-
Passed Through Colorado Department of Transportation				
<u>Highway Planning and Construction Cluster</u>				
Highway Planning and Construction	20.205		105,111	105,111
Total U.S. Department of Transportation			<u>105,111</u>	<u>105,111</u>
U.S. DEPARTMENT OF TREASURY				
Direct				
Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	-	-
Local Assistance and Tribal Consistency Fund	21.032	N/A	-	99,324
Passed Through Colorado Department of Human Services				
Coronavirus Relief Fund	21.019		-	-
Coronavirus State and Local Fiscal Recovery Funds	21.027		-	-
Total U.S. Department of Treasury			<u>-</u>	<u>99,324</u>
U.S. DEPARTMENT OF HUMAN SERVICES				
Passed Through Colorado Department of Human Services				
<u>Child Care Disaster Relief Cluster</u>				
Child Care and Development Block Grant	93.575	N/A	20,167	20,167
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	N/A	22,244	22,244
<u>Subtotal Child Care Disaster Relief Cluster</u>			42,411	-
Guardianship Assistance	93.090	N/A	-	1,077
Affordable Care Act (ACA) Personal Responsibility Education Program	93.092	N/A	-	6,818
Temporary Assistance for Needy Families (TANF)	93.558	N/A	-	490,845
Child Support Enforcement	93.563	N/A	-	123,921
Low-Income Energy Assistance	93.568	N/A	-	1,819
Stephanie Tubbs Jones Child Welfare Services Program	93.645	N/A	-	7,196
Foster Care Title IV-E	93.658	N/A	-	293,650
Adoption Assistance	93.659	N/A	-	73,921
Social Services Block Grant	93.667	N/A	-	35,284
Elder Abuse Prevention Interventions Program	93.747	N/A	-	1,359
<u>Medicaid Cluster</u>				
Medical Assistance Program	93.778	N/A	169,437	169,437
Total U.S. Department of Human Services			<u>211,848</u>	<u>1,247,738</u>
TOTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS			<u>\$ 694,406</u>	<u>\$ 1,829,620</u>

Huerfano County, Colorado
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2023

Note 1: Basis of Presentation

The accompanying schedule of expenditures of federal awards 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*, using the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Therefore, some amounts presented in this schedule may differ from amounts presented in the financial statements.

Note 2: Summary of Significant Accounting Policies

Expenditures reported on the Schedule are generally reported on the accrual basis of accounting. Such expenditures are recognized following, as applicable, either the Cost Principles in Office of Management and Budget Circular A-87, Cost Principles for State, Local and Indian Tribal Governments or the cost principles contained in the Uniform Guidance. As such, certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3: Subrecipients

The County did not pass through any federal funds to sub-recipients during the year ended December 31, 2023.

Note 4: De minimis Cost Rate

The County has elected not to use the 10 percent *de minimis* indirect cost rate as allowed under the Uniform Guidance.

Huerfano County, Colorado
 Schedule of Findings and Questioned Costs
 For the Year Ended December 31, 2023

Section I: Summary of Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with accounting principles generally accepted in the United States of America (GAAP):

Unmodified Qualified Adverse Disclaimed

The independent auditor's report on internal control over financial reporting described:

- Material weaknesses identified? Yes No
- Significant deficiencies? Yes None reported
- Noncompliance considered material to the financial statements noted? Yes No

Federal Awards

The independent auditor's report on internal control over compliance for major federal awards programs disclosed:

- Material weaknesses? Yes No
- Significant deficiencies? Yes None reported

Type of auditor's report issued on compliance for major federal programs:

Unmodified Qualified Adverse Disclaimed

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? Yes No

Identification of major federal program:

<u>Cluster/Program</u>	<u>ALN Number</u>
Temporary Assistance to Needy Family's (TANF)	93.558
Foster Care Title IV-E	93.658

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

Auditee qualified as a low-risk auditee as that term is defined in Uniform Guidance? Yes No

Huerfano County, Colorado
 Schedule of Findings and Questioned Costs
 For the Year Ended December 31, 2023

Section II: Financial Statement Findings

Finding 2023-001 - The Huerfano County's Department of Human Services (HC-DHS) - Internal Control over Cash Reconciliation.

Criteria: Current accounting standards require an organization to have controls in place to ensure that cash accounts are reconciled properly.

Condition: As a result of our audit procedures, HC-DHS did not reconcile their cash activity with the Treasurer's office or with the County's accounting department.

Cause: The internal control processes for HS-DHS appear to be designed properly but failed to timely detect and correct and unrecorded cash transaction amount during their year-end closing cash reconciliations.

Effect: Cash was materially understated, which adversely impacted the year-end financial statements.

Questioned Costs: None reported.

Repeat Finding: No.

Recommendation: We recommend the HC-DHS add to their internal control process as a step to reconcile their cash ledger records with the Treasurer's office and the County's accounting department on a monthly basis.

Response: The HC-DHS agrees with the findings and has enhanced procedures to ensure all cash transactions are properly recorded and reconciled between the HC-DHS and the County Treasurer's office.

Finding 2023-002: - Huerfano County - Internal Control over Financial Reporting

Criteria: Huerfano County is required to maintain systems of controls and have trained personnel with the knowledge and expertise concerning preparing and review of GAAP based financial statements.

Condition: The County does not have sufficient internal controls over the preparation and review of the Generally Accepted Accounting Principles (GAAP) based on financial statements. Management may fail to prevent or detect financial statement errors.

Cause: The County did not have the ability to produce timely and accurate financial statements according to GAAP.

Effect: The County did not have the ability to produce timely and accurate financial statements.

Questioned Costs: None reported.

Huerfano County, Colorado
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2023

Section II: Financial Statement Findings (Continued)

Finding 2023-002: - Huerfano County - *Internal Control over Financial Reporting* (Continued)

Repeat Finding: No.

Recommendation: We recommend the County establish appropriate measures to ensure closing entry completeness to their accounting system to be able to accurately produce financial statements.

Views of Responsible Officials and Planned Corrective Actions: The County agrees and is establishing procedures to their financial reporting processes necessary to be able to produce timely and accurate financial reporting.

