

Comprehensive Annual Financial Report

For the year ended December 31, 2017



El Paso County, Colorado

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Office of the State Auditor

June 19, 2018

EL PASO COUNTY, COLORADO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the fiscal year ended
December 31, 2017

Prepared by:

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EL PASO COUNTY, COLORADO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2017

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I. INTRODUCTORY SECTION



COMMISSIONERS:
DARRYL GLENN (PRESIDENT)
MARK WALLER (PRESIDENT PRO TEMPORE)

STAN VANDERWERF
LONGINOS GONZALEZ, JR.
PEGGY LITTLETON

FINANCIAL SERVICES DEPARTMENT

BUDGET, CONTRACTS & PROCUREMENT, EMPLOYEE BENEFITS, AND FINANCE

SHERRI L. CASSIDY, CPFO, CHIEF FINANCIAL OFFICER

June 11, 2018

Transmittal Letter

To the Board of County Commissioners and Citizens of El Paso County:

State law requires that every general-purpose local government publish a complete set of audited financial statements annually. Publishing of this report is to fulfill that requirement for the fiscal year ended December 31, 2017.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute assurance that the financial statements are free of any material misstatements.

RubinBrown LLP, our external independent auditor, issued an unmodified (“clean”) opinion on El Paso County’s financial statements for the year ended December 31, 2017. The independent auditors report is located at the front of the financial section of this report.

Management’s discussion and analysis (MD&A) immediately follows the independent auditors’ report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the Government

El Paso County, incorporated in 1861 and located in the central part of the state, is one of the top growth areas in both the state and the country. The 2017 population estimates from the Colorado Department of Local Affairs has El Paso County’s population estimated at 699,232. El Paso County is ranked as the second largest populated county in the State. El Paso County occupies 2,158 square miles and is empowered to levy a property tax on both real and personal property located within its boundaries.

El Paso County operates under the County Administrator-County Commissioner form of government. Policy-making and legislative authority are vested in a governing Board of County Commissioners (BoCC) consisting of the President, President Pro Tempore, and three other members. The BoCC appoints the government’s manager, who in turn appoints the heads of various departments. BoCC members serve four-year terms. The BoCC consists of five elected members, one from each district within the County.

El Paso County provides a full range of services, including Sheriff Operations; District Attorney Offices; Department of Human Services; the construction and maintenance of highways, streets, and other infrastructure; and recreational and cultural activities. El Paso County is also accountable for a legally and separate Health Department and Housing Authority, both of which are reported separately within El Paso County’s financial statements. The BoCC is required to adopt a final budget by no later than the close of the fiscal year. This annual budget serves as the foundation for El Paso County’s financial planning and control.





The budget is prepared by fund, function (e.g., public safety), and department (e.g., Sheriff Operations). Department heads may transfer resources within or between departments as they see fit. Transfers between funds, however, need special approval from the governing commissioners.

Local economy

Major industries located within El Paso County's boundaries, or in close proximity, include several military bases and their related supporting operations, semiconductor companies, automobile dealers, large retailers, as well as several financial institutions, religious organizations, and insurance companies.

Long-term financial planning

The five-year budget forecast for El Paso County shows conservative growth in core revenue sources to include sales and use tax, property tax, and fees. This, coupled with conservative spending, enabled the County to build an operational savings, which got the County through the leanest financial years because of the Great Recession. Sustainability and strategic investments in our future have been highlighted throughout the 2018 budget process. Lessons learned from County's tumultuous ten-year budget history demonstrated the need and provided the foundation for the development of the rolling five-year financial road map endorsed by the Board of County Commissioners in 2015.

The five-year financial roadmap clearly outlines that it will take at least five years of good economic conditions and continued increases in core revenue sources to invest back into the County's base level of operation.

Major initiatives

In 2016, the County ended the year with excess revenue above the TABOR limitations. In 2017, a ballot measure was proposed to voters and passed allowing the County to retain the excess revenue, which allowed for planning for critical budget needs in both 2017 and going into 2018. Many departments and offices reported high personnel turnover and rising costs for hiring and training new workers. A 2015 salary survey confirmed many County employees were being paid below the minimum salary range for similar positions. Thus, El Paso County began addressing this need in 2017 with pay increases in line with the County-wide compensation survey. In addition, the County's budget allowed several critical needs to be addressed, including upgrading a portion of the heavy fleet.

Awards and Acknowledgements

El Paso County received the Certificate of Achievement for Excellence in Financial Reporting award from the Government Finance Officers Association (GFOA) for the years 1990 through 1999, 2005 through 2008 and 2010 through 2016. In order to be rewarded a Certificate of Achievement; the government had to publish an easily readable and efficiently organized CAFR that satisfied both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR will meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for the certificate.

The preparation of this report would not have been possible without the efficient and dedicated service of the entire staff of the Financial Services Department. We wish to express our appreciation to all members of this department who assisted and contributed to the preparation of this report. Credit must be given to the governing Board of County Commissioners for their unwavering support for maintaining the highest standards of professionalism in the management of El Paso County's finances.

Respectfully Submitted,

Henry Yankowski

County Administrator

Nicola J. Sapp

Deputy County Administrator

Sherri Cassidy, CPFO

Chief Financial Officer



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**El Paso County
Colorado**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2016

Christopher P. Morrill

Executive Director/CEO

**El Paso County Colorado
Elected and Appointed Officials
December 31, 2017**

Commissioners

President	Darryl Glenn - District 1
President Pro Tempore	Mark Waller - District 2
Commissioner	Stan VanderWerf - District 3
Commissioner	Longinos Gonzalez Jr. - District 4
Commissioner	Peggy Littleton - District 5

Elected Officials

Assessor	Steve Schleiker
Clerk and Recorder	Chuck Broerman
Coroner	Dr. Robert C. Bux
District Attorney	Dan May
Sheriff	Bill Elder
Surveyor	Lawrence Burnett
Treasurer	Mark Lowderman

State Appointed Officials

Public Trustee	Thomas S. Mowle
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Board of County Commissioners Appointed Officials

County Administrator	Henry Yankowski
County Attorney	Amy R. Folsom
Executive Director, Pikes Peak Workforce Center	Traci Marques



Commissioner Districts El Paso County, Colorado

Commissioner Districts

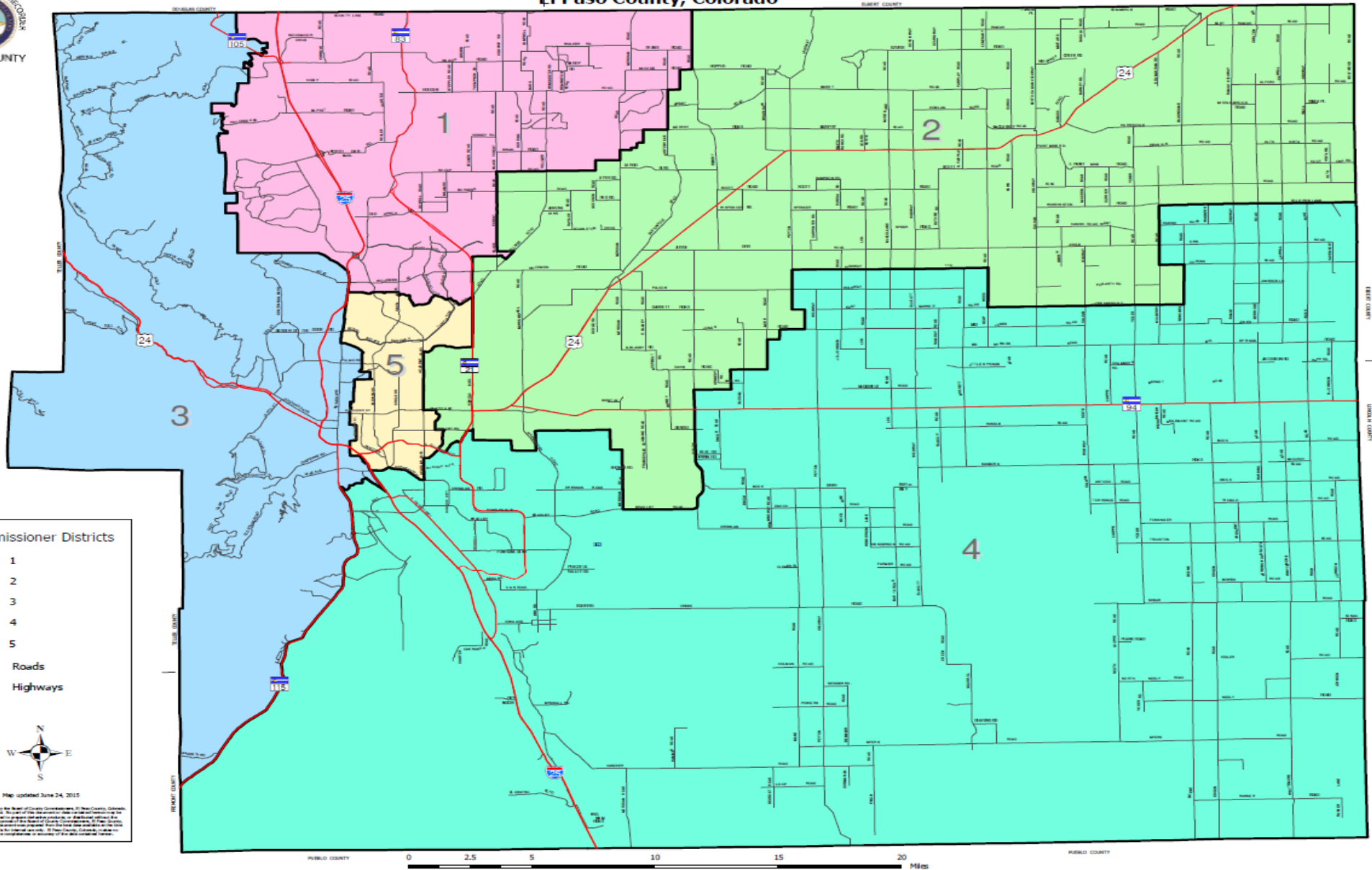
- 1
- 2
- 3
- 4
- 5

- Roads
- Highways



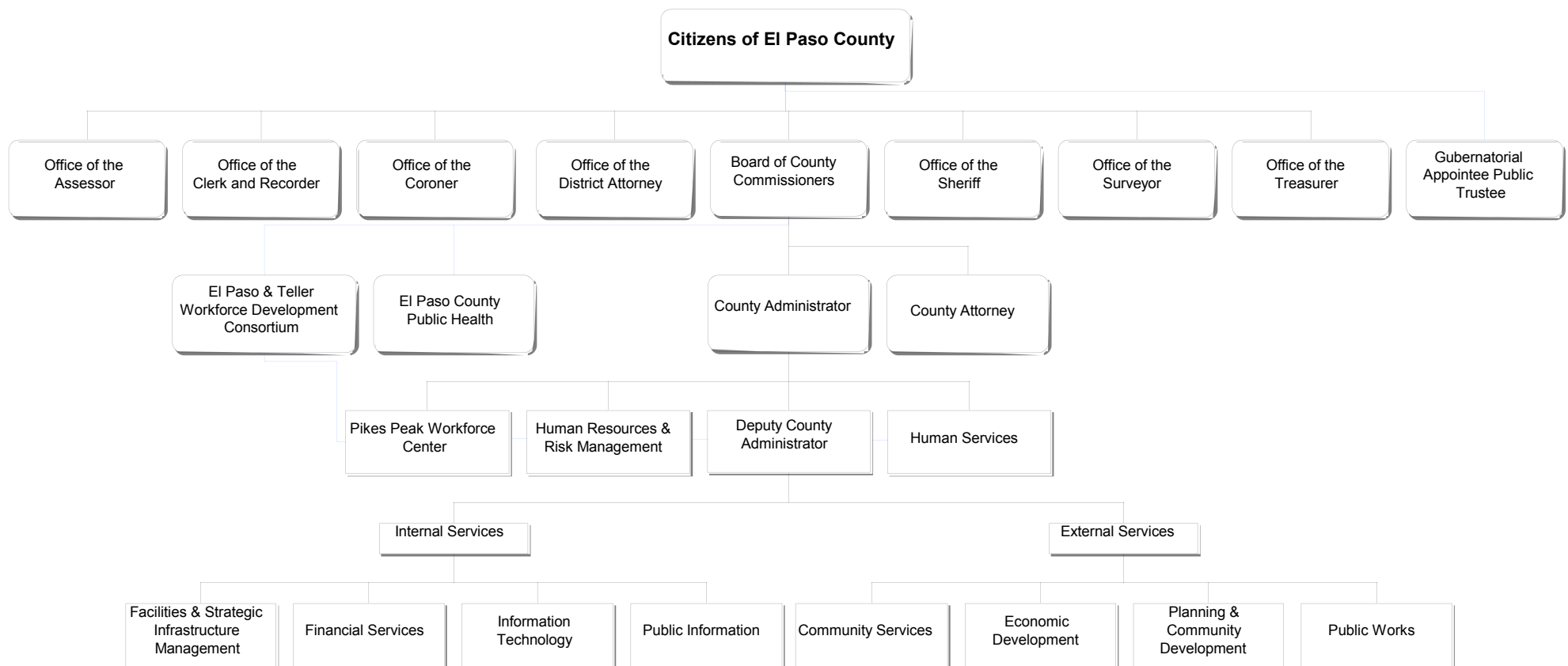
Map updated June 24, 2015

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El Paso County Organizational Chart



Lines of Control _____

Lines of Coordination - - - - -

II. FINANCIAL SECTION



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Independent Auditors' Report

Board of County Commissioners
El Paso County
Colorado Springs, Colorado

Report On The Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of El Paso County, Colorado (the County), as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility For The Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the El Paso County Retirement Plan, which is reported as the pension trust fund, and the financial statements of the El Paso County Housing Authority, which represents 63% of assets and deferred outflows of resources, 129% of net position and 3% of revenues of the discretely presented component units. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the El Paso County Retirement Plan and the El Paso County Housing Authority, is based solely on the reports of the other auditors. We, and the other auditors of the El Paso County Housing Authority, conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statements of the El Paso County Retirement Plan were not audited in accordance with *Government Auditing Standards*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the County as of December 31, 2017 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 19 through 32, budgetary comparison schedules on page 90 through 94, the schedule of the County's proportionate share of the net pension liability and the schedule of the County's contributions and related ratios on pages 96 and 97 and the schedule of funding progress for the El Paso County Postemployment Healthcare Plan on page 98 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, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual fund financial statements and schedules; the Schedule of EBT Authorizations, Warrant Expenditures and Total Expenditures; the Local Highway Finance Report and introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules; the Schedule of EBT Authorizations, Warrant Expenditures and Total Expenditures and the Local Highway Finance Report are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 by us and other auditors. In our opinion, based on our audit, the procedures performed as described above and the reports of the other auditors, the combining and individual fund financial statements and schedules; the Schedule of EBT Authorizations, Warrant Expenditures and Total Expenditures and the Local Highway Finance Report are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required By *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 12, 2018 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 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 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.

RubinBrown LLP

June 12, 2018

Management's Discussion and Analysis

(Un-audited)

El Paso County's (the "County") discussion and analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the County's financial activity, (c) identify changes in the County's financial position (its ability to address the next and subsequent years challenges), (d) identify any material deviations from the financial plan (the approved budget), and (e) identify individual fund issues or concerns.

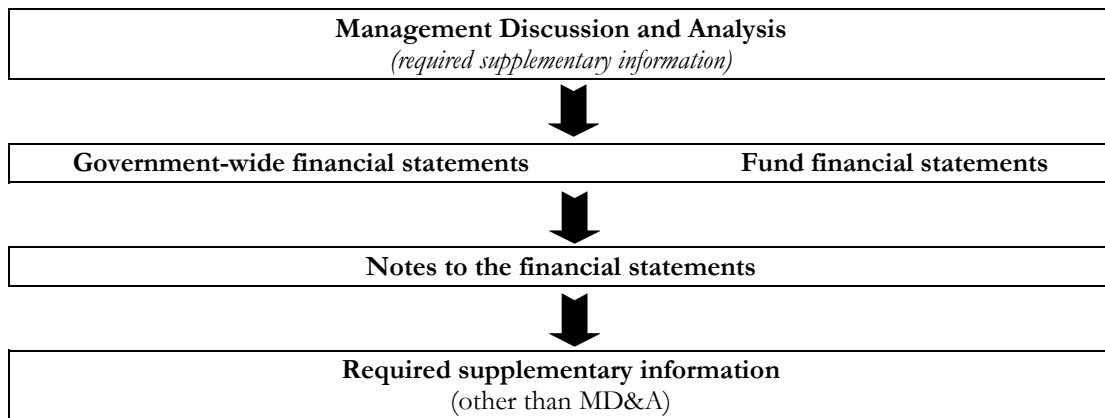
The discussion and analysis of El Paso County's financial performance provides an overview of the County's financial activities for the fiscal year ended December 31, 2017. Please read it in conjunction with the County's financial statements, which begin on page 34, as well as the transmittal letter.

