

GASB 54 Fund Balance Reporting (only applies to Governmental Funds)

Fund Definitions (per GASB54):

- General Fund: is used to account for and report all financial resources not accounted for and reported in another fund.
- Special Revenue Funds: to account for and report the proceeds of specific revenue sources other than debt service or capital projects. One or more specific restricted or committed revenues should be the foundation for a special revenue fund. Should not be used to account for resources held in trust. The restricted or committed proceeds of specific revenue sources should be expected to continue to comprise a substantial portion of the inflows reported in the fund. Disclose in the Notes to FS, the purpose of each SRF and which revenues and resources are reported in each SRF. Teller County's Special Revenue Funds (as of 12/2010) are:
 - Road & Bridge Fund: is required by Colorado State Statute #43-2-203. Major Restricted revenue is HUTF, plus Sales tax (restricted by the ballot issue, to Law enforcement, Roads and Capital projects), Nat'l Forest payments and Grants. Fund also receives Property tax, permit & fee revenue and other non-restricted revenues.
 - Social Services Fund: is required by CCR 5.411. Major Restricted revenues are Fed and State DSS program revenues, and Grants. Also receives some Property tax, some gaming tax (not necessarily every year) and some fees, for reimbursement of County DSS expenses.
 - Contingency Fund: Is authorized by CRS 30-25-107, to "fix rates of levy annually for such fund", causes a legal restriction on the funds contained there, since they were levied specifically for the Contingency fund. The revenue stream could continue into this fund, if the Board of County Commissioners made the decision to levy additional taxes into the fund. \$400,000 (3% of TABOR revenues) is now further restricted as the County's TABOR Emergency Reserve. Any amount of the TABOR Reserve used is then required to be replaced in subsequent year, constituting more of a "loan" for other uses, than a final use of the funds. If non-TABOR reserve is used out of this fund, it would be a use, and may be returned at the discretion of the Board.

Additional funds may be transferred in from the General Fund through the budget process, ie: in the 2012 budget, will be specified in the budget resolution to be used for for the purpose of controlling wildland fires in the County. (In 2009, Senate Bill 09-020 amended Title 29 of the Colorado Revised Statutes by the addition of a new article addressing Wildland Fire Planning. The amendment clarified the wildland fires - general authorities and responsibilities under 29-22.5-103 that set forth that the Sheriff is the Fire Warden of the County and is responsible for suppression of wildland fires in the unincorporated areas of the County and that which exceed the capabilities of any fire district to control. As such, the amended statute set forth that the Sheriff on behalf of the County "shall" assume financial responsibility for suppression activities. The amendment set forth the responsibility of the BOCC to make such appropriations as deemed necessary for the purpose of controlling wildland fires in the County.)

- Sheriff's Forfeitures Fund: was established (in the late 80's?), for the accounting of County Sheriff's seizures and forfeitures (seized cash or cash from sales of seized assets). Prior to that, the Sheriff had deposited the money with the County Treasurer, however the revenues and expenditures were not budgeted or run through the County books at all. The Board and the Sheriff at that time, additionally decided that this fund would be used for donations made directly to the County Sheriff, that were not specified to reimburse normal operating expenditures through the General Fund. Now, seizures and forfeitures are most often accounted for through the 4th Judicial District Special Investigations Fund. If Teller County benefits from these funds, equipment is usually purchased by the SIF and given to Teller County. From time to time, the County may directly receive funds that the SIF was not involved in (not very often). Substantial donations specifically for the Sheriff's Office are received regularly by the County.

Forfeitures are governed under CRS 16-13-302, -303, -307, -311, -701 (Public Nuisance) and CRS 16-13-501, -601, -701 and subject to audit per 29-1-6-CRS (Contraband). Various reforms have been attempted since we established our fund, but I'm not sure exactly what has passed, when. In the current

Statutes, I cannot locate any requirement that the funds be kept in a separate fund. There are specific requirements in 16-13-311(3)(a) regarding the order in which seizures and forfeitures are to be distributed, which state (IV) reimbursement to the law enforcement agency for reasonable fees and costs (which would have come out of the General Fund, and (VII) the balance remaining after (I) through (VI): will be delivered upon order of the Court, (A) Fifty percent to the general fund of the governmental body.....for public safety purposes or, if a multijurisdictional task force, to them. So, as far as I can tell, any County receipts from these activities would be required to run through the General Fund anyway, with further requirements on the use (ie: "for public safety purposes").

The Board of County Commissioners could pass a resolution requiring the Sheriff's Forfeiture Fund be maintained for the purpose of the Sheriff's department, but it is my opinion that (1) that would be pushing the use of a special revenue fund, and (2) it would be just as easy to maintain an excel spreadsheet between the Sheriff's and the Finance Department, agreed to by both at year-end, tracking the receipts and usage of donations for that department, and used to report an "assigned" amount of the General Fund's fund balance. The majority of the donations are given in good faith to be used specifically for K9, SWAT and/or for the good of the Sheriff's department.