Section III: Federal Award Findings and Questioned Costs

There are no current year findings or questioned costs related to the major federal award programs which are required to be reported in accordance with Section 2 CFR 200.516 of the Uniform Guidance.

Huerfano County, Colorado
Schedule of Prior Year Findings
For the Year Ended December 31, 2023

I. Financial Statement Prior Audit Findings

None.

II. Findings Required to be Reported by the Uniform Guidance

None.

State Compliance

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

LOCAL HIGHWAY FINANCE REPORT	STATE: COLORADO
	YEAR ENDING (mm/yy): 12/23
This Information From The Records Of: Huerfano County	Prepared By: Carl Young

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES

III. EXPENDITURES FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway expenditures:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	\$ -
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	\$ 2,238,993.18
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	\$ -
2. General fund appropriations		b. Snow and ice removal	
3. Other local imposts (from page 2)	\$ 24,646.87	c. Other	\$ 142,153.13
4. Miscellaneous local receipts (from page 2)	\$ 302,738.45	d. Total (a. through c.)	\$ 142,153.13
5. Transfers from toll facilities		4. General administration & miscellaneous	
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	
a. Bonds - Original Issues		6. Total (1 through 5)	\$ 2,381,146.31
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	\$ -	a. Interest	
7. Total (1 through 6)	\$ 327,385.32	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	\$ -
C. Receipts from State government (from page 2)	\$ 1,693,032.16	2. Notes:	
D. Receipts from Federal Government (from page 2)	\$ 27,837.12	a. Interest	
E. Total receipts (A.7 + B + C + D)	\$ 2,048,254.60	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)	\$ 2,381,146.31

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
	\$ 645,612.00	\$ 2,048,254.60	\$ 2,381,146.31	\$ 312,720.29	\$ -

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT

STATE:
COLORADO
 YEAR ENDING (mm/yy):
 0

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments	\$ 15,851.69	a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees	\$ 7,385.89	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	\$ 61,675.50
4. Licenses		f. Charges for Services	\$ 150,466.14
5. Specific Ownership &/or Other	\$ 1,409.29	g. Other Misc. Receipts	\$ 90,596.81
6. Total (1. through 5.)	\$ 8,795.18	h. Other	
c. Total (a. + b.)	\$ 24,646.87	i. Total (a. through h.)	\$ 302,738.45
<i>(Carry forward to page 1)</i>		<i>(Carry forward to page 1)</i>	

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes (from Item I.C.5.)	\$ 1,662,046.16	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	\$ 27,837.12
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	\$ 30,986.00	d. Federal Transit Administration	
d. DOLA Grant		e. U.S. Corps of Engineers	
e. Other		f. Other Federal ARPA	
f. Total (a. through e.)	\$ 30,986.00	g. Total (a. through f.)	\$ 27,837.12
4. Total (1. + 2. + 3.f)	\$ 1,693,032.16	3. Total (1. + 2.g)	\$ 27,837.12
<i>(Carry forward to page 1)</i>		<i>(Carry forward to page 1)</i>	

III. EXPENDITURES FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			\$ -
b. Engineering Costs			\$ -
c. Construction:			
(1). New Facilities			\$ -
(2). Capacity Improvements			\$ -
(3). System Preservation			\$ -
(4). System Enhancement And Operation			\$ -
(5). Total Construction (1)+(2)+(3)+(4)	\$ -	\$ -	\$ -
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.4)	\$ -	\$ -	\$ -
<i>(Carry forward to page 1)</i>			

Notes and Comments:

SEMI ANNUAL REPORT OF HUERFANO COUNTY TREASURER
JULY 01, 2024 THRU DECEMBER 31, 2024

Item 7g.