Financial Highlights

- The County's total assets and deferred outflows of resources remained relatively unchanged during the year, increasing only \$400 thousand in comparison to 2016. The County experienced an increase of \$8.7 million in cash and investments, which is primarily due to retaining the 2016 TABOR revenue of which \$14.5 million will be spent in 2018 and 2019 on voter approved projects. During 2017, the deferred outflows related to pension decreased \$10.8 million.
- The County's total liabilities and deferred inflows of resources decreased 3.6% from 2016 to 2017. Included in the \$17.2 million decrease was a \$10.9 million decrease in the GASB 68 pension liability, which directly relates to positive investment returns experienced by the pension in 2017. The largest portion of the overall decrease was \$15.1 million of unearned revenue related to TABOR revenue limits. During 2016, the County's revenue grew faster than TABOR requirements allow, and this overage was reflected on the 2016 balance sheet as a liability. In November 2017, voters approved the County retaining that overage, so it is no longer reflected as a liability, but as restricted fund balance. We had a few other offsetting items such as a \$1.3 million increase in accounts payable, \$3.9 million increase in noncurrent liabilities due within one year, and a \$3 million increase in deferred inflow for property taxes. The increase in deferred inflows for property taxes is attributable to taxpayers paying their property taxes early before the omnibus tax reform took effect in 2018.
- In comparing the 2017 Statement of Activities to 2016, total governmental revenues increased \$36 million. This increase includes the \$15.1 million TABOR retention allowed by the passage of the 2017 ballot measure. 2016's Statement of Activities was net of that \$15.1 million, and 2017's Statement of Activities records the revenue which was actually collected in 2016 but not allowed to be recognized until the passage of the ballot initiative in 2017. If you remove the effect of this accounting transaction, revenues actually increased \$6 million, which is primary due to increases in sales tax, property tax, highway user tax, and charges for services.
- Expenditures in the General Fund increased by \$4.1 million when comparing 2016 to 2017 which reflects a 2.2% increase in expenditures. This was largely due to increased personnel costs, in which the County's personnel budget grew 2% for a market increase.
- The County's total governmental fund balance increased \$23.0 million during 2017. Of the total increase, \$18 million was an increase in General Fund. A majority of the increase in General Fund was due to the \$15.1 TABOR retention followed by the passage of the 2017 ballot measure, of which \$11.6 was from the General Fund. The Human Services Fund increased \$3.6 million over 2016, which again is related to the TABOR retention, of which \$3.5 million was related to the Human Services Fund.

Using this Annual Report

The following graphic is provided to outline the composition of the financial statements.



This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the County as a whole and present a longer-term view of the County's finances. For governmental activities, these statements tell how these services were financed in the short-term as well as what remains for future spending. Fund financial statements also report the County's operations in more detail than the government-wide statements by providing information about the County's most significant funds. The remaining statements provide financial information about activities for which the County acts solely as a trustee or agent for the benefit of those outside of the government.

Government-Wide Statements

The government-wide statements report information about the County as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid.

These two government-wide statements report the County's net position and how it has changed. You can think of the County's net position, the difference between assets and liabilities, as one way to measure the County's financial health, or financial position.

- Over time, increases or decreases in net position may serve as a useful indicator of whether the financial health of the County is improving or deteriorating, respectively.
- To assess the overall financial health of the County, you will need to consider additional non-financial factors, such as changes in the County's property tax base and the condition of the County's roads.

The government-wide financial statements of the County are divided into three categories:

- ***Governmental activities*** - Most of the County's basic services are included here, such as sheriff, public works, health and welfare, auxiliary services and general administration. Taxes and intergovernmental revenues finance most of these activities.
- ***Business-type activities*** - The County charges fees to customers to help it cover the costs of certain services it provides. The County's Household Hazardous Waste Fund is included here.

- **Component units** - The County includes four other entities in its report:
 - The El Paso County Retirement Plan exists for the purpose of being a cost sharing, multiple-employer benefit plan for all full-time employees.
 - The El Paso County Facilities Corporation exists as a nonprofit corporation under the laws of the State of Colorado which was organized to acquire real estate, property and improvements for lease to the County and, upon the prior approval of a majority of the members of the Board of County Commissioners of the County, to borrow money and to become indebted and to execute and deliver bonds, notes, and debentures to evidence such indebtedness, for the purpose of acquiring such real personal property, constructing or installing such improvements, and for such other purposes as may be necessary to accomplish the objectives of the Corporation.
 - El Paso County Public Health is a quasi-municipal organization organized by authority of State Statutes and Resolution of the County Commissioners.
 - The El Paso County Housing Authority was established by the Commissioners and exists in order to help promote availability of decent, safe, and sanitary dwelling accommodations in the County to low-income families.

Fund Financial Statements

The fund financial statements provide more detailed information about the County's most significant funds not the County as a whole. Funds are accounting devices that the County uses to keep track of specific sources of funding and spending for particular purposes.

- Some funds are required by State law and by covenants of our Certificates of Participation.
- The Board of County Commissioners establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants.

The County has three types of funds:

Governmental funds - Most of the County's basic services are included in the governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, additional information is provided at the bottom of the governmental funds statements, or on the subsequent page, that explains the relationship (or differences) between them.

Proprietary funds - Services for which the County charges customers a fee are generally reported in proprietary funds. Proprietary funds statements, like the government-wide statements, provide both long-term and short-term financial information.

- Enterprise funds are the same as its business-type activities, but provide more detail and additional information, such as cash flows. El Paso County's Enterprise fund is the Household Hazardous Waste Fund.
- Internal Service funds are used to report activities that provide supplies and services for the County's other programs and activities. El Paso County's only internal service fund is the Self Insurance Internal Service Fund.

Fiduciary funds - The County is the trustee, or fiduciary for other assets that, because of a trust arrangement, can be used only for the trust's beneficiaries. The County is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the County's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. These activities are excluded from the County's government-wide financial statements because the County cannot use these assets to finance its operations.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information (RSI) concerning El Paso County's General Fund, Road and Bridge Fund, and Human Services Fund Budget to Actual information, a Budget-to-GAAP Reconciliation, a schedule of funding progress for the OPEB benefits to our employees, as well as information related to the County's share of the net pension liability. Immediately following the RSI is the Other Supplementary Information (OSI), which includes budget to actuals for special revenue funds, proprietary funds, fiduciary funds, as well as combining statements for agency funds.

Following the OSI, a schedule of EBT Authorizations, Warrant Expenditures, and Total Expenditures for the Human Services Fund is presented, in addition to the Highway Finance Report. Following this miscellaneous information is the Statistical Section, which provides information regarding financial trends, revenue capacity, debt capacity, demographic and economic information, as well as operating information.

Financial Analysis of the County as a Whole

Net position is one measure of the County's financial position. Over time, this value can help assess the County's overall financial health.

Net Position - The County's combined net position was \$246.6 million in 2017. Looking at the net position and net expenses of governmental and business-type activities separately, however, two very different stories emerge. The table on the following page focuses on the net position and changes in net position of the County's governmental and business-type activities.

El Paso County's Net Position
(in millions)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2017	2016	2017	2016	2017	2016
Current and other assets	\$ 177.9	\$ 164.5	\$ 1.0	\$ 0.9	\$ 178.9	\$ 165.4
Capital assets	522.5	524.5	1.2	1.3	523.7	525.8
Total assets	<u>700.4</u>	<u>689.0</u>	<u>2.2</u>	<u>2.2</u>	<u>702.6</u>	<u>691.2</u>
Deferred outflows of resources						
Deferred loss on refunding	2.3	2.5	-	-	2.3	2.5
Deferred outflows-related to pension	4.9	15.7	-	-	4.9	15.7
Total deferred outflows of resources	<u>7.2</u>	<u>18.2</u>	<u>-</u>	<u>-</u>	<u>7.2</u>	<u>18.2</u>
Long-term debt outstanding	364.8	379.9	-	0.4	364.8	380.3
Other liabilities	40.3	51.0	-	0.1	40.3	51.1
Total liabilities	<u>405.1</u>	<u>430.9</u>	<u>-</u>	<u>0.5</u>	<u>405.1</u>	<u>431.4</u>
Deferred inflows of resources						
Deferred revenue-property taxes	52.6	49.6	-	-	52.6	49.6
Deferred inflow - related to pension	5.2	-	-	-	5.2	-
Total deferred inflows of resources	<u>57.8</u>	<u>49.6</u>	<u>-</u>	<u>-</u>	<u>57.8</u>	<u>49.6</u>
Net position						
Net investment in capital assets	402.1	393.5	1.2	1.3	403.3	394.8
Restricted	56.6	34.9	-	-	56.6	34.9
Unrestricted	(214.0)	(201.8)	0.6	0.5	(213.4)	(201.3)
Total net position	<u>\$ 244.8</u>	<u>\$ 226.7</u>	<u>\$ 1.8</u>	<u>\$ 1.8</u>	<u>\$ 246.6</u>	<u>\$ 228.5</u>

For detailed information please see the Statement of Net Position on page 36.

Normal Impacts

There are six basic (normal) transactions that will affect the comparability of the Statement of Net Position summary presentation to the fund financial statements.

Net Results of Activities - which will affect (increase/decrease) current assets and unrestricted net position.

Borrowing for Capital - which will increase current assets and long-term debt.

Spending Borrowed Proceeds on New Capital - which will reduce current assets and increase capital assets. There is a second impact, an increase in invested in capital assets and an increase in related net debt, which will not change the net investment in capital assets.

Spending of Non-Borrowed Current Assets on New Capital - which will (a) reduce current assets and increase capital assets and (b) will reduce unrestricted net position and increase net investment in capital assets.

Principal Payment on Debt - which will (a) reduce current assets and reduce long-term debt and (b) reduce unrestricted net position and increase net investment in capital assets.

Reduction of Capital Assets through Depreciation - which will reduce capital assets and net investment in capital assets. The net position of the County's governmental activities was \$244.8 million for 2017. The largest portion of the County's net position, \$401.5 million, reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, vehicles, and infrastructure), less any related outstanding debt that was used to acquire those assets. The County uses these capital assets to provide a variety of services to its citizens. Since all of these assets are tied up as capital, they are not available to finance day-to-day operations.

Net Position - Restricted net position of \$56.6 million has limited purposes, as a result the funds are also not available to finance day-to-day operations. A portion of restricted net position is the TABOR requirement to maintain an "emergency reserve" in the amount of 3% of "fiscal year spending less debt service". This reserve can be used to meet any emergency except those caused by economic conditions, revenue shortfalls, and salary or fringe benefits increases. Accordingly, the amount of this emergency "reserve" at December 31, 2017 is \$6.9 million.

The unrestricted net position is the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements. Unrestricted net position shows a \$213.4 million deficit at the end of the year. The largest portions of this deficit are the Other Post Employment Benefits (OPEB) liability of \$97.3 million that we are required to show, compensated absences liability of \$17.5 million, as well as a net pension liability of \$119.1 million. The County pays its OPEB and compensated absences annually on a "Pay-as-you-go" basis. Removing the OPEB, compensated absences, and net pension liabilities from the unrestricted net position results in a \$20.5 million unrestricted balance.

Changes in Net Position - The County's total governmental revenues were \$334.2 million for 2017. Approximately 11.5% of the County's revenues come from charges for services, 31.5% from operating and capital grants, 14.6% from property taxes, 35.9% from sales taxes; and 6.5% from other taxes and revenues. The total cost of all governmental programs and services was \$316.0 million.

Changes in El Paso County Net Position (in millions)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2017	2016	2017	2016	2017	2016
REVENUES						
Program revenues						
Charges for services	\$ 38.4	\$ 36.3	\$ 1.2	\$ 1.2	\$ 39.6	\$ 37.5
Operating grants	87.0	90.8	-	-	87.0	90.8
Capital grants	18.3	23.7	-	-	18.3	23.7
General revenues						
Property taxes	48.9	48.0	-	-	48.9	48.0
Sales tax	120.0	87.0	-	-	120.0	87.0
Other taxes	20.5	18.7	-	-	20.5	18.7
Other revenues	1.1	0.7	-	-	1.1	0.7
Total revenue	<u>334.2</u>	<u>305.2</u>	<u>1.2</u>	<u>1.2</u>	<u>335.4</u>	<u>306.4</u>
EXPENSES						
General government	65.3	65.7	-	-	65.3	65.7
Public safety	113.5	107.4	-	-	113.5	107.4
Public works	34.8	31.9	-	-	34.8	31.9
Health and welfare	91.3	90.7	-	-	91.3	90.7
Culture and recreation	4.4	4.1	-	-	4.4	4.1
Auxiliary services	0.7	0.6	-	-	0.7	0.6
Outside agencies	-	-	1.0	1.0	1.0	1.0
Interest on long term debt	6.0	7.2	-	-	6.0	7.2
Total expenses	<u>316.0</u>	<u>307.6</u>	<u>1.0</u>	<u>1.0</u>	<u>317.0</u>	<u>308.6</u>
Increase (decrease) in net position	<u>18.2</u>	<u>(2.4)</u>	<u>0.2</u>	<u>0.2</u>	<u>18.4</u>	<u>(2.2)</u>
Beginning Net Position	<u>226.7</u>	<u>229.1</u>	<u>1.8</u>	<u>1.7</u>	<u>228.5</u>	<u>230.8</u>
Ending Net Position	<u>\$ 244.8</u>	<u>\$ 226.7</u>	<u>\$ 1.8</u>	<u>\$ 1.8</u>	<u>\$ 246.6</u>	<u>\$ 228.5</u>

Governmental Activities

There are eight basic impacts on revenues and expenses as reflected below.

Revenues:

Economic Condition - which can reflect a declining, stable or growing economic environment and has a substantial impact on property, sales, or other tax revenue as well as public spending habits for building permits, elective user fees and volumes of consumption.

Increase/Decrease in Board approved fees - the County Commissioners have significant authority to impose and periodically increase/decrease fees.

Changing Patterns in Intergovernmental and Grant Revenue (both recurring and non-recurring) - certain recurring revenues (state revenue sharing, etc.) may experience significant changes periodically while non-recurring (or one-time) grants are less predictable and often distorting in their impact on year to year comparison.

Market affects Investment Income - the County's investment portfolio is managed using a variety of maturities and the market condition may cause investment income to fluctuate as a result.

Expenses:

Introduction of New Programs - within the functional expense categories, individual programs may be added or deleted to meet changing community needs.

Change in Authorized Personnel - changes in services demand or decisions to outsource services may cause the Commissioners to increase/decrease authorized staffing.

Salary increases (cost of living, merit and market place adjustment) - the ability to attract and retain trained and educated resources requires the County to strive to approach a competitive salary range position in the marketplace.

Inflation - while overall inflation appears to be reasonably modest, the County is a major consumer of certain commodities such as chemicals and supplies, fuels, and parts. Some functions may experience unusual commodity specific increases.