- Parks Fund: Holds money that has been set aside in the past, at the decision of the Commissioners and through the budget process, to be used only for Parks and Open Space. Money has been transferred from the General Fund, and has also been deposited directly through land developers (required by subdivision rules), parks usage fees, interest earnings, and GOCO and other grants for the purpose of parks and open space. These funds are to be used in conjunction with Conservation Trust moneys. These "other" funds are not allowed to be comingled with the Conservation Trust Fund per CRS. No transfers from the General Fund have been made since 2007.
- Conservation Trust Fund: is required by CRS 29-21-101, if the County is to be an "eligible entity" to receive Conservation Trust funds from the State, they are to be kept in a separate fund, and used for specified purposes. Funds are expected to continue annually.

43-2-203. County road and bridge budget – tax levy.

(1) As a part of the total county budget and in conformity with the "Local Government Budget Law of Colorado", each county shall annually adopt a county **road** and **bridge** budget for the ensuing fiscal year, which budget shall show: The aggregate amount estimated to be expended for county **road** and **bridge** construction, maintenance, and administration and the aggregate amount estimated to be paid from the county **road** and **bridge fund** to municipalities located within the county, either in cash or in equivalent value of materials to be furnished or work to be performed under mutual agreements with such municipalities, during said fiscal year; the amount being carried over for equivalent materials to be furnished or work to be performed from any prior fiscal year for any municipality within the county pursuant to section [43-2-202](#) (2); the estimated balance in said **fund** at the beginning of said fiscal year; the aggregate amount estimated to be received from state, federal, or other sources during said fiscal year; and the amount necessary to be raised during said fiscal year from the levy authorized in subsection (2) of this section.

(2) The board of county commissioners in each county is authorized to levy such rate of tax on all taxable property located within the county as required, when added to the estimated balance on hand at the beginning of said ensuing fiscal year and the amount of all revenues, other than property tax revenue, estimated to be received during said fiscal year, to defray all expenditures and payments estimated to be made from the county **road** and **bridge fund** during said fiscal year.

Source: **L. 51:** p. 732, § 2. **CSA:** C. 143, § 9(2). **CRS 53:** § 120-1-3. **C.R.S. 1963:** § 120-1-3. **L. 70:** p. 321, § 2. **L. 75:** (1) amended, p. 1574, § 2, effective June 20.

Cross references: For the "Local Government Budget Law of Colorado", see part 1 of article [1](#) of title [29](#).

43-4-207. County allocation (HUTF)

(1) After paying the costs of the Colorado state patrol and such other costs of the department, exclusive of highway construction, highway improvements, or highway maintenance, as are appropriated by the general assembly, twenty-six percent of the balance of the highway users tax **fund** shall be paid to the county treasurers of the respective counties, subject to annual appropriation by the general assembly, and shall be allocated and expended as provided in this section. The moneys thus received shall be allocated to the counties as provided by law and shall be expended by the counties only on the construction, engineering, reconstruction, maintenance, repair, equipment, improvement, and administration of the county highway systems and any other public highways, including any state highways, together with acquisition of rights-of-way and access rights for the same and for no other purpose; except that moneys received pursuant to section [43-4-205](#) (6.3) shall be expended by the counties only for **road** safety projects, as defined in section [43-4-803](#) (21). The amount to be expended for administrative purposes shall not exceed five percent of each county's share of the funds available.

ANNOTATION

Am. Jur.2d. See 56 Am. Jur.2d, Municipal Corporations, Etc., § 536.

C.J.S. See 20 C.J.S., Counties, § 316.

Funding for roads and bridges shall be from a special levy for roads and bridges, together with moneys from state or

federal governments for expenditures on roads and bridges, and other moneys which may become available for roads and bridges, except money from the general **fund**. City of Greeley v. Bd. of County Comm'rs, 644 P.2d 76 (Colo. App. 1981).

The conflict between this section and § 29-1-111.5, if any, must be resolved in favor of the specific prohibition on roads and bridges found in this section. City of Greeley v. Bd. of County Comm'rs, 644 P.2d 76 (Colo. App. 1981).

Subsection (1) specifically prohibits the transfer of county general **fund** money for expenditures for roads and bridges. City of Colo. Springs v. Bd. of County Comm'rs, 648 P.2d 671 (Colo. App. 1982).

This section makes any money contained in the county general fund unavailable for road and bridge use. City of Aurora v. Bd. of County Comm'rs, 902 P.2d 375 (Colo. App. 1994), aff'd, 919 P.2d 198 (Colo. 1996).

Code of Colorado Regulations:

CCR 5.411 Separate Social/Human Services Fund

A fund to be known as the county social/human services fund shall be established and maintained in each of the counties of the State of Colorado.

5.411.1 Separate From Other Funds

The social/human services fund in each county shall be accounted for separately from any other funds in the county so that the cash balance in the county social/human services fund can be determined at all times.

5.411.2 Special Revenue Fund

The county social/human services fund shall be maintained as a special revenue fund and used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

5.411.3 Includes All Public Assistance, Social Services, and Related Funds

The county social/human services fund shall include all money appropriated by the board of county commissioners for public assistance, social services, and related purposes.

5.411.4 Includes All Colorado Department of Human Services and Federal Funds

The county social/human services fund shall include all moneys allotted, allocated, or apportioned to the county by the Colorado Department of Human Services. These funds are granted by the State of Colorado and by the federal government for public assistance, welfare and related purposes and paid to the county by the Colorado Department of Human Services.