FUND	BEGINNING BALANCE	REVENUES----- REVENUES	DISBURSEMENTS-- DISBURSEMENTS	ENDING BALANCE
	-----	-----	-----	-----
COUNTY GENERAL FUND	2,467,427.25	4,399,892.91	5,097,986.77-	1,769,333.39
P&R CHANGED TO CO GEN 1/2024	51,840.26-	200,000.00		148,159.74
HOUSING AUTHORITY	0.00	50,000.00		50,000.00
UNCLAIMED	767.14	.16		767.30
SPECIAL PROJECT FUND	644,081.08-	257,049.12	927,735.70-	1,314,767.66-
ASSET MANAGEMENT	449,366.23	4,500.00		453,866.23
ROAD & BRIDGE	363,852.01	1,847,342.54	1,195,191.76-	1,016,002.79
LEASE PURCHASE FUND	0.00			0.00
EMERGENCY SERVICES FUNDS (DISPATCH)	1,465,611.43	759,324.75	842,668.30-	1,382,267.88
RETIREMENT	180,634.17	33,143.04	99,487.72-	114,289.49
LODGING TAX TOURISM FUND	82,274.11	82,301.53	36,590.14-	127,985.50
OPIOID FUNDS	25,091.86	21,181.18		46,273.04
DISASTER RECOVERY FUND	887,976.74	34,500.00	139,164.60-	783,312.14
GARDNER PUBLIC IMPROVEMENT DISTRICT	83,463.10	51,208.58	22,768.07-	111,903.61
TREASURERS DEED PROCESS	0.00	20,565.40	12,128.10-	8,437.30
WALSENBURG GATEWAY METRO DIST	0.00			0.00
SPANISH PEAKS LIBRARY DIST	29,853.31	29,055.66	49,004.17-	9,904.80
SPANISH PEAKS LIBRARY DIST (BOND)	28,880.50	25,579.29	44,876.29-	9,583.50
HUERFANO CO. AMBULANCE ENTERPRISE	0.00			0.00
WASTE TRANSFER STATION ENTERPRISE	4,268.74		21,171.53-	16,902.79-
MINERAL LEASING	0.00			0.00
XXXXX	0.00			0.00
PUBLIC TRUSTEE	0.00			0.00
SOCIAL SERVICES	1,291,026.08	1,098,477.03	1,058,394.52-	1,331,108.59
HOSPITAL DISTRICT (OPERATING)	140,289.04	122,943.31	252,539.17-	10,693.18
HOSPITAL ANTIC. WARRANTS (BOND)	0.00			0.00
CITY OF WALSENBURG	61,271.87	286,650.10	306,663.76-	41,258.21
WALSENBURG TIF	1,947.21	1,279.79	3,075.89-	151.11
WAL (DOWNTOWN REV COMM) GID 28018	0.00			0.00
TOWN OF LAVETA	21,054.28	89,739.62	97,702.76-	13,091.14
LA VETA FIRE PROT. DIST.	31,202.85	23,168.24	52,567.09-	1,804.00
LA VETA CEMETERY DIST	3,113.41	2,310.66	5,244.06-	180.01
HUERFANO WATER CONS. DIST.	42,623.11	37,261.14	76,637.05-	3,247.20
NAVAJO WATER DIST.	6,794.60	7,348.13	13,752.21-	390.52
CUCHARA SAN. WATER DIST.	13,152.05	12,746.52	24,911.27-	987.30
LA VETA LIB. DIST.	35,509.71	26,352.60	59,809.18-	2,053.13
RYE FIRE DIST.	2,263.90	726.89	2,757.36-	233.43
ECONOMIC & REVOLVING LOAN	0.00			0.00
CUCHARA BOND	0.00			0.00
UPPER HUERFANO CONSERVATION DIST	6,326.54	5,055.39	10,906.22-	475.71
UPPER HUERFANO FIRE DIST.	10,453.32	18,466.21	27,827.93-	1,091.60
HUERFANO CO FIRE PROTECTION DIST	62,478.94	51,642.87	109,036.98-	5,084.83
COUNTY CLERK	196,813.74	1,148,263.07	1,173,877.33-	171,199.48
COUNTY CLERK SUR CHARGE	6,450.98	1,341.00	993.25-	6,798.73
SCHOOL DIST. RE-1 GENERAL	394,703.33	363,189.88	725,636.54-	32,256.67
SCHOOL DIST. RE-1 CAP. RES.	0.00			0.00
SCHOOL DIST. RE-1 BOND	130,339.67	112,467.20	232,120.66-	10,686.21
SCHOOL DIST. RE-1 INSURANCE REV.	0.47		.47-	0.00
SCHOOL DIST. RE-2 GENERAL	159,188.03	115,114.35	265,313.70-	8,988.68
SCHOOL DIST. RE-2 CAP. RES.	0.00			0.00
SCHOOL DIST. RE-2 BOND	71,569.36	51,665.29	119,202.18-	4,032.47
TAX SALE & REDEMPTIONS	11,155.29	155,545.41	155,608.59-	11,092.11
BACK TAX UNAPPORTIONED	0.00			0.00
FEDERAL FOREST PROJECT FUND	86,702.65		508.05-	86,194.60
C-PACE COLORADO NEW ENERGY IMP DIST	0.00	13,636.96	13,636.96-	0.00
TREASURERS FEES	0.00	114,391.22	114,391.22-	0.00
SPECIFIC OWNERSHIP	0.00	580,290.94	580,290.94-	0.00
LAND USE FUND	0.00			0.00

CONSERVATION TRUST FUND	52,116.37	34,875.82	21,346.97-	65,645.22
MOTOR VEHICLE	0.00	26,459.22	26,459.22-	0.00
XXXX	367.59	501.12	868.71-	0.00
US FOREST RESERVE	4,620.00			4,620.00
NAVAJO BOND	0.00			0.00
WALSENBURG HOUSING AUTHORITY	0.00	55,022.52	55,022.52-	0.00
ADVANCE TAX COLLECTIONS	16,345.33	12,930.24		29,275.57
COUNTY PROPERTY SALES	765.00			765.00
PILT	1,045,657.15		1,242,695.07-	197,037.92-
REAL ESTATE INT.UNAPPORTIONED	0.00			0.00
CONTINGENCY FUND	42,960.00	100,000.00		142,960.00
COURT HOUSE RE-HAB	0.00			0.00
PURGATOIRE RIVER SOIL CONS. DIST.	0.29	.19		0.48
BUSINESS RECRUITMENT	0.00			0.00
EMERGENCY RESERVE FUND	0.00			0.00
GRAND TOTALS	\$9,322,807.41	\$12,485,507.09	\$15,318,570.98-	\$6,489,743.52

CUSTODY OF FUNDS



I, DEBRA J REYNOLDS, County Treasurer in and for the County of Huerfano, State of Colorado, do hereby certify that the above is a true statement of the condition of the various funds as they appear from the records in my office at the close of business on December 31, 2024

Debra J Reynolds
County Treasurer

Received and examined by the Board of Huerfano County Commissioners this ___ day of January 2025

Chairman

Published in the Huerfano World Journal Paper January

For six months - ending December 31, 2024
Filed in my office this 08th day of January 2025

Erica Vigil
County Clerk
1-13-25

SEMI ANNUAL REPORT OF HUERFANO COUNTY TREASURER
 JULY 01, 2024 THRU DECEMBER 31, 2024

Item 7g.

FUND	BEGINNING BALANCE	REVENUES-- DEPOSITS	INTEREST EARNED	TRANSFERS (IN)	DISBURSEMENTS-- TRANSFERS (OUT)	ENDING BALANCE
COMMUNITY BANKS OF SO COLORADO	806,265.20	1,500,869.55		513,224.97	2,867,359.77-	47,000.05-
TREASURERS CASH	700.00					700.00
COLO TRUST (INVESTMENT)	3,071,104.07	1,099,000.00	59,081.04		2,711,541.17-	1,517,643.94
BMO OPERATING ACCT (FKA BOW)	663,333.03	2,923,857.61		94,501.81	2,739,450.08-	942,242.37
BMO 2ND CKG ACCT	22,515.47	36.47-				22,479.00
BOW CD START 3/25/22 CLOSED 2/2/24	0.00					0.00
ASSET MANAGEMENT ACCT	449,366.23	4,500.00				453,866.23
HUERFANO CONSERVATION TRUST FUND	52,116.37	33,984.86	890.96		21,346.97-	65,645.22
CSAFE (INVESTMENT)	802,224.16		19,774.56		300,000.00-	521,998.72
PEAKS INVESTMENTS MANAGEMENT	549,461.71		15,841.08			565,302.79
LPL FINANCIAL	1,795,877.65		54,527.82		400,000.00-	1,450,405.47
WELLS FARGO (TRANSFD TO PEAKS INV)	0.00					0.00
PFM FUNDS - CSIP (START 2/26/13)	571,549.33		14,771.74			586,321.07
COMMUNITY BANKS OF COLORADO MM ACCT	538,294.19	950,000.00	11,844.57		1,090,000.00-	410,138.76
GRAND TOTALS	\$9,322,807.41	\$6,512,175.55	\$176,731.77	\$607,726.78	\$10,129,697.99-	\$6,489,743.52