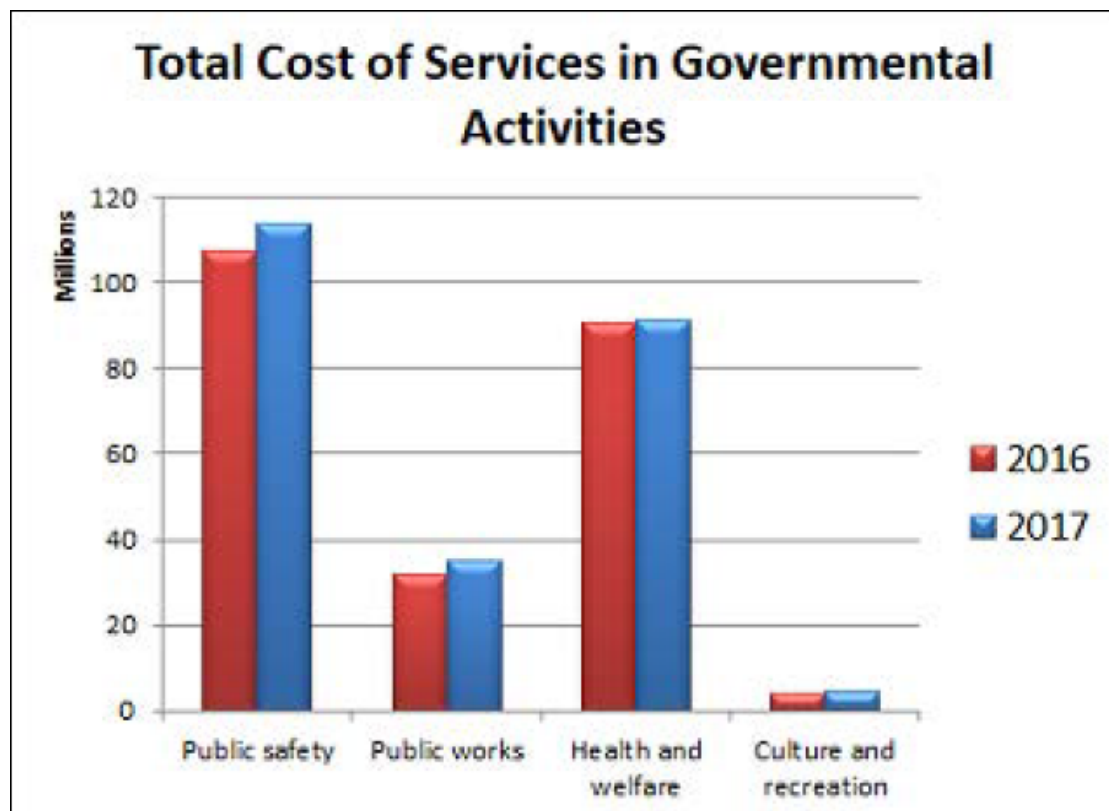
The table on the following page presents the cost of each of the County's four largest programs - Public Safety, Public Works, Health and Welfare, and Culture and Recreation - as well as each program's net cost (total cost less fees generated by the activities and intergovernmental aid). The net cost shows the financial burden that was placed on the County's taxpayers by each of these functions.

Some of the cost was paid by those who directly benefited from the programs, or other governments and organizations that subsidized certain programs with grants and contributions.

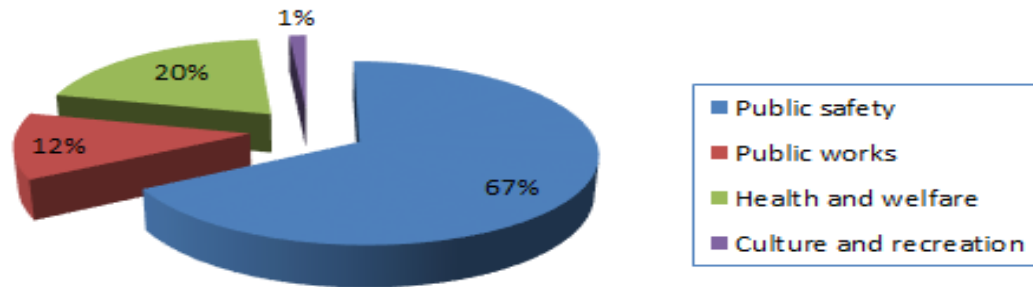
**Net Cost of El Paso County's Governmental Activities
(in millions)**

	Total Cost of Services		Net Cost (Revenue) of Services	
	2017	2016	2017	2016
Public safety	\$ 113.5	\$ 107.4	\$ 94.8	\$ 86.4
Public works	34.8	31.9	16.9	6.1
Health and welfare	91.3	90.7	28.2	28.9
Culture and recreation	4.4	4.1	1.9	1.4
Total	\$ 244.0	\$ 234.1	\$ 141.8	\$ 122.8

When comparing 2016 to 2017, Public Safety total cost of services increased \$6.1 million due to increased cost to run the jail, including significant increases in the inmate medical and food contracts. The increase in Public Works of \$2.9 million was primarily due to an intentional reinvestment in roads maintenance and repair during the 2017 budgeting process.



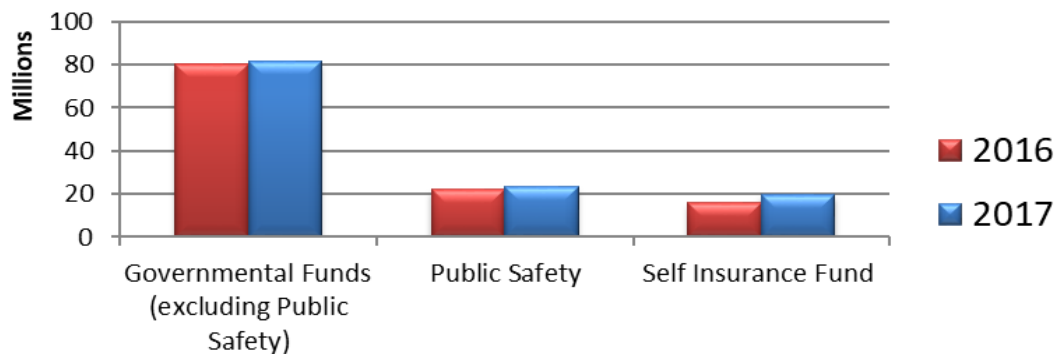
Net Cost of Governmental Activities



Sales Tax Revenue - Sales Tax Revenue in the governmental funds can appear to change significantly from year to year depending on how much sales and use tax revenue is allocated to our Internal Service Fund, which is not shown in the governmental funds financial statements. The following table provides a better analysis of sales tax revenue for the entire County compared to 2016. Below is a table showing total sales tax collections for the County as a whole:

(in millions)	2017	2016
Governmental Funds (excluding Public Safety)	\$ 81.6	\$ 80.2
Public Safety	23.2	22.0
Self-Insurance Fund	19.7	15.9
Total Sales and Use Tax	\$ 124.5	\$ 118.1

El Paso County Sales Tax Collected (in millions)



Please see Schedule 10, Sales and Use Tax Collections by State Category in the Statistical Section of this report for more information.

Financial Analysis of the County's Funds

At the end of the County's year, governmental funds reported a fund balance of \$89.9 million. This is an increase from 2016 of \$23.0 million. As discussed previously, the majority of this increase was seen in the General Fund, of which \$11.6 million is due to the accounting treatment of the 2016 TABOR revenues. In addition to that increase, General Fund increased an additional \$3.3 million, due to underspending of the budget and projects which were budgeted during 2017 but will not be completed until 2018. The Road and Bridge Fund decreased \$1.9 million, due to planned spending of fund balance during the 2017 budgeting cycle. The Human Services Fund increased \$3.5 million, which is directly related to the accounting treatment of the TABOR revenue retention in the Human Services Fund.

The **General Fund** is the County's primary operating fund, accounting for all financial resources of the general government, except those required to be accounted for in other funds. At the end of the current fiscal year, the unrestricted (committed, assigned and unassigned) fund balance of the General Fund was \$14.4 million. The County's Fund Balance Policy has set the appropriate fund balance as 0.5% of budgeted property tax, 10% of budgeted unrestricted sales tax, and 5% of all other budgeted unrestricted revenue sources. For the 2018 budget, the required beginning unrestricted fund balance is \$12.6 million. The 2017 ending fund balance is \$1.8 million higher than the required reserve. Also included in the General Fund Restricted Fund Balance is a reserve of \$6.9 million which is restricted under state law (TABOR - Taxpayers Bill of Rights) as an emergency reserve. The remaining amount of the fund balance is restricted funds unavailable for the Board to appropriate other than their designated purposes.

While the General Fund balance increased \$18.5 million in 2017, a significant portion due to the TABOR retention. In addition, the fund saw increased sales tax collections, property taxes, and licenses and permits.

The **Road and Bridge Fund** accounts for construction and maintenance of County roads and bridges financed by property taxes, highway user taxes, and other revenues restricted to use on roads and bridges. At the end of the current fiscal year, the Road and Bridge Fund had a total fund balance of \$16.5 million, which is \$1.9 million lower than 2016, primarily due to an intentional investment in road and bridge maintenance in 2017. Included in the Road and Bridge Fund balance is \$851 thousand restricted for the Colorado Avenue project which began in 2016, and is expected to be completed in 2018.

The **Human Services Fund** accounts for the federal and state public welfare programs administered by the County and financed by grants, intergovernmental reimbursements, and sales taxes. There was a \$3.5 million increase to fund balance primarily due the previously discussed TABOR retention being allocated to the Human Services Fund. Revenue in the Human Services Fund increased an additional \$4.8 million in 2017 as a result of additional grants and allocations from the State of Colorado and increased Medicaid funding from the Affordable Care Act.

The **Capital Project Fund** accounts for financial resources to be used for the acquisition or construction of major capital projects other than those financed by proprietary funds, as well as for payments on annual lease obligations. \$18.5 million of the \$18.7 million fund balance is held in escrow, restricted externally to be used only for payments on our annual lease obligations and construction projects. In 2018, \$40,000 is assigned for construction projects scheduled to be completed. The Capital Project Fund balance increased \$2.9 mainly due to a \$3.8 million Capital Lease Issuance for replacements of the County's Heavy Fleet.

El Paso County Budgetary Highlights

Over the course of the year, the El Paso County Commissioners revised the County's General Fund Budget with a total of 63 resolutions for a net increase of \$26,608,463. The largest budget resolutions follow and total \$24,379,211. The remaining resolutions combined total \$2,229,252.

- Resolution 17-059 was approved in the amount of \$9,449,748 to reappropriate to 2017, projects in process that were not yet completed and purchases that have been ordered but not yet received. These purchases and projects were scheduled to be completed in 2017.
- Resolution 17-082 was approved in the amount of \$3,940,224 to appropriate funds from Sheriff's Office Restricted fund balances to various restricted Sheriff's Office program budgets.
- Resolution 18-087 was approved in the amount of \$3,440,678 to adjust various General Fund budgets for items that were unanticipated earlier in the fiscal year during the 2017 Original Adopted Budget process.
- Resolution 17-254 in the amount of \$2,000,000 was approved from the State of Colorado, Department of Public Safety, Division of Homeland Security and Emergency Management to the Flood Mitigation and Recovery budget for the Riverside Mobile Home Park Acquisition Project.
- Resolution 17-065 was approved in the amount of \$1,597,808 for a Detoxification Services Contract between Centura Health—Penrose St. Francis Health Services, UCH-MHC formerly known as Memorial Health Systems, and the Department of Human Services, to provide detoxification services for the El Paso County Department of Human Service's Detoxification Program.
- Resolution 17-246 was approved in the amount of \$1,300,000 from the State of Colorado Department of Local Affairs to the Flood Mitigation and Recovery budget for the design and construction of Fountain Creek Restoration at Hanson Trailhead.
- Resolution 17-058 was approved to appropriate \$1,250,000 from fund balance to the Clerk and Recorder's budget for e-recording upgrades, election equipment and other operational needs and \$125,000 from fund balance to the Parks budget for Fountain Creek Regional Park Master Plan improvements.
- Resolution 17-186 was approved for \$332,278 from the Colorado Department of Human Services, Division of Behavior Health through the Contract for Jail Based Services to support the Reintegration and Recovery Program at the El Paso County Criminal Justice Center.
- Resolution 17-303 in the amount of \$312,475 was approved to the Emergency Response budget from the State of Colorado, Department of Public Safety, Division of Homeland Security and Emergency Management for the Presidential Disaster Declaration DR-4229/2015 Flooding of Bennett Channel and Santa Fe Trail.
- Resolution 17-304 was approved in the amount of \$256,000 from the United States Department of Agriculture, Natural Resources Conservation Service to the Emergency Response budget for erosion repairs at the Rock Creek Ranch and John May Museum.
- Resolution 17-211 was approved for \$250,000 from the Colorado Department of Public Safety Division of Homeland Security and Emergency Management to the Flood Mitigation and Recovery budget for the design of the Chipita Park Road project.
- Resolution 17-081 in the amount of \$250,000 was approved from the Colorado Department of Local Affairs, Community Development Block Grant-Disaster Recovery to the Flood Mitigation and Recovery budget for a relocation specialist firm to assist in relocating individuals in the Riverside Mobile Home Park.

General Fund Budget-to-Actuals

Due to conservative spending practices, the County ended the year underspending budgeted general fund expenditures by \$22.3 million. A majority of the underspending was reappropriated to the 2018 general fund budget to enable the County to finish projects it started in 2017, which were not completed by December 2017. Resolutions 17-059 and 17-083 reappropriated \$18.1 million to the 2018 budget.

In the revenue area, the County projected and budgeted for a 4.5% increase in sales and use taxes. Actual collections were 5.4% higher than 2016. During 2017, the County increased the sales tax allocation to the Self Insurance Fund budget due to increased medical costs. Overall, the County's sales taxes ended with a \$290 thousand negative variance with the budget. Specific Ownership taxes were \$1.8 million more than budgeted, due to increased activity in the Clerk and Recorder's Office.

Capital Assets and Debt Administration

Capital Assets

As of the end of 2017, the County had invested \$962.6 million in a broad range of capital assets, including land, buildings, equipment, infrastructure, park facilities, etc. This table presents capital balances related to governmental funds and internal service funds.

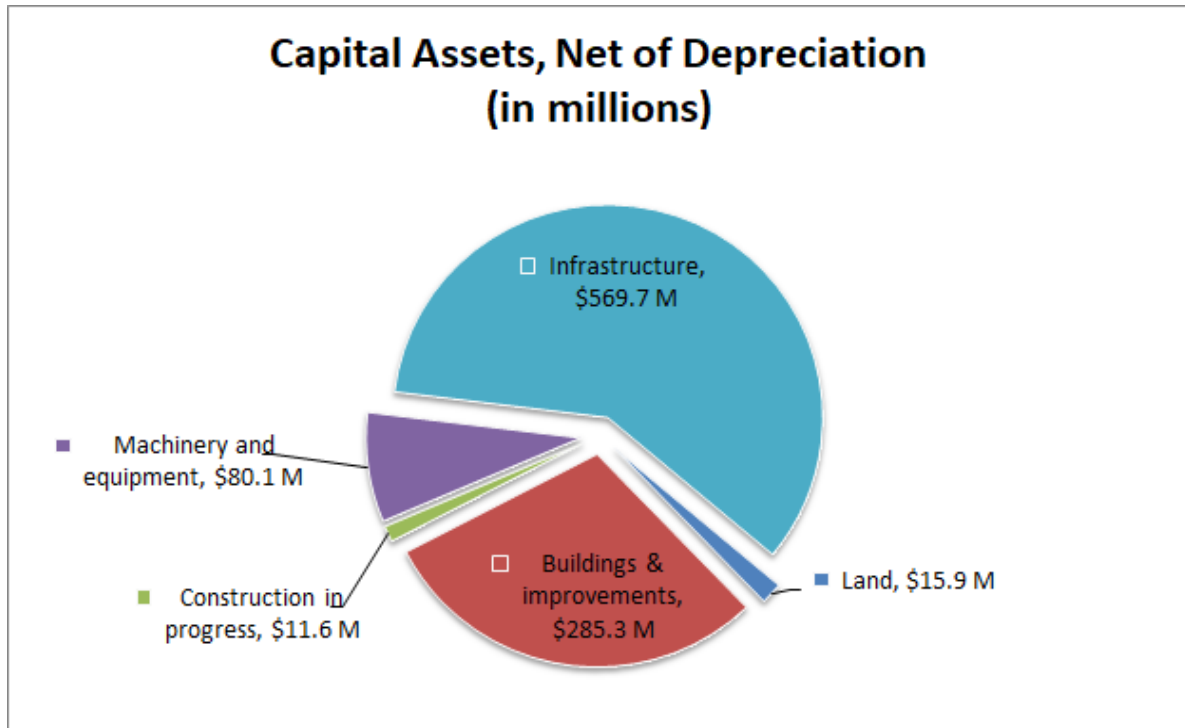
El Paso County Capital Assets (in millions)		
Governmental Activities		
	2017	2016
Land	\$ 15.9	\$ 15.7
Construction in progress	11.6	6.4
Buildings & improvements	285.3	284.5
Machinery and equipment	80.1	78.3
Infrastructure	569.7	551.4
Total	<u>\$ 962.6</u>	<u>\$ 936.3</u>

El Paso County's investments in capital assets for its governmental and business-type activities as of December 31, 2017, amounts to \$523.7 million (see Note C3). This investment in capital assets includes land, buildings, system improvements, machinery and equipment, park facilities, roads, highways, and bridges.

Major capital asset events during 2017 included the following:

- Road & Bridge infrastructure projects of \$4,361,324 completed and \$4,102,083 additional in construction in progress.
- \$1,385,020 was expended for various land and building renovation and improvements.
- \$545,889 was expended, completing the Criminal Justice Center's video visitation system.