I Debra J Reynolds, County Treasurer in and for the county of Huerfano in the State of Colorado, do hereby certify that the above is a true statement of the condition of the various funds as they appear from the records in my office at the close of business on December 31, 2024

Debra Reynolds
 County Treasurer

Received and examined by the Board of Huerfano County Commissioners this _____ day of January 2025

 Chairman

Published in the County Paper January, ___ 2025

For six months ending December 31, 2024
 Filed in my office this 13th day of January, 2025.

Erica Vigil
 County Clerk

ANNUAL REPORT OF HUERFANO COUNTY TREASURER
 JANUARY 01, 2024 THRU DECEMBER 31, 2024

Item 7h.

FUND	BEGINNING BALANCE	REVENUES----- REVENUES	DISBURSEMENTS-- DISBURSEMENTS	ENDING BALANCE
COUNTY GENERAL FUND	1,431,847.46	9,896,878.90	9,559,392.97-	1,769,333.39
P&R CHANGED TO CO GEN 1/2024	51,387.87-	200,000.00	452.39-	148,159.74
HOUSING AUTHORITY	0.00	50,000.00		50,000.00
UNCLAIMED	766.11	1.70	.51-	767.30
SPECIAL PROJECT FUND	1,071,885.22-	1,878,595.57	2,121,478.01-	1,314,767.66-
ASSET MANAGEMENT	449,366.23	4,500.00		453,866.23
ROAD & BRIDGE	353,663.67	2,817,409.33	2,155,070.21-	1,016,002.79
LEASE PURCHASE FUND	0.00			0.00
EMERGENCY SERVICES FUNDS (DISPATCH)	1,312,066.59	1,332,890.16	1,262,688.87-	1,382,267.88
RETIREMENT	113,089.68	197,864.74	196,664.93-	114,289.49
LODGING TAX TOURISM FUND	91,814.89	112,911.14	76,740.53-	127,985.50
OPIOID FUNDS	0.00	46,273.04		46,273.04
DISASTER RECOVERY FUND	1,098,519.17	34,500.00	349,707.03-	783,312.14
GARDNER PUBLIC IMPROVEMENT DISTRICT	87,581.04	99,060.99	74,738.42-	111,903.61
TREASURERS DEED PROCESS	0.00	20,565.40	12,128.10-	8,437.30
WALSENBURG GATEWAY METRO DIST	0.00			0.00
SPANISH PEAKS LIBRARY DIST	3,830.91	314,531.39	308,457.50-	9,904.80
SPANISH PEAKS LIBRARY DIST (BOND)	2,406.91	267,324.04	260,147.45-	9,583.50
HUERFANO CO. AMBULANCE ENTERPRISE	0.00			0.00
WASTE TRANSFER STATION ENTERPRISE	57,344.73	20,922.37	95,169.89-	16,902.79-
MINERAL LEASING	0.00			0.00
XXXXX	0.00			0.00
PUBLIC TRUSTEE	0.00			0.00
SOCIAL SERVICES	1,027,157.34	2,410,532.05	2,106,580.80-	1,331,108.59
HOSPITAL DISTRICT (OPERATING)	13,049.68	1,362,494.14	1,364,850.64-	10,693.18
HOSPITAL ANTIC. WARRANTS (BOND)	0.00			0.00
CITY OF WALSENBURG	44,819.00	847,904.92	851,465.71-	41,258.21
WALSENBURG TIF	43.15	14,900.25	14,792.29-	151.11
WAL (DOWNTOWN REV COMM) GID 28018	0.00			0.00
TOWN OF LAVETA	12,914.94	214,509.73	214,333.53-	13,091.14
LA VETA FIRE PROT. DIST.	1,997.58	246,321.15	246,514.73-	1,804.00
LA VETA CEMETERY DIST	187.41	24,317.02	24,324.42-	180.01
HUERFANO WATER CONS. DIST.	3,964.10	416,320.71	417,037.61-	3,247.20
NAVAJO WATER DIST.	338.73	50,852.88	50,801.09-	390.52
CUCHARA SAN. WATER DIST.	1,249.85	134,999.24	135,261.79-	987.30
LA VETA LIB. DIST.	2,080.18	276,079.18	276,106.23-	2,053.13
RYE FIRE DIST.	378.42	13,963.19	14,108.18-	233.43
ECONNOMIC & REVOLVING LOAN	0.00			0.00
CUCHARA BOND	0.00			0.00
UPPER HUERFANO CONSERVATION DIST	512.44	63,483.87	63,520.60-	475.71
UPPER HUERFANO FIRE DIST.	1,603.18	168,180.77	168,692.35-	1,091.60
HUERFANO CO FIRE PROTECTION DIST	6,499.28	612,967.11	614,381.56-	5,084.83
COUNTY CLERK	145,189.00	2,331,662.25	2,305,651.77-	171,199.48
COUNTY CLERK SUR CHARGE	6,591.04	2,543.00	2,335.31-	6,798.73
SCHOOL DIST. RE-1 GENERAL	42,731.94	3,641,689.18	3,652,164.45-	32,256.67
SCHOOL DIST. RE-1 CAP. RES.	0.00			0.00
SCHOOL DIST. RE-1 BOND	11,448.12	1,174,107.77	1,174,869.68-	10,686.21
SCHOOL DIST. RE-1 INSURANCE REV.	0.47		.47-	0.00
SCHOOL DIST. RE-2 GENERAL	9,398.72	1,028,891.29	1,029,301.33-	8,988.68
SCHOOL DIST. RE-2 CAP. RES.	0.00			0.00
SCHOOL DIST. RE-2 BOND	4,673.65	449,815.73	450,456.91-	4,032.47
TAX SALE & REDEMPTIONS	10,979.33	310,546.37	310,433.59-	11,092.11
BACK TAX UNAPPORTIONED	0.00			0.00
FEDERAL FOREST PROJECT FUND	69,671.01	18,340.41	1,816.82-	86,194.60
C-PACE COLORADO NEW ENERGY IMP DIST	13,636.96-	13,636.96		0.00
TREASURERS FEES	0.00	415,228.77	415,228.77-	0.00
SPECIFIC OWNERSHIP	0.00	1,278,693.65	1,278,693.65-	0.00
LAND USE FUND	0.00			0.00