Reconciliation of Capital Asset Schedules



Amount	Explanation
\$ 962,625,282	Total capital including Governmental & Internal Service Funds
27,475,494	Capital not Depreciated - Governmental & Internal Service Funds
495,060,357	Capital net of Depreciation - Governmental & Internal Service Funds
522,535,851	
27,475,494	Capital not Depreciated - Governmental & Internal Service Funds
935,149,788	Total Capital to Depreciate - Governmental & Internal Service Funds
962,625,282	Total before Depreciation
(440,089,431)	Depreciation
522,535,851	Net of Depreciation
962,305,541	Capital Assets Governmental Only
319,741	Internal Service Fund Capital Assets
\$ 962,625,282	

Information on El Paso County's capital assets can be found in the notes to the financial statements of this report in Note C3.

Long-term Debt

During 2017, El Paso County had a reduction in long-term debt accounts of \$61.9 million and additions of \$49.9 million resulting in a net decrease of \$12 million. Of this change, \$8.6 million was due to payments on outstanding Certificates of Participation. Additional information about El Paso County's long-term debt is presented in the notes to the financial statements, particularly Note C.5A.

In 2017, the County entered into a lease agreement as lessee for financing equipment for the Public Works Fleet Department. The lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of future minimum lease payments as of the inception date. The equipment is valued at \$3,785,271 and has an eight-year estimated useful life. This year, \$6,557 was included in depreciation expense. In 2017, a payment of \$650,000 was made on this capital lease.

Contacting the County's Financial Management

The purpose of this financial report is to provide the County's citizens, taxpayers, customers, investors, and creditors with a general overview of its finances and to show its accountability for the money it receives. If you have questions about this report or the reports of the component units, or need additional financial information, contact the County Financial Services Department's Finance Division, at El Paso County, 200 S. Cascade Ave., Suite 30, Colorado Springs, Colorado 80903. An electronic copy of this report can be found on the County's website <https://admin.elpasoco.com/financial-services/budget-finance/comprehensive-annual-financial-reports/>.



BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

EL PASO COUNTY, COLORADO
STATEMENT OF NET POSITION
DECEMBER 31, 2017

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	El Paso County Public Health	The El Paso County Housing Authority
ASSETS					
Cash and investments	\$ 57,919,761	\$ 753,640	\$ 58,673,401	\$ 4,214,425	\$ 7,081,046
Receivables					
Property taxes	52,646,106	-	52,646,106	-	-
Accounts	5,270,906	285,645	5,556,551	19,965	5,054,039
Intergovernmental	35,087,354	-	35,087,354	2,145,898	-
Accrued interest	4,708	-	4,708	-	83,725
Internal balances	77,950	-	77,950	-	-
Inventories	3,181,299	-	3,181,299	-	-
Prepaid expenses	593,941	-	593,941	-	-
Restricted cash and investments	18,470,674	-	18,470,674	-	-
Note receivable	4,690,764	-	4,690,764	-	-
Capital assets, not depreciated	27,475,494	-	27,475,494	230,756	-
Capital assets, net of accumulated depreciation	495,060,357	1,169,297	496,229,654	77,368	-
Total assets	700,479,314	2,208,582	702,687,896	6,688,412	12,218,810
DEFERRED OUTFLOWS OF RESOURCES					
Deferred charge on refundings	2,266,182	-	2,266,182	-	-
Deferred outflow - related to pension	4,927,441	10,987	4,938,428	510,631	-
Total deferred outflows of resources	7,193,623	10,987	7,204,610	510,631	-
LIABILITIES					
Internal balances	-	77,950	77,950	-	-
Accounts payable	10,700,528	39,698	10,740,226	193,492	18,141
Due to other governments	2,278,936	-	2,278,936	11,591	-
Interest payable	466,743	-	466,743	-	-
Accrued liabilities	6,921,207	11,679	6,932,886	313,401	104
Unearned revenue	560,418	-	560,418	760,370	-
Noncurrent liabilities					
Due within one year	19,281,201	109	19,281,310	180,710	-
Due in more than one year	245,654,777	64,585	245,719,362	722,120	-
Net pension liability	119,141,982	265,663	119,407,645	7,236,748	-
Total liabilities	405,005,792	459,684	405,465,476	9,418,432	18,245
DEFERRED INFLOWS OF RESOURCES					
Deferred revenue - property taxes	52,646,106	-	52,646,106	-	-
Deferred inflow - related to pension	5,171,915	20,566	5,192,481	563,963	-
Total deferred inflows of resources	57,818,021	20,566	57,838,587	563,963	-
NET POSITION					
Net investment in capital assets	402,103,483	1,169,297	403,272,780	308,124	-
Restricted for:					
TABOR	6,894,691	-	6,894,691	311,320	-
Clerk & Recorder projects	165,717	-	165,717	-	-
Public Safety	12,149,751	-	12,149,751	-	-
Public Works	12,008,053	-	12,008,053	-	-
Culture and Recreation projects	3,180,142	-	3,180,142	-	-
Debt Service	11,915,262	-	11,915,262	-	-
Construction Projects	6,555,412	-	6,555,412	-	-
Other Projects	3,830,893	-	3,830,893	-	-
Unrestricted	(213,954,280)	570,022	(213,384,258)	(3,402,796)	12,200,565
Total net position	\$ 244,849,124	\$ 1,739,319	\$ 246,588,443	\$ (2,783,352)	\$ 12,200,565

The accompanying notes are an integral part of this statement.

EL PASO COUNTY, COLORADO
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2017

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position				
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units	
					Governmental Activities	Business-type Activities	Total	El Paso County Public Health	The El Paso County Housing Authority
Primary government:									
Governmental activities:									
General government	\$ 65,281,483	\$ 29,520,516	\$ 10,983,640	\$ 861,856	\$ (23,915,471)	\$ -	\$ (23,915,471)	\$ -	\$ -
Public safety	113,483,626	7,231,670	10,600,965	887,878	(94,763,113)	-	(94,763,113)	-	-
Public works	34,766,473	581,918	824,616	16,497,749	(16,862,190)	-	(16,862,190)	-	-
Health and welfare	91,321,790	211,234	62,924,021	-	(28,186,535)	-	(28,186,535)	-	-
Culture and recreation	4,393,346	817,269	1,635,666	52,869	(1,887,542)	-	(1,887,542)	-	-
Auxiliary services	702,870	-	59,526	-	(643,344)	-	(643,344)	-	-
Interest on long-term debt	6,004,080	-	-	-	(6,004,080)	-	(6,004,080)	-	-
Total governmental activities	315,953,668	38,362,607	87,028,434	18,300,352	(172,262,275)	-	(172,262,275)	-	-
Business-type activities:									
Household hazardous waste	1,299,489	1,239,115	2	-	-	(60,372)	(60,372)	-	-
Total Business-type activities	1,299,489	1,239,115	2	-	-	(60,372)	(60,372)	-	-
Total primary government	317,253,157	39,601,722	87,028,436	18,300,352	(172,262,275)	(60,372)	(172,322,647)	-	-
Component units:									
Public Health	23,854,639	7,763,528	16,407,076	-	-	-	-	315,965	-
Housing Authority	804,395	605,375	-	-	-	-	-	-	(199,020)
Total component units	\$ 24,659,034	\$ 8,368,903	\$ 16,407,076	\$ -	-	-	-	315,965	(199,020)
General revenues:									
Taxes:									
Property taxes					48,852,104	-	48,852,104	-	-
Sales taxes including TABOR retention of \$15,174,442					119,995,369	-	119,995,369	-	-
Specific ownership tax					7,470,341	-	7,470,341	-	-
Highway users tax					13,003,581	-	13,003,581	-	-
Investment earnings					1,104,655	5,024	1,109,679	34,888	139,284
Miscellaneous revenue					-	-	-	56,205	-
Total general revenues and transfers					190,426,050	5,024	190,431,074	91,093	139,284
Change in net position					18,163,775	(55,348)	18,108,427	407,058	(59,736)
Net position - January 1					226,685,349	1,794,667	228,480,016	(3,190,410)	12,260,301
Net position - December 31					\$ 244,849,124	\$ 1,739,319	\$ 246,588,443	\$ (2,783,352)	\$ 12,200,565

The accompanying notes are an integral part of this statement.

FUND FINANCIAL STATEMENTS

EL PASO COUNTY, COLORADO
GOVERNMENTAL FUNDS
BALANCE SHEET
DECEMBER 31, 2017

	Major Funds				Non-Major Fund	Total Governmental Funds
	General Fund	Road and Bridge	Human Services	Capital Projects	Conservation Trust	
ASSETS						
Cash and investments	\$ 37,236,848	\$ 14,241,828	\$ 99,992	\$ 568,241	\$ 855,864	\$ 53,002,773
Taxes receivable	50,355,700	2,290,406	-	-	-	52,646,106
Accounts receivable	4,491,282	56,017	19,540	-	-	4,566,839
Advances to other funds	1,500,000	-	-	-	-	1,500,000
Due from other funds	1,228,785	73,526	4,496,006	-	-	5,798,317
Due from other governments	26,295,676	2,001,323	6,742,579	-	-	35,039,578
Inventories	1,806,936	1,374,363	-	-	-	3,181,299
Prepaid items	319,214	-	-	-	-	319,214
Restricted cash and investments	-	-	-	18,470,674	-	18,470,674
Total assets	<u>123,234,441</u>	<u>20,037,463</u>	<u>11,358,117</u>	<u>19,038,915</u>	<u>855,864</u>	<u>174,524,800</u>
LIABILITIES						
Accounts payable	6,540,542	575,371	2,059,870	368,645	35,311	9,579,739
Accrued liabilities	4,456,777	385,344	1,065,334	-	28,163	5,935,618
Advances from other funds	-	-	1,500,000	-	-	1,500,000
Due to other funds	11,239,902	51,621	822,953	12,523	-	12,126,999
Due to other governments	-	5,587	2,273,349	-	-	2,278,936
Unearned revenue	314,670	245,748	-	-	-	560,418
Total liabilities	<u>22,551,891</u>	<u>1,263,671</u>	<u>7,721,506</u>	<u>381,168</u>	<u>63,474</u>	<u>31,981,710</u>
DEFERRED INFLOWS OF RESOURCES						
Deferred revenue-property taxes	50,355,700	2,290,406	-	-	-	52,646,106
Total deferred inflows of resources	<u>50,355,700</u>	<u>2,290,406</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>52,646,106</u>
FUND BALANCES:						
Nonspendable	2,126,150	1,374,363	-	-	-	3,500,513
Restricted	33,792,193	8,053	3,636,611	18,470,674	792,390	56,699,921
Committed	4,814,696	3,244,381	-	-	-	8,059,077
Assigned	3,466,811	11,856,589	-	187,073	-	15,510,473
Unassigned	6,127,000	-	-	-	-	6,127,000
Total fund balances	<u>50,326,850</u>	<u>16,483,386</u>	<u>3,636,611</u>	<u>18,657,747</u>	<u>792,390</u>	<u>89,896,984</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 123,234,441</u>	<u>\$ 20,037,463</u>	<u>\$ 11,358,117</u>	<u>\$ 19,038,915</u>	<u>\$ 855,864</u>	<u>\$ 174,524,800</u>

The accompanying notes are an integral part of this statement.

EL PASO COUNTY, COLORADO
GOVERNMENTAL FUNDS
RECONCILIATION OF THE BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2017

Amounts reported for governmental activities in the statement of net position are different because:

Fund balances - total governmental funds	\$ 89,896,984
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	522,264,909
Internal service funds are used by management to charge the costs of the self insurance program to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	2,718,330
The portion of interest receivable that is not available to pay for current period expenditures and, therefore, is not reported in the funds.	4,708
Long-term note receivable from other governments for long-term capital lease.	4,690,764
Deferred outflows of resources are not available resources and, therefore, are not reported in the funds	
Deferred outflow related to pension (GASB 68)	4,927,441
Deferred charge on refundings	2,266,182
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds. The details of this difference are as follows:	
Accrued interest payable	(466,743)
Compensated absences payable	(17,511,814)
Certificates of participation payable	(135,040,000)
Capital leases payable	(4,313,842)
Unamortized premium	(3,133,209)
Unamortized debt discount	141,706
OPEB liability	(97,282,395)
Net pension liability (GASB 68)	(119,141,982)
Deferred inflow related to pension (GASB 68)	<u>(5,171,915)</u>
Net position - governmental activities	<u>\$ 244,849,124</u>

The accompanying notes are an integral part of this statement.

EL PASO COUNTY, COLORADO
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2017

	Major Funds				Non-Major Fund	Total Governmental Funds
	General Fund	Road and Bridge Fund	Human Services Fund	Capital Projects Fund	Conservation Trust	
REVENUES						
Property taxes	\$ 46,810,929	\$ 2,041,175	\$ -	\$ -	\$ -	\$ 48,852,104
Sales taxes including TABOR retention of \$15,174,442	87,623,080	-	20,968,834	11,403,455	-	119,995,369
Specific ownership taxes	5,670,341	1,800,000	-	-	-	7,470,341
Highway user taxes	-	13,003,581	-	-	-	13,003,581
Intergovernmental	20,495,169	4,934,441	55,335,039	839,885	1,366,572	82,971,106
Fees and fines	542,053	-	-	-	-	542,053
Licenses and permits	2,331,200	-	-	-	-	2,331,200
Charges for services	24,494,204	517,955	165,950	4,527,628	-	29,705,737
Investment earnings	974,747	-	-	120,282	4,994	1,100,023
Contributions	9,892,283	51,793	2,635	-	-	9,946,711
Miscellaneous	4,461,449	20,406	19,440	-	-	4,501,295
Total revenues	203,295,455	22,369,351	76,491,898	16,891,250	1,371,566	320,419,520
EXPENDITURES						
Current:						
General government	62,306,847	-	-	39,295	-	62,346,142
Public safety	101,862,204	-	-	-	-	101,862,204
Public works	-	14,054,809	-	-	-	14,054,809
Health and welfare	10,978,093	-	73,013,483	-	-	83,991,576
Culture and recreation	2,132,978	-	-	-	1,330,959	3,463,937
Auxiliary services	621,999	-	-	-	-	621,999
Debt service:						
Principal	22,410	-	-	10,335,985	-	10,358,395
Issuance costs	-	-	-	41,500	-	41,500
Interest and other charges	82	-	-	6,410,856	-	6,410,938
Capital outlay	7,308,186	10,179,899	-	1,016,894	17,150	18,522,129
Total expenditures	185,232,799	24,234,708	73,013,483	17,844,530	1,348,109	301,673,629
Excess (deficiency) of revenues over (under) expenditures	18,062,656	(1,865,357)	3,478,415	(953,280)	23,457	18,745,891
OTHER FINANCING SOURCES (USES)						
Proceeds from capital lease	-	-	-	3,826,775	-	3,826,775
Sale of capital assets	431,758	-	-	1,890	-	433,648
Total other financing sources (uses)	431,758	-	-	3,828,665	-	4,260,423
Net change in fund balances	18,494,414	(1,865,357)	3,478,415	2,875,385	23,457	23,006,314
Fund balances - January 1	31,832,436	18,348,743	158,196	15,782,362	768,933	66,890,670
Fund balances - December 31	\$ 50,326,850	\$ 16,483,386	\$ 3,636,611	\$ 18,657,747	\$ 792,390	\$ 89,896,984

The accompanying notes are an integral part of this statement.

EL PASO COUNTY, COLORADO
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2017

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds	\$ 23,006,314
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The details of this difference are as follows:	
Capital outlay	18,330,106
Depreciation	(32,057,418)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net position. The details of this difference are as follows:	
Donations of capital assets increase net position in the statement of activities, but do not appear in the governmental funds because they are not financial resources.	12,040,291
In the statement of activities, only the gain or loss on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increases financial resources. Thus, the change in net position differs from the change in fund balance by the net book value of the capital assets sold.	(300,432)
The issuance of long-term debt (e.g., leases, certificates of participation) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums and discounts, and similar items when debt is first issued, whereas, these amounts, except issuance costs, are deferred and amortized in the statement of activities. The details of this difference are as follows:	
Debt issued or incurred:	
Accrued interest payable	172,455
Principal repayments on certificates of participation	8,560,000
Payment of capital leases as a reduction of long term debt	1,148,393
Capital lease proceeds	(3,176,773)
Amortization of debt premium	355,264
Amortization of discount	(14,170)
Deferred charge on refundings	(67,140)
Deferred loss on certificate of participation	(149,405)
Some revenues and expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
The details of these revenues/expenses are as follows:	
Compensated absences	67,881
Accrued interest receivable	4,632
Note receivable activity	(679,444)
Decrease (increase) in OPEB liability	(6,111,916)
Pension expense calculated under GASB 68	(5,077,977)
Internal service funds are used by management to charge the costs of the self insurance program to individual funds. The net revenue of certain activities of internal service funds are reported with governmental activities.	2,113,114
Change in net position - governmental activities	\$ 18,163,775

The accompanying notes are integral part of this statement.