CONSERVATION TRUST FUND	50,818.89	46,313.66	31,487.33-	65,645.22
MOTOR VEHICLE	0.00	50,610.42	50,610.42-	0.00
XXXX	367.59	501.12	868.71-	0.00
US FOREST RESERVE	4,620.00			4,620.00
NAVAJO BOND	0.00			0.00
WALSENBURG HOUSING AUTHORITY	0.00	55,022.52	55,022.52-	0.00
ADVANCE TAX COLLECTIONS	23,147.87	11,892.59	5,764.89-	29,275.57
COUNTY PROPERTY SALES	765.00			765.00
PILT	461,012.59	654,538.00	1,312,588.51-	197,037.92-
REAL ESTATE INT.UNAPPORTIONED	0.00			0.00
CONTINGENCY FUND	37,960.00	105,000.00		142,960.00
COURT HOUSE RE-HAB	0.00			0.00
PURGATOIRE RIVER SOIL CONS. DIST.	0.55	4.47	4.54-	0.48
BUSINESS RECRUITMENT	0.00			0.00
EMERGENCY RESERVE FUND	0.00			0.00
GRAND TOTALS	\$5,861,558.39	\$35,741,093.14	\$35,112,908.01-	\$6,489,743.52

I, DEBRA J REYNOLDS Treasurer in and for the County of Huerfano, and the State of Colorado, hereby certify that the foregoing is a true and just copy of the fund balances, receipts and disbursements of records of my office to the best of my knowledge and belief as of DECEMBER 31, 2024.

Date: 1/9/25

Debra J Reynolds
Huerfano County Treasurer



The above and foregoing statement of the annual condition of Huerfano County, Colorado is a true copy of the statement furnished the Board of County Commissioners by Debra J Reynolds County Treasurer, in and for the County of Huerfano, State of Colorado.

Date: 1-13-25 Chairman: _____

Attest: Erica Vigil
County Clerk & Recorder

ANNUAL REPORT OF HUERFANO COUNTY TREASURER
 JANUARY 01, 2024 THRU DECEMBER 31, 2024

Item 7h.

FUND	BEGINNING BALANCE	REVENUES-- DEPOSITS	INTEREST EARNED	TRANSFERS (IN)	DISBURSEMENTS-- TRANSFERS (OUT)	ENDING BALANCE
COMMUNITY BANKS OF SO COLORADO	245,352.54	534,951.02		2,581,845.88	3,409,149.49-	47,000.05-
TREASURERS CASH	700.00					700.00
COLO TRUST (INVESTMENT)	939,587.44	5,351,636.96	116,188.02		4,889,768.48-	1,517,643.94
BMO OPERATING ACCT (FKA BOW)	516,640.59	10,445,422.15	6.45	949,138.34	10,968,965.16-	942,242.37
BMO 2ND CKG ACCT	27,507.99	5,028.99-				22,479.00
BOW CD START 3/25/22 CLOSED 2/2/24	50,000.00				50,000.00-	0.00
ASSET MANAGEMENT ACCT	449,366.23	4,500.00				453,866.23
HUERFANO CONSERVATION TRUST FUND	50,818.89	44,304.73	2,008.93		31,487.33-	65,645.22
CSAFE (INVESTMENT)	386,019.92	400,000.00	35,978.80		300,000.00-	521,998.72
PEAKS INVESTMENTS MANAGEMENT	546,448.63		18,854.16			565,302.79
LPL FINANCIAL	1,794,475.76		55,929.71		400,000.00-	1,450,405.47
WELLS FARGO (TRANSED TO PEAKS INV)	0.00					0.00
PFM FUNDS - CSIP (START 2/26/13)	551,339.08		34,981.99			586,321.07
COMMUNITY BANKS OF COLORADO MM ACCT	303,301.32	1,375,000.00	21,837.44		1,290,000.00-	410,138.76
GRAND TOTALS	\$5,861,558.39	\$18,150,785.87	\$285,785.50	\$3,530,984.22	\$21,339,370.46-	\$6,489,743.52

I Debra J Reynolds, County Treasurer in and for the county of Huerfano in the State of Colorado, do hereby certify that the above is a true statement of the condition of the various funds as they appear from the records in my office at the close of business on December 31, 2024


 County Treasurer



Received and examined by the Board of Huerfano County Commissioners this _____ day of January 2025

 Chairman

For Twelve months ending December 31, 2024
 Filed in my office this 08TH day of January 2025.

2025 SPECIAL DISTRICT "TRANSPARENCY NOTICE"

Notice to Electors 32-1-809 C.R.S.

Legal Name of Special District: Navajo Western Water District

This information must be provided¹ annually to the eligible electors of the district between November 16 and January 15.

Address and telephone number of district's principal business office	705 Navajo Road Walsenburg, CO 81089 (719) 738-3130
Name and telephone of manager or other primary contact person for district	Mary Bonham (719) 738-3130
Email address of primary contact (Optional)	office@nwwd.us
District's website address <small>(Required if choosing to post meeting notices online per HB 19-1087)</small>	https://www.nwwd.us/
Time and place designated for regular board meetings <small>[per C.R.S. 32-1-903]</small>	The second Thursday of each month at 1:00p.m. at 705 Navajo Road, Walsenburg, CO 81089
Posting place designated for meeting Notice <small>[per C.R.S. 24-6-402(2)(c)]</small>	District website and/or mailbox outside district office

<p style="text-align: center;">Names and Contact Information of Board Members</p> <p style="text-align: center;"><i>Check applicable boxes for a Board Member whose seat will be on the ballot at the next regular election.</i></p>	<p>(1) Board Chair Name: <u>David Rogers</u> Contact Info: _____</p> <p><input type="checkbox"/> This office included on next regular election ballot for a <input type="checkbox"/> Two-year term <input type="checkbox"/> Four-year term</p>	<p>(2) Name: <u>Gary Baldwin</u> Contact Info: _____</p> <p><input checked="" type="checkbox"/> This office included on next regular election ballot for a <input type="checkbox"/> Two-year term <input checked="" type="checkbox"/> Four-year term</p>
	<p>(3) Name: <u>Debra Palmisano</u> Contact Info: _____</p> <p><input checked="" type="checkbox"/> This office included on next regular election ballot for a <input checked="" type="checkbox"/> Two-year term <input type="checkbox"/> Four-year term</p>	<p>(4) Name: <u>Rick Williams</u> Contact Info: _____</p> <p><input type="checkbox"/> This office included on next regular election ballot for a <input type="checkbox"/> Two-year term <input type="checkbox"/> Four-year term</p>
	<p>(5) Name: <u>Dan Palmisano</u> Contact Info: _____</p> <p><input checked="" type="checkbox"/> This office included on next regular election ballot for a <input type="checkbox"/> Two-year term <input checked="" type="checkbox"/> Four-year term</p>	
<p style="text-align: center;">For seven-member boards</p>	<p>(6) Name: _____ Contact Info: _____</p> <p><input type="checkbox"/> This office included on next regular election ballot for a <input type="checkbox"/> Two-year term <input type="checkbox"/> Four-year term</p>	<p>(7) Name: _____ Contact Info: _____</p> <p><input type="checkbox"/> This office included on next regular election ballot for a <input type="checkbox"/> Two-year term <input type="checkbox"/> Four-year term</p>

Date of next regular election	May <u>6</u> , 20 <u>25</u>	
Self-nomination forms to be a candidate for district board member may be obtained from and should be returned to the Designated Election Official (or Board Chair or Secretary if no DEO). [per C.R.S. 1-13.5-303]		
Self-nomination forms for the next regular election must be received by the district by: <p style="text-align: center;"><u>February</u> <u>28</u>, 20<u>25</u>, no later than <u>5</u>:<u>00</u> PM.</p>		
Applications for absentee voting or for permanent absentee voter status are available from and must be returned to the Designated Election Official. [per C.R.S. 1-13.5-1003]		
Designated Election Official:	<u>Dan Harper</u>	
Contact Address:	<u>202E. 5th Street, Walsenburg, CO 81089</u>	
Contact Phone:	<u>719-259-1070</u>	
District election results will be posted on these websites:	<u>www.mtwaterandsan.com</u>	Department of Local Affairs https://dola.colorado.gov/lgis
District Mill Levy	<u>7.85</u> mills, for collection in 20 <u>25</u>	
Total ad valorem tax revenue received in the previous year (note if unaudited or otherwise incomplete)	<u>\$ Approx. 38,878 as of 12/31/2024</u>	

File copy of this Notice with:

- Clerk and Recorder of each county in which the district is wholly or partially located
- Assessor of each county in which the district is wholly or partially located
- Treasurer of each county in which the district is wholly or partially located
- Board of commissioners of each county in which the district is wholly or partially located
- Governing body of any municipality in which the district is wholly located
- Division of Local Government
- District's principal business office where it shall be available for public inspection

¹ Notice must be provided in one or more of the following manners:

- a) Mail Notice separately to each household where one or more eligible electors of the special district resides (Note: Districts with overlapping boundaries may combine mailed Notices, so long as the information regarding each district is separately displayed and identified);
- b) Include Notice as a prominent part of a newsletter, annual report, billing insert, billing statement, letter, voter information card or other Notice of election, or other informational mailing sent by the district to the eligible electors;
- c) Post Notice on district's official website (Note: You must also provide the Division of Local Government (<http://www.colorado.gov/dola>) with the address of your district's website in order to establish a link on the DLG's site. Please use our Contact Update form available on our website or by request.);
- d) Post Notice on website of the Special District Association of Colorado (<http://www.sdaco.org>) (Note: Your district must be an SDA member. Send Notice to SDA by mail or electronic transmission); or
- e) For a special district with less than one thousand eligible electors that is wholly located within a county with a population of less than thirty thousand, posting the Notice in at least three public places within the limits of the special district and, in addition, posting a Notice in the office of the County Clerk and Recorder of the county in which the special district is located. Such Notices shall remain posted until the Tuesday succeeding the first Monday of the following May.

Upper Huerfano Fire Protection District

Pursuant to section 32-1-809, Colorado Revised Statutes for Transparency Notices may be filed with Special District Association of Colorado. This information must be provided annually to the eligible electors of the district no later than January 15 of each year.

*Note that some information provided herein may be subject to change after the notice is posted.

District's Principal Business Office

Company	Upper Huerfano Fire Protection District
Contact	Sandra Jones
Address	PO Box 147, Gardner, CO 81040
Phone	719-746-0140

District's Physical Location

Counties	Huerfano
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Regular Board Meeting Information

Location Gardner Fire Station
Address 25402 Highway 69, Gardner, Colorado 81040
Day(s) 2nd Wednesday of the month.
Time 3:00 P.M

Posting Place for Meeting Notice

Location Gardner Fire Station
Address 25402 Hwy 69, Gardner, Colorado 81040

Notice of Proposed Action to Fix or Increase Fees, Rates, Tolls, Penalties or Charges for Domestic Water or Sanitary Sewer Services

Location
Address PO Box147, Gardner, Colorado 81240
Date
Notice
N/A

Current District Mill Levy
Mills 6.983

Ad Valorem Tax Revenue
Revenue reported may be incomplete or unaudited as of the date this Notice was posted.
Amount(\$) 145,710

Date of Next Regular Election
Date 05/06/2025

Pursuant to 24-72-205 C.R.S
The district's research and retrieval fee is per hour
District Policy
District contact information for open records request:
Sandra K Jones

Names of District Board Members
Board President

Name LEWIS DE LAURA
Contact Info lewisdelaura@gmail.com
Election **No**, this office will not be on the next regular election ballot

Board Member 2

Name Mark Vialpando
Contact Info mark.vialpando@gmail.com
Election **Yes**, this office will be on the next regular election ballot

Board Member 3

Name Susan Dallaguardia
Contact Info susandallaguardia@gmail.com
Election **Yes**, this office will be on the next regular election ballot

Board Member 4

Name JAMES E FOWLER
Contact Info 10zenzopa@gmail.com
Election **No**, this office will not be on the next regular election ballot

Board Member 5

Name Paul Hendrych
Contact Info pjh19640702@gmail.com

Election **Yes**, this office will be on the next regular election ballot

Board Candidate Self-Nomination Forms

Any eligible elector of the special district who desires to be a candidate for the office of special district director must file a self-nomination and acceptance form or letter with the designated election official.