EL PASO COUNTY, COLORADO
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 DECEMBER 31, 2017

	Business-type Activities Non-Major Enterprise Fund Household Hazardous Waste	Governmental Activities- Self Insurance Internal Service Fund
ASSETS		
Current assets		
Cash and cash equivalents	\$ 753,640	\$ 4,916,988
Accounts receivable	285,645	704,067
Intergovernmental receivable	-	47,776
Due from other funds	-	6,675,382
Prepaid expenses	-	240,192
Deposits	-	34,535
Total current assets	<u>1,039,285</u>	<u>12,618,940</u>
Noncurrent assets		
Capital assets, net of accumulated depreciation	<u>1,169,297</u>	<u>270,942</u>
Total assets	<u>2,208,582</u>	<u>12,889,882</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows - related to pension	<u>10,987</u>	<u>-</u>
Total deferred outflows of resources	<u>10,987</u>	<u>-</u>
LIABILITIES		
Current liabilities		
Accounts payable	39,698	1,120,789
Accrued wages	11,679	9,769
Claims payable	-	4,922,264
Flex and HRA payable	-	975,820
Due to other funds	77,950	268,750
Compensated absences	109	-
Total current liabilities	<u>129,436</u>	<u>7,297,392</u>
Noncurrent liabilities		
Claims payable	-	2,874,160
Compensated absences	64,585	-
Net pension liability	265,663	-
Total noncurrent liabilities	<u>330,248</u>	<u>2,874,160</u>
Total liabilities	<u>459,684</u>	<u>10,171,552</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows - related to pension	<u>20,566</u>	<u>-</u>
Total deferred inflows of resources	<u>20,566</u>	<u>-</u>
NET POSITION		
Investment in capital assets	1,169,297	270,942
Unrestricted	570,022	2,447,388
Total net position	<u>\$ 1,739,319</u>	<u>\$ 2,718,330</u>

The accompanying notes are an integral part of this statement.

EL PASO COUNTY, COLORADO
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES,
 AND CHANGES IN NET POSITION
 FOR THE YEAR ENDED DECEMBER 31, 2017

	Business-type Activities Non-Major Enterprise Funds Household Hazardous Waste	Governmental Activities Self Insurance Internal Service Funds
Operating revenues		
Charges for services	\$ 1,239,115	\$ 19,924,559
Intergovernmental	-	114,253
Total operating revenues	<u>1,239,115</u>	<u>20,038,812</u>
Operating expenses		
Insurance premiums	5,506	3,891,262
Claim settlements	-	29,641,311
Depreciation	47,128	10,131
Administration and operations	1,172,015	4,656,629
Total operating expenses	<u>1,224,649</u>	<u>38,199,333</u>
Operating income (loss)	<u>14,466</u>	<u>(18,160,521)</u>
Non-operating revenues/expenses		
Sales tax	-	19,666,063
Investment earnings	5,024	-
Loss on disposal of property	(74,840)	-
Miscellaneous	-	63,932
Contributions	2	-
Insurance recoveries	-	543,640
Total non-operating revenues / expenses	<u>(69,814)</u>	<u>20,273,635</u>
Change in net position	(55,348)	2,113,114
Net position - January 1	1,794,667	605,216
Net position - December 31	<u><u>\$ 1,739,319</u></u>	<u><u>\$ 2,718,330</u></u>

The accompanying notes are an integral part of this statement.

EL PASO COUNTY, COLORADO
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED DECEMBER 31, 2017

	Business-type Activities Non-Major Household Hazardous Waste Enterprise Funds	Governmental Activities Self Insurance Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from		
Customers	\$ 1,279,034	\$ 388,344
Interfund services provided	-	16,038,014
Cash payments to or on behalf of		
Employees	(415,592)	(33,532,573)
Suppliers - operating	(533,358)	(4,797,761)
Interfund services used	(195,742)	207,119
Net Cash Provided by (Used in) Operating Activities	<u>134,342</u>	<u>(21,696,857)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Sales taxes received	-	19,666,063
Insurance recoveries and other revenue	-	607,572
Contributions	2	-
Net Cash Flows Provided by Noncapital Financing Activities	<u>2</u>	<u>20,273,635</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment income	5,024	-
Net Cash Flows Provided by Investing Activities	<u>5,024</u>	<u>-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	139,368	(1,423,222)
Cash and cash equivalents - January 1	614,272	6,340,210
Cash and cash equivalents - December 31	<u><u>753,640</u></u>	<u><u>4,916,988</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:		
Operating income (loss)	14,466	(18,160,521)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities		
Depreciation expense	47,128	10,131
(Increase) decrease in assets		
Receivable	39,919	382,839
Due from other funds	-	(4,000,799)
Intergovernmental receivables	-	5,505
Prepaid expenses	-	(124,532)
Increase (decrease) in liabilities		
Accounts payable	(45,899)	188,450
Accrued liabilities	-	(205,049)
Due to other funds	55,391	207,119
Compensated absences	1,349	-
Accrued pension liability	21,988	-
Net Cash Provided by (Used in) Operating Activities	<u><u>\$ 134,342</u></u>	<u><u>\$ (21,696,857)</u></u>

The accompanying notes are an integral part of this statement.

EL PASO COUNTY, COLORADO
FIDUCIARY FUNDS
STATEMENT OF NET POSITION
DECEMBER 31, 2017

	Private Purpose Trust Fund	Pension Trust El Paso County Retirement Plan	Agency Funds
ASSETS			
Cash and cash equivalents	\$ 134,245	\$ 4,806,131	\$ 40,380,781
Investments			
Equities:			
Domestic equities and equity funds	-	63,751,995	-
International equity funds	-	152,688,716	-
Fixed income:			
Fixed income funds	-	66,783,097	-
Real estate funds	-	78,222,823	-
Hedge fund of funds	-	17,943,391	-
Total investments	-	379,390,022	-
Receivables			
Securities sold	-	301,446	-
Other	-	151,187	229,613
Total receivables	-	452,633	229,613
Capital assets - net	-	330,119	-
Total assets	134,245	384,978,905	40,610,394
LIABILITIES			
Payable for securities purchased	-	477,684	-
Due to other governments	-	-	11,229,647
Escrow deposits held by Trustee	-	-	1,053,489
Funds due to bondholders	-	-	104,798
Other	-	909,773	28,222,460
Total liabilities	-	1,387,457	40,610,394
NET POSITION			
Net position restricted for pensions and other purposes	\$ 134,245	\$ 383,591,448	\$ -

The accompanying notes are an integral part of this statement.

EL PASO COUNTY, COLORADO
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2017

	Private Purpose Trust Funds	Pension Trust El Paso County Retirement Plan
ADDITIONS		
Contributions:		
Employers	\$ -	\$ 11,941,183
Employees	-	12,526,961
Total contributions	-	24,468,144
Charges for services	51,793	-
Other income	-	465,966
Investment earnings:		
Net appreciation in fair value of investments	-	41,223,993
Interest and dividend income	-	5,906,200
Total investment earnings	-	47,130,193
Less investment expenses	-	(1,489,146)
Net investment income	-	45,641,047
Total additions	51,793	70,575,157
DEDUCTIONS		
Outside agencies	32,706	-
Benefits	-	29,380,311
Refunds	-	2,580,883
Administrative expenses	-	787,070
Total deductions	32,706	32,748,264
Change in net position	19,087	37,826,893
Net position - January 1	115,158	345,764,555
Net position - December 31	\$ 134,245	\$ 383,591,448

The accompanying notes are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS

EL PASO COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

Note A – Summary of Significant Accounting Policies

1. Reporting entity

El Paso County, Colorado (County) is governed by an elected five-member commission. As required by accounting principles generally accepted in the United States of America (US GAAP), these financial statements present the County and its component units, entities for which the County is considered financially accountable. The County is financially accountable if it appoints a voting majority of the potential component unit governing body and is able to impose its will on that potential component unit or because the potential component unit will provide a financial benefit or impose a financial burden on the County. Blended component units, although legally separate entities, are, in substance, part of the government's operations and so data from these units is combined with data of the primary government. Each discretely presented component unit, on the other hand, is reported in a single column in the basic financial statements. Each blended and discretely presented component unit has a December 31 year-end.

El Paso County is not considered a component unit on any other financial reports.

Blended component units

El Paso County Retirement Plan

This is a cost-sharing, multiple-employer defined benefit plan as defined in State Statute for all full-time employees of the County. The Commissioners appoint two of the five members of the governing board, two members are employees of participating employers elected by participants, and the fifth member is the County Treasurer. The County and the employees of the County contribute approximately 80 percent of the funds in the plan.

El Paso County Facilities Corporation

This is a nonprofit corporation under the laws of the State of Colorado that was organized to acquire real estate, property and improvements for lease to the County, and upon the prior approval of a majority of the membership of the Board of County Commissioners, to borrow money and to become indebted and to execute and deliver bonds, notes or debentures to evidence such indebtedness, for the purpose of acquiring such real or personal property, constructing or installing such improvements, and for such other purposes as may be necessary to accomplish the objectives of the Corporation. Members of the Board of County Commissioners are deemed members of the Corporation for the purpose of appointing and removing members of the Corporation's Board of Directors. The Facilities Corporation does not publish separate financial statements.

Discretely presented component units

El Paso County Public Health

This is a quasi-municipal organization organized by authority of State Statutes and Resolution of the County Commissioners. According to State Statutes, the Commissioners appoint the governing board. Additionally, the County appropriates significant funds to the department's operations. The El Paso County Public Health administers public health services for El Paso County residents.

El Paso County Housing Authority

The El Paso County Housing Authority was established by the Commissioners in order to help promote availability of decent, safe, and sanitary dwelling accommodations in the County to low-income families. The Commissioners appoint the five-member governing board and can impose its will on the Authority through its ability to appoint, hire, reassign, or dismiss those persons responsible for the day-to-day operations of the Authority. The Authority administers El Paso County's low-income housing program.

Financial statements of the County's component units may be obtained from the County's Financial Services Department's Finance Division.

EL PASO COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

2. *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 of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of inter-fund activity has been removed from these statements. *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. Likewise, the primary government is reported separately from certain legally separate *component units* for which the primary government is financially accountable. Indirect costs are not allocated in the government-wide statement of activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is 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, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

3. *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 and fiduciary fund financial statements, with exception of the agency funds whose resources are not available for use by the County. Revenues are recorded when earned, and expenses are recorded when a 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. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period, or soon enough thereafter, to pay liabilities of the current period. The County considers all revenues available if they are collected within 60 days after year-end. Expenditures are recorded when the liability is incurred. However, debt service expenditures as well as expenditures related to compensated absences are recorded only when payment is due.

Property taxes, sales taxes, and interest are susceptible to accrual. Accruals are reported net of allowances for non-collectibles. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

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 general government, except those required to be accounted for in another fund.

The *Road and Bridge Fund* is a special revenue fund that accounts for construction and maintenance of County roads and bridges and drainage financed by property taxes, highway users' fees, and other revenues restricted to use on roads and bridges.

The *Human Services Fund* is a special revenue fund that accounts for the federal and state public welfare programs administered by the County and financed by grants, intergovernmental reimbursements, and sales taxes.

The *Capital Projects Fund* accounts for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by proprietary funds.

EL PASO COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

Additionally, the County reports the following fund types:

Special revenue funds account for the proceeds of specific revenue sources other than for major capital projects that are legally restricted to expenditures for specified purposes. The County's non-major funds are:

The *Conservation Trust Fund* accounts for lottery revenue received from the State of Colorado, which is restricted to use for the development and maintenance of parks, trails, open space, and other recreational purposes.

Enterprise funds account for activities for which a fee is charged to external users for goods or services. The County's non-major enterprise fund is:

The *Household Hazardous Waste Fund* was established by the Board of County Commissioners to collect tipping fees at privately owned landfills within the County. The funds will be appropriated to pay for operational service information and equipment needed for solid waste disposal sites within the County.

Internal service funds account for operations that provide services to other departments or agencies of the County, or to other governments, on a cost-reimbursement basis.

Because El Paso County is essentially self-insured, the *Self-Insurance Fund* was established to account for the accumulation and allocation of costs associated with insurance claims and administration costs.

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The *Pension Trust Fund* is accounted for in essentially the same manner as the proprietary funds, using the same measurement focus and basis of accounting. The pension trust fund accounts for the assets of the El Paso County Retirement Plan.

Private-Purpose Trust Funds are used to account for resources collected from developers of new subdivisions to provide for the purchase and development of additional parks and for distribution to school districts.

The *School's Trust Fund* is used to account for resources from developers of new subdivisions and the distribution of these resources to local school districts.

Agency funds are custodial in nature and do not present results of operations or have a measurement focus. These funds are used to account for assets held by the County as an agent for individuals, private organizations, other governments, and/or other funds.

Treasurer's Agency Fund accounts for the receipt and disbursement of all revenues received by the Treasurer for the County and all other taxing entities in the County, as well as the receipt, investment, and disbursement of all other revenues received by the County.

Public Trustee Agency Fund was established to account for expenditures for the Public Trustee's Office. The Public Trustee is appointed by the Governor of Colorado for a four-year term. This office administers foreclosures including issuance of Public Trustee deeds, cure of default and lien redemptions.

Falcon Vista Acquisition Fund was established in 2008 and bonds were issued to finance acquisition, construction and installation of certain public improvements within the Falcon Vista Fund subdivision.

Public Improvement District Number 1 (PID#1) was established in 2011 as part of the implementation of the El Paso County 2030 Major Transportation Corridor Plan (MTCP). PID#1 is authorized to fund the costs of the public improvements using revenues derived from a mill levy, road impact fee revenues collected by El Paso County, proceeds of bonds, revenues received from other PIDs organized to implement the MTCP Program and any other legally available funds.

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Public Improvement District Number 2 (PID#2) was established in 2011 as part of the implementation of the El Paso County 2030 Major Transportation Corridors Plan (MTCP). PID#2 is authorized to fund the costs of public improvements using revenues derived from the mill levy, proceeds of debt issued by the District, and any other legally available funds provided that such revenues are pledged or otherwise transferred to District No. 1 to be applied to the MTCP Program by said District.

Public Improvement District Number 3 (PID#3) was established in 2011 as part of the implementation of the El Paso County 2030 Major Transportation Corridors Plan (MTCP). PID#3 is authorized to fund the costs of public improvements using revenues derived from the mill levy, proceeds of debt issued by the District, and any other legally available funds, provided that such revenues are pledged or otherwise transferred to District No. 1 to be applied to the MTCP Program by said District.

Pioneer Village Roads Improvement District was established in 2013 to provide for the maintenance and upgrading of public roads within the boundaries of the District. Pioneer Village Roads Public Improvement District is authorized to fund the costs of public improvements using revenues derived from a mill levy and any other legally available funds.

Stratmoor Valley Streetlight Public Improvement District was established in 2013 to provide street lighting of the public roads within the boundaries of the District. Stratmoor Valley Streetlight Improvement District is authorized to fund the costs of public improvements using revenues derived from a mill levy and any other legally available funds.

Sheriff Agency Funds are used to account for funds collected for and disbursed from the Inmate Trust Fund and the Civil Trust Fund.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds and internal service funds are charges to customers for sales or services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. Revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

4. *Assets, liabilities, deferred outflows/inflows of resources and net position/fund balance*

A. Deposits and investments

Deposits consist of cash equivalent accounts, interest and non-interest bearing bank accounts. The County's investment policy limits the investments to the following securities:

- A. U.S. Treasury Obligations
- B. Federal Agency and Instrumentality Securities
- C. Time Certificates of Deposits (CDs)
- D. Negotiable Certificates of Deposit
- E. Corporate Bonds
- F. Municipal Bonds: General Obligations and Revenue Obligations
- G. Commercial Paper
- H. Eligible bankers Acceptances
- I. Local Government Investments Pools (LGIP)
- J. Repurchase Agreements and Reverse Repurchase Agreements
- K. Deposits in State or Nationally Chartered Depository Institutions

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Additionally, the El Paso County Retirement Plan's (a component unit) investments authorized by Colorado statutes also include the following:

1. Corporate notes, bonds, and debentures
2. Railroad equipment trust certificates
3. Real property
4. Loans secured by first mortgages or deeds of trust on real property
5. Participating agreements with life insurance companies
6. Equity securities subject to certain limitations

The Retirement Plan cash and investments consist of cash and cash equivalent accounts, U.S. government securities, corporate bonds and debentures, common stocks, open-end equity mutual funds, international bonds, and securities lending collateral. Investments are stated at fair value.

The Retirement Plan includes investments in foreign currencies, which means changes in the exchange rate could adversely affect the fair value of an investment.

For purposes of the statement of cash flows, the County considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents. Original maturity is the original maturity to the County.

Except for nominal petty cash funds, all of the cash and investments for the County funds are in the custody of the County Treasurer. Except when otherwise required by trust agreements, the operating cash of all funds is pooled into various bank accounts. Interest income is allocated to funds on the basis of each fund's participation in the pool. Cash in excess of operating requirements is invested in U.S. government securities, local government investment pools, and interest-bearing bank accounts.

B. Receivables and payables

Outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

Property taxes are recognized in the year for which they are levied and attach an enforceable lien on the property. On or before May 1st, the Assessor sends Notice of Valuation for real property. Not later than December 15th, the Clerk certifies levy to the County Commissioners and an enforceable lien is attached as of January 1st of the coming year. Taxes are payable in two installments on February 28th and June 15th, or in one installment due April 30th. The El Paso County Treasurer bills and collects property taxes for the County and the other taxing authorities within the County. Collections for other districts are accounted for in the Treasurer's agency funds.

C. Inventories and prepaid items

Inventories are valued at cost using the first-in, first-out method. Inventories of the General Fund consist primarily of supplies held for consumption and expendable parts and are considered expenditures when used. Inventories of the Road and Bridge Fund consist of expendable parts and supplies held for consumption and are considered expenditures when used.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The expenditure will be appropriately recognized using the consumption method, in the benefiting period.

D. Restricted assets

Certain proceeds from the County's capital expenditures fund Certificates of Participation, as well as certain resources set aside for their repayment, are restricted because they are maintained in separate bank accounts and their use is limited by applicable bond covenants. The construction fund accounts are used to report those proceeds of Certificates of

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Participation issuances that are restricted for use in construction. The total of those accounts as of December 31, 2017, was \$6,555,412. The certificate fund accounts are used to segregate resources accumulated for debt service payments over the next twelve months. The total of those accounts as of December 31, 2017, was \$11,915,262.

E. Capital assets

Capital assets, which include: property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. The standard depreciation method is used for all assets. Donated capital assets are recorded at their acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects. Property, plant, and equipment of the primary government, as well as the component units, are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Building	40
Improvements other than buildings	25
Infrastructure	1-50
Vehicles	4-8
Furniture & fixtures	5
General equipment	8-15

F. Deferred inflows/outflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then.

The County only has two items that qualify for reporting in this category. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Also, a deferred outflow related to the implementation of GASB Statement No. 68 has been recorded which consists of two components: 1) differences between actual and projected experience and 2) change in proportionate share of the net pension liability. See Note D.3 for additional information.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflow of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time.

The County only has two items that qualify for reporting in this category. One is the unavailable revenue from property taxes reported in the governmental funds balance sheet and also in the government-wide statement of net position. Deferred revenue for property taxes in the government-wide statements results from the accrual of property taxes levied for operations of the following year. This revenue will be recognized in the year it is levied for. Also, a deferred inflow related to the implementation of GASB Statement No. 68 has been recorded which consists of two components: 1) differences between actual and projected investment earnings and 2) change in proportionate share of the net pension liability. See Note D.3 for additional information.

G. Compensated absences

It is the County's policy to permit employees to accumulate a limited amount of earned but unused vacation and sick pay benefits, which will be paid to employees upon separation from County service. All compensated absences liabilities are

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accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

H. Long-term obligations

In the fund financial statements, governmental fund types recognize debt premiums and discounts, as well as issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Certificate of Participation premiums and discounts are deferred and amortized over the life of the Certificates of Participation using the effective interest method. Certificates of Participation are reported net of the applicable premium or discount.

I. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the El Paso County Retirement Plan and additions to/deductions from the El Paso County Retirement Plan's fiduciary net position have been determined on the same basis as they are reported by the El Paso County Retirement Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the plan provisions. Investments are reported at fair value.

5. *Implementation of new accounting standards*

For the year ended December 31, 2017, El Paso County implemented the provisions of the following new accounting standards. There were no restatements of reported values of the County's assets or liabilities as of December 31, 2016 resulting from the implementation of these new accounting standards.

- GASB Statement No. 80, *Blending Requirements for Certain Component Units – An Amendment of GASB Statement No. 14*
- GASB Statement No. 81, *Irrevocable Split-Interest Agreements*

Effective January 1, 2017, the County implemented GASB Statement No. 80, *Blending Requirements for Certain Component Units – An Amendment of GASB Statement No. 14*, which is effective for reporting periods beginning after June 15, 2016. GASB Statement No. 80 amends the blending requirements for the financial statement presentation of component units when a component unit is incorporated as a not-for-profit corporation and where El Paso County would be the sole corporate member. The county does not have any component units that require blending under the guidance in this statement, and the implementation of GASB Statement No. 80 had no impact on the County's financial statements.

Effective January 1, 2017, the County implemented GASB Statement No. 81, *Irrevocable Split-Interest Agreements*, which is effective for reporting periods beginning after December 15, 2016. GASB Statement No. 81 requires that a government that receives resources pursuant to an irrevocable split-interest agreement recognize assets, liabilities, and deferred inflows of resources at the inception of the agreement. Furthermore, this Statement requires that a government recognize assets representing its beneficial interests in irrevocable split-interest agreements that are administered by a third party, if the government controls the present service capacity of the beneficial interests. GASB 81 requires that a government recognize revenue when the resources become applicable to the reporting period. For 2017, the County did not receive resources pursuant to an irrevocable split-interest agreement and the County did not hold any assets representing a beneficial interest in irrevocable split-interest agreements that are administered by a third party. Therefore, the implementation of GASB Statement No. 81 had no impact on the County's financial statements for 2017.

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Note B – Stewardship, Compliance, and Accountability

1. *Budgetary Information*

Budgets are adopted on a basis consistent with US GAAP for all government funds. Proprietary funds and Falcon Vista adopt budgets using the modified accrual basis of accounting, which is not US GAAP for those fund types. Annual appropriated budgets are adopted for all governmental funds, proprietary funds, Local Improvement Districts, Public Improvement District #1, Public Improvement District #2, Public Improvement District #3, Pioneer Village Roads Improvement District and Stratmoor Valley Public Improvement District. All annual appropriations lapse at fiscal year end. Budgets are not presented for the Public Trustee Agency Fund or the other Agency funds because these are funds collected and held on behalf of others. In addition, budget is not presented for the Pension Trust because these funds are also collected on behalf of others and the Trust issues separately stated financial statements.

Appropriations in governmental funds are encumbered upon issuance of purchase orders, contracts, or other forms of legal commitments. While appropriations lapse as of the end of the fiscal year, the succeeding year's budget ordinance specifically provides for the re-appropriation of year-end encumbrances. Encumbrances outstanding as of December 31, 2017 do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year.

The County's managers may make transfers of appropriations within a fund. Transfers of appropriations between funds require the approval of the Board of County Commissioners. The legal level of budgetary control is the fund level.

The County follows these procedures in establishing the budgetary data reflected in the financial statements:

- A. Public hearings are conducted by the County to obtain taxpayer comments.
- B. Prior to December 31st, the budget is legally enacted through passage of an appropriation resolution.
- C. Any revisions that alter the total expenditures of any fund must be approved by the County Commissioners by passage of a resolution.
- D. The Road and Bridge Fund budgets expenditures using the natural classifications. Therefore, a difference arises between the fund financial statements reflecting expenditures under US GAAP, under which salary expenditures may be part of capital outlay expenditures, and the budget to actual schedules reflecting expenditures in their natural classifications.
- E. No fund had excesses of expenditures over appropriations for the year ended December 31, 2017.

2. *Management Use of Estimates*

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

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3. *Fund Balance*

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. As of December 31, 2017, fund balances of the governmental funds are classified as follows:

Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed – amounts that can be used only for specific purposes determined by a formal action of the Board of County Commissioners. The Board of County Commissioners is the highest level of decision-making authority. Commitments may be established, modified, or rescinded only through resolutions approved by the Board of County Commissioners.

Assigned – amounts that do not meet the criteria to be classified as restricted or committed but which are intended to be used for specific purposes. Under the Board of County Commissioners' adopted policy, only the Board of County Commissioners or the County Administrator, Deputy County Administrator, or Chief Financial Officer are authorized to assign amounts for specific purposes.

Unrestricted – total of committed, assigned, and unassigned balances.

The Board of County Commissioners adopted a minimum fund balance policy for the General Fund.

The appropriate minimum level of General Fund unrestricted fund balance to be maintained is the sum of:

- a. Historical uncollectable amounts for Property Taxes averaging 0.5%
 - b. Sales Tax for all funds (excluding restricted Public Safety Sales Tax) of 10%
 - c. All other Unrestricted General Fund Revenues of 5%
1. The General Fund unrestricted fund balance may be used in the following circumstances:
 - a. Revenues received are at least 4% less than budgeted due to economic conditions
 - b. Federally declared natural disasters within the County
 - c. Elimination of core (tax related, non-grant) revenue streams, such as:
 - i. Sales and/or Use Tax
 - ii. Property Tax
 - iii. Clerk and Recorder Fees
 - iv. Specific Ownership Tax
 - d. BoCC determined emergency of one-time cost
 - e. Fund balance will be used in the order of: unassigned, assigned, and committed
 2. The General Fund unrestricted fund balance will be replenished using the following methods:
 - a. Adjust the five-year financial projection so that spending is adjusted down (or economic recovery predicted) and desired levels of unrestricted fund balance are replenished.
 - b. Natural disaster use is replenished when anticipated reimbursement will be received from state/federal government.
 - c. Fund balance will be replenished in the order of: committed, assigned, and unassigned.

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3. The General Fund unrestricted fund balance will be replenished using the following timeline:
 - a. The amount that needs to be replenished will be adjusted in the five-year financial projection to be brought to the minimum required level over a maximum of five budget years.
4. The highest level of decision making authority to establish, modify and rescind commitments is the Board of County Commissioners by Resolution.
5. The officials authorized to assign Board of County Commissioner approved amounts for specific purposes are the County Administrator and Deputy County Administrator.

The minimum unrestricted fund balance required for 2017 is \$12,600,582. The County's unrestricted General Fund balance as of December 31, 2017 is \$14,408,507, which is \$1,807,925 more than required by the County's policy.

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Note C – Detailed Notes on All Funds

1. Deposits and investments

Cash and Investments	Amount
Cash and investments	\$ 58,673,401
Restricted cash and investments	18,470,674
Fiduciary cash and equivalents	45,321,157
Fiduciary investments	379,390,022
Total cash and investments	\$ 501,855,254

The County's cash and investments consist of the following on December 31, 2017:

	Treasurer Funds	Primary Government Restricted Cash & Investments	Public Trustee	Retirement Plan	PID Funds	Sheriff Agency Funds	Total
Petty cash	\$ 99,795	\$	\$ 300	\$ -	\$ -	\$ -	\$ 100,095
Cash deposits	35,784,050		1,661,000	4,806,131	-	496,378	42,747,559
Money Market funds	44,484	-	-	-	-	-	44,484
Local government investment pool	39,467,834	-	-	-	997,656	-	40,465,490
Investments	20,636,930	18,470,674	-	379,390,022	-	-	418,497,626
	<u>\$ 96,033,093</u>	<u>\$ 18,470,674</u>	<u>\$ 1,661,300</u>	<u>\$ 384,196,153</u>	<u>\$ 997,656</u>	<u>\$ 496,378</u>	<u>\$ 501,855,254</u>

The County's Public Improvement District (PID) Fund total consists of the following on December 31, 2017:

	PID-1	PID-2	PID-3	Pioneer Village Roads PID	Stratmoor Valley Streetlight PID	Total
Local government investment pool	\$ 856,280	\$ 43,216	\$ 3,010	\$ 55,118	\$ 40,032	\$ 997,656
	<u>\$ 856,280</u>	<u>\$ 43,216</u>	<u>\$ 3,010</u>	<u>\$ 55,118</u>	<u>\$ 40,032</u>	<u>\$ 997,656</u>

Restricted cash and investments are held by U.S. Bank and pertain to Certificate of Participation reserve funds. The balance of \$18,470,674, includes cash equivalents of \$5,877,937, various Guaranteed Investment Contracts of \$11,927,855 rated A2, Aaa and Baa1 by Moody, and \$664,882 in other investments that are not rated.

Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories which are determined by state regulators. All banks used by the County for depository and investments are on the approved list. Deposit amounts in excess of Federal insurance levels must be collateralized. PDPA allows institutions to create a single collateral pool for all public funds which is maintained by another institution or held in trust for all uninsured public deposits. The market value of the collateral must be at least equal to 102% of uninsured deposits.

At December 31, 2017, the El Paso County's cash deposits had a bank balance of \$39,027,428. Of the bank balance, \$849,400 was covered by federal depository insurance. The remainder of the bank balance, \$38,178,028, was collateralized with securities held by the pledging financial institution and covered by eligible collateral as determined by the PDPA.

There are several accounts included in the Treasurer's Agency Fund that are held under the custodianship of the El Paso County Treasurer. The transactions within these accounts occur outside of the oversight of the Financial Services Department.

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Investments

The investment program is operated in conformance with federal, state and other legal requirements as well as in accordance with Colorado Revised Statutes, specifically C.R.S. 24-75-601.

The County uses the “prudent person” standard which is applied in the context of managing an overall portfolio. The standard states that investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

Credit Risk – Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. In order to mitigate credit risk, the County diversifies the investment portfolio through limiting investments to avoid over concentration in securities from a specific issuer or business sector (excluding U.S. Treasury securities), limiting investment in securities that have higher credit risks, investing in securities with varying maturities, and continuously investing a portion of the portfolio in readily available funds such as local government investment pools (LGIPs) or money market funds to ensure that appropriate liquidity is maintained in order to meet ongoing obligations. The County’s investment policy limits the investments to the following securities:

- A. U.S. Treasury Obligations
- B. Federal Agency and Instrumentality Securities
- C. Time Certificates of Deposits (CDs)
- D. Negotiable Certificates of Deposit
- E. Corporate Bonds
- F. Municipal Bonds: General Obligations and Revenue Obligations
- G. Commercial Paper
- H. Eligible bankers Acceptances
- I. Local Government Investments Pools (LGIP)
- J. Repurchase Agreements and Reverse Repurchase Agreements
- K. Deposits in State or Nationally Chartered Depository Institutions

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County’s investment policy requires all securities to be in the name of the County Treasurer and securities must be deposited in a safekeeping account at an authorized county depository institution or at an eligible security dealer.

Concentration Risk – Concentration risk is the risk of exposure to loss that can result from failing to diversify investments. The County’s investment policy directs the Treasurer to diversify securities held in the investment portfolio to minimize the risk of losses from an excessive concentration of securities from a single issuer, with similar maturities, or (excepting Treasury securities) in similar categories.

Interest Rate Risk – Market risk is the risk that the portfolio value will fluctuate due to changes in the general level of interest rates. The County mitigates risk by providing adequate liquidity for short-term cash needs, and by making longer-term investments only with funds that are not needed for current cash flow purposes. The County further recognizes that certain types of securities, including variable rate securities, securities with principal pay downs prior to maturity, and securities with embedded options, will affect the market risk profile of the portfolio differently in different interest rate environments, and therefore, adopts the following strategies to control and mitigate its exposure to market risk:

- Liquidity funds will be held in investment instruments maturing within one year at the time of purchase.
- Longer term/core funds will be defined as funds in excess of liquidity requirements. The investments in this portion of the portfolio will have maturities between 1 day and 5 years and will be invested in higher quality and liquid securities.

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As of December 31, 2017, El Paso County Primary Government investments (including Fiduciary Funds held by Treasurer) had the following maturities:

<u>Investment Type for Primary Government</u>	Investment Maturities			
	Fair Value	Up to 120 Days	121 Days to 5 Years	Credit Rating
U.S. Treasuries	\$ 6,303,795	\$ -	\$ 6,303,795	US Govt Guar
<u>Instrumentality</u>				
Federal Agency Collateralized Mortgage Obligation	159,106	-	159,106	AA+
Federal Agency Bonds	2,444,639	-	2,444,639	AA+
Corporate Bonds	5,660,860	-	5,660,860	AA- to AAA
Municipal Bonds	1,907,646	-	1,907,646	AA- to AAA
Supra-National Agency Bonds	3,360,248	-	3,360,248	AAA
Certificate of Deposit	800,636	-	800,636	AA- to AA+
Money Market Funds	44,484	44,484	-	AAAmm
ColoTrust	39,467,834	39,467,834	-	AAAmm
Total Investments controlled by the County	\$ 60,149,248	\$ 39,512,318	\$ 20,636,930	

Fair Value Measurement – El Paso County categorizes its fair values measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Portfolio investments are assigned a level based upon the observability of the inputs which are significant to the overall valuation. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs such as matrix pricing techniques that values securities based on benchmark quoted prices; Level 3 inputs are significant unobservable inputs.