Deadline for Self-Nomination Forms

Self-nomination and acceptance forms or letters must be filed not less than 67 days before the date of the regular election.

District Election Results

The district's current election results will be posted on the website of the Colorado Secretary of State (www.sos.state.co.us) and the website indicated below, if any.

Website website not provided

Permanent Mail-In Voter Status

Absentee voting and Permanent absentee voter status (formerly Permanent Mail-In voter status): Where to obtain and return forms.

Gardner Fire Station 25402 Highway 69 Gardner, CO 81040

Applications for absentee voting or for permanent absentee voter status are available from and must be returned to the Designated Election Official.

Notice Completed By

Name
Sandra Jones

Company/District
UPFPD

Title
Admin Assistant

Email
uhfpdgardner@gmail.com

Dated
12/08/2024



TECHNICAL UPDATE

Volume 28 Number 53 | December 31, 2024

UNDERSTANDING WORKPLACE POSTERS: STATE AND FEDERAL REQUIREMENTS

The U.S. Department of Labor (DOL) and the State of Colorado require workplaces, including local governments, to provide employees with posted notices. Lists of notices can be found online and often downloaded for free.

STATE OF COLORADO

The State of Colorado requires employers to display certain federal and state law posters to ensure employees know their rights and responsibilities. These posters cover essential topics such as Minimum Wage Orders, Anti-Discrimination protections, Employment Security, Workers' Compensation, Notice to Employer of Injury, Paydays, Pregnancy Accommodations, and more. Employers can find these posters listed at <https://cdle.colorado.gov/posters>.

These posters summarize labor laws and regulations but should not be considered comprehensive. For detailed information, rules, fact sheets, translations, questions, or to file complaints, employees and employers can contact the Division of Labor Standards & Statistics at ColoradoLaborLaw.gov or via email at cdle_labor_standards@state.co.us.

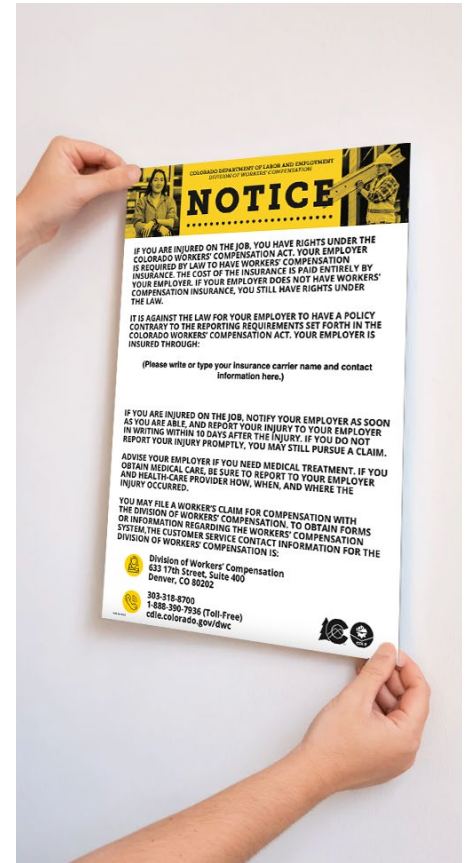
Additionally, every Colorado employer is required to notify employees about the FAMLI (Family and Medical Leave Insurance) Program and display the [required program notice](#) prominently in the workplace. The program ensures that most Colorado employees become eligible for paid leave after earning at least \$2,500 in wages subject to FAMLI premiums within approximately a year. Individuals and families can [sign up for updates](#) directly from the Division of Labor Standards & Statistics.

Employers should note that some state-required posters may not specify their applicability to local governments. This can vary, so it's advisable to consult with an HR representative or county attorney to clarify applicable definitions and requirements.

FEDERAL LEVEL

At the federal level, the U.S. Department of Labor (DOL) mandates that specific notices be displayed in workplaces to inform employees of their rights under federal statutes and regulations. These notices include topics such as the Fair Labor Standards Act (FLSA), the Family and Medical Leave Act (FMLA), Equal Employment Opportunity (EEO), and more.

The DOL provides free electronic copies of required posters, some available in multiple languages, at <https://www.dol.gov/general/topics/posters>. Posters of particular interest to federal contractors are also available on this site.



WHAT THIS MEANS FOR COUNTIES

Employers are encouraged to review state and federal poster requirements regularly to ensure compliance. Staying updated on changes can help avoid penalties and ensure employees have access to accurate and timely labor law information. Generally, a poster should be posted in the lunchroom, general meeting rooms, or places where all employees can view it for each physical location or building in which county employees or contractors report. It is a straightforward violation for an auditor to check, so take notice of this critical requirement. For more information, contact CTSI at (303) 861-0507.



TECHNICAL UPDATE

Volume 29 Number 2 | January 14, 2025

THE POWER OF POOLING FOR COUNTY SUCCESS

County Technical Services, Inc. (CTSI) has served Colorado counties for 40 years. County commissioners first envisioned CTSI as a way to empower counties by creating a collective purchasing pool. The County Health Pool (CHP) was founded in 1984 with the goal of lowering and stabilizing health insurance premiums.

The success of this pool led to the creation of the County Workers' Compensation Pool (CWCP) and the Colorado Counties Casualty and Property Pool (CAPP) to address challenging market conditions in those areas, as well.