As of December 31, 2017, El Paso County Primary Government investments (including Fiduciary Funds held by Treasurer) had the following recurring fair value measurements:

<u>Investments by fair value level:</u>	12/31/2017	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
U. S. Treasuries	\$ 6,303,795	\$ -	\$ 6,303,795	\$ -
Federal Agency Collateralized Mortgage Obligation	159,106	-	159,106	-
Federal Agency Bonds	2,444,639	-	2,444,639	-
Corporate Bonds	5,660,860	-	5,660,860	-
Municipal Bonds	1,907,646	-	1,907,646	-
Supra-National Agency Bonds	3,360,248	-	3,360,248	-
Certificate of Deposit	800,636	-	800,636	-
Total investments by fair value	\$ 20,636,930	\$ -	\$ 20,636,930	\$ -
ColoTrust (external investment pool - measured at NAV)	39,467,834			
CSIP (external investment pool - measured at amortized cost)	44,484			
Total investments not by fair value	\$ 39,512,318			
Total investments controlled by the County	\$ 60,149,248			

The ColoTrust investment is a local government investment pool that reports at the fair value per share of the pool's underlying portfolio. For pricing and redeeming shares, ColoTrust maintains a stable net asset value (NAV) of \$1 per share using the fair value method. ColoTrust is exempt from being measured at fair value and is excluded from the fair value hierarchy.

The CSIP Money Market Fund investment is a governmental investment pool that is managed in accordance with GASB 79 requirements, as applicable, for the use of the amortized cost method of valuing its investment portfolio. The CSIP Money Market Fund is exempt from being measured at fair value and is excluded from the fair value hierarchy.

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ColoTrust and CSIP Money Market Fund investments do not have any unfunded commitments, redemption restrictions, or redemption notice periods.

Investments other than ColoTrust and CSIP Money Market Fund are assigned a hierarchy level based on asset type. Evaluations are made utilizing sources, frequencies, and reliability of observable and unobservable inputs, as well as industry standard considerations when applicable. All investments classified as Level 1 are valued using closing market prices, as quoted in active markets. Investments classified as Level 2 are evaluated based on various market and industry inputs, including institutional bond quotes, collateralized mortgage obligation (CMO) source, market prices, and independent market data analysis. El Paso County did not hold any Level 1 or Level 3 investments as of December 31, 2017.

Blended Component Unit Retirement Plan – Cash and Investments

Deposits

The Retirement Plan (Plan) has a bank balance of \$4,152,476 on deposit with a banking institution at December 31, 2017. Of this bank balance, up to \$250,000 is insured by the Federal Deposit Insurance Corporation at December 31, 2017. The uninsured balances are collateralized with securities held by the banking institutions but not in the Plan's name. In addition, \$653,655 was held by various money managers in banking institutions at December 31, 2017.

Investments

Fair Value Measurements – The Plan categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset and give the highest level to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest level to unobservable inputs (Level 3). Level 1 inputs are unadjusted quoted prices for identical instruments in active markets; Level 2 inputs are observable inputs other than quoted market prices; Level 3 inputs are valuations derived from valuation techniques in which significant inputs are unobservable.

Investments that are measured at fair value using the net asset value (NAV) per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy.

The Plan has the following fair value measurements as of December 31, 2017:

	12/31/2017	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
<u>Investments by fair value level:</u>				
International equity mutual funds	\$ 133,432,749	\$ 133,432,749	\$ -	\$ -
Domestic common stocks	37,937,057	37,937,057	-	-
Fixed income securities:				
U.S. Government agencies	12,192,141	-	12,192,141	-
U.S. Treasuries	6,961,910	-	6,961,910	-
Corporate securities	11,532,428	-	11,532,428	-
Total Investments by fair value level	<u>\$ 202,056,285</u>	<u>\$ 171,369,806</u>	<u>\$ 30,686,479</u>	<u>\$ -</u>
<u>Investments measured at the net asset value (NAV):</u>				
Real estate limited partnerships	\$ 78,222,823			
Fixed income funds	36,096,618			
Domestic equity funds	25,814,938			
International equity fund	19,255,967			
Hedge fund of funds	17,943,391			
Total Investments measured at the NAV	<u>\$ 177,333,737</u>			
Total investments held by the Retirement Plan	<u>\$ 379,390,022</u>			

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Domestic common stocks and international equity mutual funds classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Fixed income securities classified in Level 2 of the fair value hierarchy are valued primarily using quoted prices in inactive markets, as well as other pricing methods using observable inputs.

Investments measured at NAV:

	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Real estate limited partnerships (1)	78,222,823	22,711,326	Qtrly, None	90 days, N/A
Fixed income funds (2)	36,096,618	None	Daily, Monthly	3-31 days
Domestic equity funds (3)	25,814,938	13,556,000	Monthly, None	5 days, N/A
International equity fund (4)	19,255,967	None	Daily	4 days
Hedge fund of funds (5)	17,943,391	None	Quarterly	70 days
Total Investments measured at the NAV	\$ 177,333,737			

(1) Real estate limited partnerships – 54% of real estate limited partnerships consist of an investment in a core-style, open-end real estate fund that holds a strategically diversified portfolio of real estate assets across the four main property types in major markets throughout the United States. The primary performance objective is to combine an attractive income yield with long-term capital growth. This fund allows for quarterly redemptions with 90 days notice and values its underlying real estate investments using income, cost and sales comparison approaches. The remaining 46% of real estate limited partnerships consist of investments in 4 limited partnerships that are diversified by investment type and cannot be redeemed. Instead, the nature of the investments in these limited partnerships are that distributions are received through the liquidation of the underlying properties over 7 to 10 years.

(2) Fixed income funds – The fixed income funds consist of investments in a \$18.7 million collective trust and a \$17.4 million limited partnership. The collective trust's investment objective is high total investment return through a combination of current income and capital appreciation and to outperform its benchmark, the Barclays Capital Aggregate Bond Index. The collective trust is redeemable daily with 3 days notice. The limited partnership's investment objective is to provide superior risk adjusted returns by opportunistically investing on a fully-funded basis without leverage in bank loans and bonds. The limited partnership is redeemable monthly with 31 days notice.

(3) Domestic equity funds – 73% of domestic equity funds consist of an investment in the Parametric Defensive Equity Fund LLC (the Defensive Equity Fund). The investment objective of the Defensive Equity Fund is to provide favorable risk-adjusted performance relative to the S&P 500 index over the long term and is expected to produce the strongest relative performance when the S&P is experiencing negative returns. The Defensive Equity Fund allows monthly redemptions and the Plan has no unfunded commitments relating to this fund. The remaining domestic equity funds consist of 5 limited partnerships that are diversified by investment type and cannot be redeemed. Instead, the nature of the investments in these funds are that distributions are received through the liquidation of the underlying assets over estimated periods of 10 to 12 years.

(4) International equity fund – The international equity fund consists of an investment in the Aberdeen Emerging Equity Fund (the Emerging Equity Fund). The investment objective of the Emerging Equity Fund is to achieve total return in excess of the Morgan Stanley Capital International Inc. Emerging Markets Index through investing in the world's emerging stock markets as defined by the International Finance Corporation or companies with significant activities in emerging markets. The Emerging Equity Fund allows daily redemptions with 4 days notice.

(5) Hedge fund of funds – The hedge fund of funds is a limited partnership which invests in a portfolio of funds. The underlying funds generally implement non-traditional or alternative investment strategies. The hedge fund of funds is redeemable quarterly with 70 days notice.

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Credit Risk – Credit risk is the risk that an issuer or counterparty to an investment will not fulfill its obligations. The Plan's general investment policy is to limit its investments in fixed income securities to those with an S&P/Moody's rating of investment grade BBB/Baa or better, unless expressly permitted by the Board. However, the fixed income portfolio manager is allowed to hold fixed income securities with a rating of BB or B.

At December 31, 2017, the Plan's exposure to fixed income credit risk based on Standard & Poor's ratings is as follows:

S & P Rating	US Govt Agencies	US Treasuries	Corporate Securities	Fixed Income Funds	Total
AAA	\$ -	\$ 6,961,910	\$ -	\$ -	\$ 6,961,910
AA+	12,192,141	-	992,765	-	13,184,906
AA	-	-	457,803	18,663,662	19,121,465
AA-	-	-	919,446	-	919,446
A+	-	-	1,840,336	-	1,840,336
A	-	-	3,613,620	-	3,613,620
A-	-	-	2,039,524	-	2,039,524
BBB+	-	-	1,668,934	-	1,668,934
B+	-	-	-	17,432,956	17,432,956
Total	\$ 12,192,141	\$ 6,961,910	\$ 11,532,428	\$ 36,096,618	\$ 66,783,097

Concentration of Credit Risk – Concentration of credit risk is the risk of loss attributed to the magnitude of the Plan's investment in a single issuer. The Plan limits its investments in any one issuer of equity securities, fixed income securities, short-term investments and commercial paper to no more than 5% of the applicable portfolio. No limitation is placed on investments in U.S. Government guaranteed obligations. No individual investments exceeded 5% of the Plan's net position at December 31, 2017.

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates of debt securities will adversely affect the fair value of an investment. Unless expressly permitted by the Board, the effective duration of any fixed income portfolio shall not exceed 120% of the effective duration of the broad market benchmark included in the instructions to the portfolio manager.

As of December 31, 2017, the effective duration of the Plan's fixed income portfolio is 3.8 years.

Foreign Currency Risk – Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. As of December 31, 2017, none of the Plan's investments were denominated in currencies other than the United States dollar.

Component Unit El Paso County Public Health – Cash and Investments

Deposits – The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is specified by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds.

The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must equal at least 102% of the uninsured deposits. The State Regulatory Commissions for banks and savings and loan associations are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools. At December 31, 2017, Public Health had bank deposits of \$686,882 collateralized with securities held by the financial institution's agent but not in the Public Health name.

Fair Value Measurements – El Paso County Public Health categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of assets. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

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Cash and Investments held by El Paso County Public Health

	12/31/2017	Credit Rating	Maturity Date
Petty Cash	\$ 5,170	*	*
Cash Deposits	1,077,083	*	*
Local Government Investment Pool (ColoTrust)	3,132,172	AAAm	Demand
Total cash and investments	\$ 4,214,425		

* Not applicable to cash deposits

The ColoTrust investment is a local government investment pool that reports at the fair value per share of the pool's underlying portfolio. For pricing and redeeming shares, ColoTrust maintains a stable net asset value (NAV) of \$1 per share using the fair value method. ColoTrust is exempt from being measured at fair value and is excluded from the fair value hierarchy.

Component Unit El Paso County Housing Authority – Cash and Investments

Deposits in Bank and Investments – Deposits and investments consist of checking and money market accounts and government securities and are stated at fair value. Deposits are fully collateralized or vested in securities of the United States Government and are identified specifically in the name of the El Paso County Housing Authority (the “Authority”). The deposits are either covered by federal depository insurance, by collateral held by the Authority's agent in the Authority's name by the Federal Reserve Banks acting as third party agents or by a collateralization agreement.

HUD Deposit Restrictions – The U.S. Department of Housing and Urban Development (HUD) requires Authorities to invest excess HUD program funds in obligations of the United States, certificates of deposit or any other federally insured instruments. HUD also requires that deposits of HUD program funds be fully insured or collateralized at all times. Acceptable security includes FDIC/FSLIC insurance and the market value of securities purchased and pledged to the political subdivision. Pursuant to HUD restrictions, obligations of the United States are allowed as security for deposits. Obligations furnished as security must be held by the Authority or with an unaffiliated bank or trust company for the account of the Authority.

Fair Value Measurements – The El Paso County Housing Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Cash and Investments held by El Paso County Housing Authority

The carrying amount of the Authority's cash deposits and investments was \$7,081,046 at December 31, 2017. Bank and investment balances before reconciling items were \$7,101,119 at that date, the total amount of which was collateralized or insured with securities held by an unaffiliated banking institution in the Authority's name.

	12/31/2017			
Deposits				
Checking account	\$ 838,897			
Repurchase agreement	35,406			
Escrow account	1,020,286			
Custody account	3,240,944			
Total deposits	5,135,533			
Investments		Fair Value Inputs	Credit Rating	Maturity Date
ColoTrust	1,100,314	*	A-1	Demand
U.S. Treasuries	787,532	Level 2	US Govt Guar	2018
GNMA/FNMA Securities	77,740	Level 2	AAA	2030-2031
Total investments	1,965,586			
Total deposits and investments	\$ 7,101,119			

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* The ColoTrust investment is a local government investment pool that reports at the fair value per share of the pool's underlying portfolio. For pricing and redeeming shares, ColoTrust maintains a stable net asset value (NAV) of \$1 per share using the fair value method. ColoTrust is exempt from being measured at fair value and is excluded from the fair value hierarchy.

US Bank Treasury Obligations and US Bank Mortgage-backed Securities fair values are determined based on published market quotations using Level 2 inputs.

2. *Property taxes*

The County is permitted to levy taxes on the assessed valuation for general governmental services. The combined tax rate to finance general governmental services for the year ended December 31, 2017, was 7.965 mills. The County's assessed valuation for 2017 was \$7,445,701,460. Therefore, the County could collect \$59,304,881 for 2017 taxes. Instead, the Board of County Commissioners eliminated the County's entire portion of business personal property tax. The property taxes collectible in 2017 total \$53,154,575.

3. *Capital assets*

Capital asset activity for the year ended December 31, 2017, was as follows:

	Balance January 1, 2017	Increases	Decreases	Balance December 31, 2017
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 15,737,723	\$ 426,953	\$ (284,176)	\$ 15,880,500
Art	86,000	-	-	86,000
Construction in progress	6,341,255	7,668,108	(2,500,369)	11,508,994
Total capital assets, not being depreciated	22,164,978	8,095,061	(2,784,545)	27,475,494
Capital assets, being depreciated:				
Buildings	209,130,106	358,057	(328,762)	209,159,401
Improvements other than buildings	75,388,226	793,208	-	76,181,434
Machinery and equipment	78,240,586	6,085,761	(4,200,360)	80,125,987
Infrastructure	551,446,684	18,236,282	-	569,682,966
Total capital assets, being depreciated	914,205,602	25,473,308	(4,529,122)	935,149,788
Less accumulated depreciation for:				
Buildings	(75,697,568)	(5,073,983)	233,540	(80,538,011)
Improvements other than buildings	(18,377,014)	(3,049,318)	-	(21,426,332)
Machinery and equipment	(58,651,942)	(6,318,848)	3,581,723	(61,389,067)
Infrastructure	(259,110,621)	(17,625,400)	-	(276,736,021)
Accumulated depreciation	(411,837,145)	(32,067,549)	3,815,263	(440,089,431)
Total capital assets, being depreciated, net	502,368,457	(6,594,241)	(713,859)	495,060,357
Governmental activities capital assets, net	\$ 524,533,435	\$ 1,500,820	\$ (3,498,404)	\$ 522,535,851

\$319,741 of capital assets and \$48,799 of accumulated depreciation for Self-Insurance, an internal service fund, are included in this note.

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	Balance January 1, 2017	Increases	Decreases	Balance December 31, 2017
Business-type activities:				
Capital assets, not being depreciated:				
Construction in progress	\$ -	\$ -	\$ -	\$ -
Capital assets, being depreciated:				
Buildings	1,599,936	-	-	1,599,936
Improvements other than buildings	83,365	-	-	83,365
Machinery and equipment	122,230	-	(80,804)	41,426
Total capital assets, being depreciated	1,805,531	-	(80,804)	1,724,727
Less accumulated depreciation for:				
Buildings	(446,685)	(40,000)	-	(486,685)
Improvements other than buildings	(41,681)	(3,334)	-	(45,015)
Machinery and equipment	(25,902)	(3,794)	5,966	(23,730)
Total accumulated depreciation	(514,268)	(47,128)	5,966	(555,430)
Total capital assets, being depreciated, net	1,291,263	(47,128)	(74,838)	1,169,297
Business-type activities capital assets, net	\$ 1,291,263	\$ (47,128)	\$ (74,838)	\$ 1,169,297

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	Amount
General government	\$ 6,198,536
Public safety	5,932,517
Public works	19,418,251
Health and welfare	55,273
Culture and recreation	452,108
Veteran's services	733
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	10,131
Total depreciation expense - governmental activities:	<u>32,067,549</u>
Business-type activities:	
Household hazardous waste	47,128
Total depreciation expense - business-type activities:	<u>\$ 47,128</u>

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4. *Inter-fund receivables and payables:*

The composition of inter-fund balances as of December 31, 2017, is as follows:

Due to/from other funds:		
Receivable Funds	Payable Funds	Amount
General	Road and Bridge	\$ 48,725
	Human Services	821,703
	Capital Projects	12,523
	Non-Major Internal Service	267,884
	Non-Major Enterprise	77,950
		<u>1,228,785</u>
Road and Bridge	General	73,526
		<u>73,526</u>
Human Services	General	4,495,140
	Non-Major Internal Service	866
		<u>4,496,006</u>
Non-Major Internal Service	General	6,671,236
	Road and Bridge	2,896
	Human Services	1,250
		<u>6,675,382</u>
	Total	<u>\$ 12,473,699</u>

Inter-fund balances resulted from the time lag between the dates that (1) inter-fund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Resolution No. 16-412 authorizes the advancement of funds for cash flow purposes from the General Fund to other County funds. As of December 31, 2017, Human Services received an advance of \$1,500,000.