OUR SERVICES

There are five components to CTSI:

- County Health Pool (CHP) which helps meet employee health benefits needs.
- County Workers' Compensation Pool (CWCP) which meets workers' compensation insurance coverage needs.
- Colorado Counties Casualty and Property Pool (CAPP) which meets property, vehicle, and liability coverage needs.
- 800 Grant Street Office Condominium Owners Association which owns and manages the common elements at the CTSI headquarters in downtown Denver.
- CTSI manages and employs personnel to administer the four above entities, as well as provide consulting, education, and training services.

POOLING AND COST CONTROL

Pooling gives CTSI members the ability to use their collective buying power to negotiate from a position of strength in often uncertain insurance markets. Member involvement in the management and operation of CTSI and the pools produces a responsive and adaptive organization that excels at controlling costs. We regularly provide our members with renewal rates below the national average, consult with members about increased limits when needed, and provide coverage for new functions as required by members. Our commitment to continuous improvement means that we are constantly investigating ways to reduce the cost of insurance coverage and ancillary services for members. Our centralized purchasing power at a much larger volume has helped significantly control member costs over acquiring services and functions independently.

ABOUT CHP

County Health Pool (CHP) provides employee health benefits. CHP is committed to cost control, well-designed benefit programs, and efficient claims administration. It is the only county-owned health plan provider in Colorado with benefits, contribution rates, and coverages determined by representatives from Member counties. [Learn More.](#)

ABOUT CWCP

County Workers' Compensation Pool (CWCP) provides counties with statutory workers' compensation coverage, a no-fault system that means the employee doesn't have to prove that the employer is at fault to receive benefits. CWCP Member counties employ nearly 17,000 people with a payroll of approximately \$530 million per year. Members earn equity in funds and equity is retained as a safety net to offset the swings in the insurance market. [Learn More.](#)

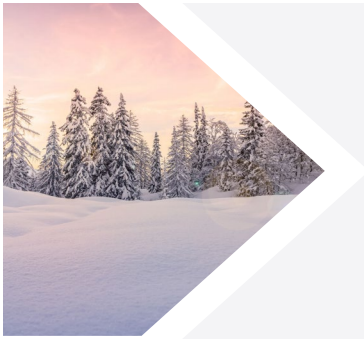
ABOUT CAPP

Colorado Counties Casualty and Property Pool (CAPP) protects the assets of counties throughout Colorado through broad coverage, risk management, and sound fiscal management. CAPP excels in loss control and claims management. Members earn equity in funds that are not used to pay losses. That pool equity is retained as a safety net to offset the swings in the insurance market. [Learn More.](#)



WHAT THIS MEANS FOR COUNTIES

Counties continue to seek protection for their organizations from rising claims costs brought on by natural disasters, pandemics, social inflation, and more. Membership in CTSI gives Colorado counties leverage to negotiate favorable premiums and coverage in this challenging market. For more information, please contact CTSI at (303) 861-0507.



TECHNICAL UPDATE

Volume 29 Number 1 | January 7, 2025

CYBERSECURITY INSIGHTS: PROTECTING INFORMATION

In today's digital age, cybersecurity is a critical concern for counties of all sizes. As cyber threats become increasingly sophisticated, counties must stay vigilant and proactive in protecting their sensitive data. CTSI stays informed of evolving threats and provides quarterly cybersecurity updates on the latest concerns, best practices, and security protocols. This knowledge can significantly reduce the risk of a successful cyber attack and promote a security-first culture.

WHAT IS PERSONALLY IDENTIFIABLE INFORMATION?

Sensitive information is considered privileged when its compromise—through alteration, corruption, loss, misuse, or unauthorized disclosure—could seriously harm an individual or organization. The highest level of protection must be provided to such information to mitigate risks and safeguard trust.

For data protection purposes, Personally Identifiable Information (PII) is any instance of an individual's first name (or first initial), last name, and any of 29 additional confidential items. These items are non-public and can be used to identify a specific individual uniquely.

Examples of Additional Confidential Items

- Social Security numbers
- Credit card or debit card numbers (including expiration dates)
- Date or place of birth
- Wage and salary information
- Vehicle identifiers, including plates and driver's license
- Medical history or health information

The guiding principle is simple: if a combination of data can uniquely identify an individual and includes non-public details, it qualifies as PII. It must be treated with utmost care and security.

Examples of PII in Practice

Consider the following scenario: *John Smith was born on January 1, 1965.* Which of the following examples contains PII?

- A. John Smith – DOB 1/1/1965
- B. John S. – DOB 1/1/1965
- C. John Smith – DOB 1/1/xxxx

The correct answer is A. While "John S." or a partial date of birth may not individually identify someone, the full name and complete birthdate do, making it classified as PII.

THE CONSEQUENCES OF NEGLECTING PII PROTECTION

Failing to safeguard sensitive information can have severe consequences, including:

- **Legal Fines:** Non-compliance with data protection laws can result in hefty penalties.
- **Increased Operating Costs:** Data breaches often lead to expensive mitigation measures, investigations, and system upgrades.
- **Loss of Confidence:** Breaches erode trust and can damage an organization's reputation.
- **Enhanced Regulation:** Frequent data breaches may result in stricter governmental oversight and new compliance requirements.

HOW YOU CAN HELP PROTECT SENSITIVE INFORMATION

Every employee has a role to play in safeguarding PII. Here are some best practices to follow:

- **Store Securely:** Always use encrypted systems or locked storage for physical records.
- **Share Minimally:** Only share PII with authorized personnel, when necessary.
- **Dispose Properly:** Use secure methods, such as shredding or data deletion, to dispose of PII.
- **Stay Vigilant:** Be aware of phishing attempts and other tactics to extract sensitive data.



WHAT THIS MEANS FOR COUNTIES

Regular cybersecurity updates are vital to an effective security strategy. They help keep counties informed, vigilant, and prepared to respond to threats. CTSI recommends counties implement these essential cybersecurity controls to help manage their cyber exposures. This will safeguard and reduce digital vulnerabilities at the county level and assist in obtaining coverage with higher limits and lower premiums for CAPP. For more information, contact CTSI at (303) 861-0507.