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5. *Long-term debt*

A. Changes in long-term liabilities

The following is a summary of changes in long-term liabilities of the County for the year ended December 31, 2017.

	Beginning balance 1/1/2017	Additions	Reductions	Ending balance 12/31/2017	Due within one year
Governmental activities:					
Certificates of participation	\$ 143,600,000	\$ -	\$ (8,560,000)	\$ 135,040,000	\$ 9,240,000
Issuance discount	(155,876)	-	14,170	(141,706)	(14,170)
Plus Issuance premium	3,488,473	-	(355,264)	3,133,209	354,993
Total certificates of participation	146,932,597	-	(8,901,094)	138,031,503	9,580,823
Capital leases	2,285,462	3,826,775	(1,798,395)	4,313,842	2,417,480
OPEB	91,170,479	9,146,529	(3,034,613)	97,282,395	-
Claims payable	7,970,695	26,057,267	(26,231,538)	7,796,424	4,922,264
Compensated absences	17,579,695	10,958,818	(11,026,699)	17,511,814	2,360,634
Net pension liability	130,040,090	-	(10,898,108)	119,141,982	-
Governmental activities					
Long-term liabilities	395,979,018	49,989,389	(61,890,447)	384,077,960	19,281,201
Business-Type Activities:					
Compensated absences	64,188	25,411	(24,906)	64,693	109
Net pension liability	302,885	-	(37,222)	265,663	-
Business-type activities					
Long-term liabilities	\$ 367,073	\$ 25,411	\$ (62,128)	\$ 330,356	\$ 109

Compensated absences are normally liquidated 79 percent by the General fund, 14 percent by the Human Services fund, 7 percent by the Road and Bridge fund and 0.5 percent by the Conservation Trust fund. Net pension liability is normally liquidated 73 percent by the General fund, 19 percent by the Human Services fund, 7 percent by the Road and Bridge fund, and 1 percent by the Conservation Trust fund. Other post employment benefits (OPEB) and claims payable are liquidated by the Self-Insurance fund.

B. Certificates of participation

During 2004, the County, through the El Paso County Facilities Corporation, issued \$6,970,000 in Certificates of Participation, Series 2004, which were dated June 15, 2004. The 2004 certificates carry interest rates ranging from 3.00% to 4.60% and mature December 1, 2004, through December 1, 2018. Interest payments are due June 1 and December 1. Principal payments are due December 1.

During 2007, the County, through the El Paso County Facilities Corporation, issued \$77,850,000 in Certificates of Participation, Series 2007A, which were dated March 15, 2007. The 2007A certificates carry interest rates ranging from 4.00% to 5.50% and mature December 1, 2007, through December 1, 2029. Interest payments are due June 1 and December 1. Principal payments are due December 1.

During 2008, the County, through the El Paso County Facilities Corporation, issued \$2,500,000 in Certificates of Participation, Series 2008, which were dated December 15, 2008. The 2008 certificates carry interest rates ranging from 4.00% to 6.50% and mature December 1, 2011 through December 1, 2029. Interest payments are due June 1 and December 1. Principal payments are due December 1.

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During 2010, the County, through the El Paso County Facilities Corporation, issued \$55,925,000 in Certificates of Participation, Series 2010, which were dated September 30, 2010. The 2010A was for \$47,545,000 and the Series 2010B was for \$8,380,000. The 2010A certificates carry interest rates ranging from 3.59% to 5.81% and mature December 1, 2017, through December 1, 2036. The 2010B certificates carry interest rates ranging from 2.25% to 5.00% and mature December 1, 2011 through December 1, 2016. Interest payments are due June 1 and December 1. Principal payments are due December 1.

During 2011, the County, through the El Paso County Facilities Corporation, issued \$32,820,000 Refunding Certificates of Participation series 2011A, which were dated July 20, 2011 and refund the Certificates of Participation Series 2002B. The 2011A certificates carry interest rates ranging from 2.75% to 5.25% and mature December 1, 2011 through December 1, 2027. The refunded Certificates Series 2002B will become due and payable, in accordance with their terms, until December 1, 2012 at which time all of the remaining 2002B Certificates shall mature or be redeemed at a redemption price. Interest payments are due June 1 and December 1. Principal payments are due December 1.

During 2012, the County, through the El Paso County Facilities Corporation, issued \$12,010,000 in Certificates of Participation Series 2012, which were dated December 15, 2012. The Series 2012 Certificates carry interest rates ranging from 3.00% to 5.00% and mature December 21, 2023. Interest payments are due June 1 and December 1 of each year. Principal payments are due December 1.

During 2016, the County, through the El Paso County Facilities Corporation, issued \$23,245,000 Refunding Certificates of Participation series 2016, which were dated June 1, 2016 and refunded a portion of the Certificates of Participation Series 2007A. The 2016 certificates carry interest rates ranging from 2.00% to 3.00% and mature December 1, 2018 through December 1, 2029. Interest payments are due June 1 and December 1. Principal payments are due December 1.

Capital lease obligations

In 2014, the County entered into a lease agreement as lessee for financing the JDE System with Oracle America Inc. The lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of future minimum lease payments as of the inception date. The first payment on this capital lease was made in February 2015. A portion of the assets acquired through this capital lease are intangible in nature. The net book value of physical assets acquired are as follows at December 31, 2017:

<u>Asset:</u>	<u>Governmental Activities</u>
Oracle Project - JDE System Exadata Machines	\$ 351,996
Less: Accumulated Depreciation	(246,397)
Net	<u>\$ 105,599</u>

The following schedule reflects debt service requirements for the capital lease as of December 31, 2017:

<u>Date</u>	<u>Interest</u>	<u>Principal</u>	<u>Total Payment Amount</u>
February, 2018	11,192	1,137,069	1,148,261
Total	<u>\$ 11,192</u>	<u>\$ 1,137,069</u>	<u>\$ 1,148,261</u>

In 2014, the County entered into another lease agreement as lessee for financing a Mass Spectrometer for the Coroner's Office with the University of Colorado at Colorado Springs. The lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of future minimum lease payments as of the inception date. The equipment is valued at \$121,908, had an eight-year estimated useful life, and was fully depreciated in 2017. This year \$4,656 was included in depreciation expense. In 2017, a payment of \$22,410 including interest of \$82 was made on this capital lease, which was the final payment on the lease.

In 2017, the County entered into a lease agreement as lessee for financing equipment for the Public Works' Fleet Division. The lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the

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present value of future minimum lease payments as of the inception date. In 2017, a payment of \$650,000 was made on this capital lease. The net book value of physical assets acquired are as follows at December 31, 2017:

Asset:	Governmental Activities
Public Works Fleet Vehicles - 2017 Vehicles	\$ 104,920
Less: Accumulated Depreciation	(6,558)
Net	\$ 98,362

The following schedule reflects debt service requirements for the capital lease as of December 31, 2017:

Date	Interest	Principal	Total Payment Amount
February, 2018	\$ 21,746	\$ 1,280,413	\$ 1,302,159
February, 2019	30,949	1,271,210	1,302,159
February, 2020	10,202	625,153	635,355
Total	\$ 62,897	\$ 3,176,776	\$ 3,239,673

C. Summary of debt service requirements

The following schedule reflects debt service requirements to maturity for certificates of participation as of December 31, 2017:

Governmental Activities Certificates of Participation		
December 31,	Principal	Interest
2018	\$ 9,240,000	\$ 5,115,652
2019	8,930,000	4,776,287
2020	9,225,000	4,482,521
2021	9,555,000	4,134,730
2022	9,920,000	3,761,203
2023-2027	49,790,000	13,036,518
2028-2032	23,485,000	4,836,983
2033-2036	14,895,000	1,601,332
	\$ 135,040,000	\$ 41,745,226

D. Operating leases

El Paso County has entered into a number of operating leases which contain cancellation provisions and are subject to annual appropriations. For the reporting period, rent payments approximated \$3,973,899 for all types of leases. These expenditures were made primarily from the General, Self Insurance and Human Services funds.

E. Conduit debt obligations

From time to time, the County has issued the following types of conduit debt: single family mortgage bonds and mortgage revenue refunding bonds to assist low-to-middle income residents in purchasing a residence; exempt facility bonds for residential rental projects to be occupied by low-to-middle income residents and owned by private-sector entities; industrial revenue bonds to provide financial assistance to private-sector entities to promote industry and develop trade or other economic activity; and qualified 501(c)(3) bonds to provide financial assistance to non-profits for the acquisition and construction of eligible facilities. The various bonds are secured by investments under Indentures of Trust loans that finance the projects, property, loan guarantees, and letters of credit, and are payable solely from certain revenues and receipts pledged under the Indentures of Trust, payments received on underlying mortgage loans, and payments received pursuant to loan agreements. These bonds do not constitute the debt or indebtedness of the County, nor is the County obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as

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liabilities in the accompanying financial statements. As of December 31, 2017, the bonds had an estimated aggregate principal amount payable of \$288,349,855.

In 2017, the County issued conduit debt as follows:

On February 16, 2017, El Paso County adopted a resolution authorizing the issuance of its Multifamily Housing Revenue Note (Whitney Young Manor Project) in an amount not to exceed \$22,000,000 and on March 22, 2017, notes were issued in the amount of \$21,205,000.

On July 25, 2017, El Paso County adopted a resolution authorizing the issuance of its Multifamily Housing Revenue Note (Traditions at Colorado Springs Project) in an amount not to exceed \$22,000,000, and on August 1, 2017, the notes were issued in the amount of \$21,000,000.

6. *Fund Balance Designation*

GASB 54 requires the fund balance amounts to be properly reported within one of the fund balance categories. The following table provides detail of each category of fund balance:

	General	Road & Bridge	Human Services	Capital Expenditure	Other Governmental	Total
Nonspendable:						
Inventories	\$ 1,806,936	\$ 1,374,363	\$ -	\$ -	\$ -	\$ 3,181,299
Prepaid items	319,214	-	-	-	-	319,214
	<u>2,126,150</u>	<u>1,374,363</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,500,513</u>
Restricted:						
TABOR	6,894,691	-	-	-	-	6,894,691
Clerk & Recorder Projects	165,717	-	-	-	-	165,717
Public Safety Projects	12,149,751	-	-	-	-	12,149,751
Public Works	12,000,000	-	-	-	-	12,000,000
Baptist Road Rural Trans.	-	8,053	-	-	-	8,053
Culture and Recreation	2,387,752	-	-	-	792,390	3,180,142
Social Services	-	-	3,636,611	-	-	3,636,611
Debt Service	-	-	-	11,915,262	-	11,915,262
Construction Projects	-	-	-	6,555,412	-	6,555,412
Small Business Development	-	-	-	-	-	-
Other Projects	194,282	-	-	-	-	194,282
	<u>33,792,193</u>	<u>8,053</u>	<u>3,636,611</u>	<u>18,470,674</u>	<u>792,390</u>	<u>56,699,921</u>
Committed:						
Public Safety	525,847	-	-	-	-	525,847
Clerk's Projects	1,786,688	-	-	-	-	1,786,688
Road & Bridge	-	2,393,065	-	-	-	2,393,065
Colorado Ave. Project	-	851,316	-	-	-	851,316
Culture and Recreation	258,170	-	-	-	-	258,170
County Fair	123,923	-	-	-	-	123,923
Debt Service Payments	1,810,000	-	-	-	-	1,810,000
Other Projects	310,068	-	-	-	-	310,068
	<u>4,814,696</u>	<u>3,244,381</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,059,077</u>
Assigned:						
Subsequent Year's Expenditures	-	-	-	-	-	-
Capital Projects	-	-	-	187,073	-	187,073
Infrastructure Projects	465,980	-	-	-	-	465,980
Facilities Projects	552,974	-	-	-	-	552,974
Public Safety	555,640	-	-	-	-	555,640
Public Works Projects	-	11,856,589	-	-	-	11,856,589
Public Communications	1,066,540	-	-	-	-	1,066,540
Other Projects	825,677	-	-	-	-	825,677
	<u>3,466,811</u>	<u>11,856,589</u>	<u>-</u>	<u>187,073</u>	<u>-</u>	<u>15,510,473</u>
Unassigned:	<u>6,127,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,127,000</u>
Total fund balance	<u>\$ 50,326,850</u>	<u>\$ 16,483,386</u>	<u>\$ 3,636,611</u>	<u>\$ 18,657,747</u>	<u>\$ 792,390</u>	<u>\$ 89,896,984</u>

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7. *Sales Tax Collection - TABOR Revenue Limitation*

During 2016, the County had \$15,174,442 in revenue above the TABOR limitation. During 2017, the voters of the County approved a ballot initiative allowing the County to retain the 2016 overage for specific purposes (See Note D.2.C). In 2016, the TABOR overage was recorded in an unearned revenue account, and accordingly in 2017 when the ballot initiative passed, the revenue was recorded in each fund as sales tax revenue. The following chart details overall government funds sales tax collection, the allocation of the TABOR retention by governmental funds, and the overall amount reported:

	General Fund	Human Services Fund	Capital Projects Fund	Total Sales Tax Revenue
Sales Tax Received in 2017	\$ 75,948,638	\$ 17,468,834	\$ 11,403,455	\$ 104,820,927
Retention of TABOR limitation	11,674,442	3,500,000	-	15,174,442
Total Sales Tax Revenue	<u>\$ 87,623,080</u>	<u>\$ 20,968,834</u>	<u>\$ 11,403,455</u>	<u>\$ 119,995,369</u>

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Note D – Other Information

1. *Risk management*

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; health claims of employees; and natural disasters. The County established the Self-Insurance Fund (internal service fund) to account for and finance its uninsured risks of loss. Under this program, the fund provides coverage up to a maximum of \$100,000, \$600,000, \$250,000 and \$250,000 for each property damage claim, each workers' compensation claim, each liability claim, and each health claim, respectively. The limit of coverage on the liability claims is \$1,000,000. The County purchases commercial insurance for claims in excess of coverage provided by the fund and for all various other risks of loss. Settled claims have not exceeded this commercial coverage in the past three fiscal years.

All funds of the County participate in the program and make payments to the fund based on estimates of the amounts needed to pay prior- and current-year claims. Claims liabilities of \$7,796,424 that are reported in the Self-Insurance Fund at December 31, 2017, are based on the requirements of Governmental Accounting Standards Board Statement No. 10, Accounting and Financial Reporting for Risk Financing and Related Insurance Issues, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable a liability has been incurred at the date of the financial statements, and the amount of the loss can be reasonably estimated. The present value of the estimated outstanding losses is the amount of money, discounted for anticipated investment income, required to meet unpaid claims. It is calculated based on a 2.0% yield on investments, as provided by the County.

Changes in the claims liability amounts in 2017 and 2016 were:

	Balance 1/1/2017	Claims and Changes in Estimates	Claim Payments	Balance 12/31/2017
Self-Insurance Fund	\$ 7,970,695	\$ 26,057,267	\$ 26,231,538	\$ 7,796,424

	Balance 1/1/2016	Claims and Changes in Estimates	Claim Payments	Balance 12/31/2016
Self-Insurance Fund	\$ 6,967,743	\$ 22,806,440	\$ 21,803,488	\$ 7,970,695

Amounts reflected represent current claims for self-funded medical claims, workers' compensation and other liability claims totaling \$4,922,264. The long-term portion represents claims pertaining to ongoing workers' compensation and liability claims totaling \$2,874,160.

2. *Contingencies*

A Litigation

There is no current pending litigation in which the County is involved that is expected to result in material judgments against the County. All pending litigation is being vigorously defended. The potential settlement amounts are inestimable and it is the opinion of management that the potential outcome of such matters would not have a significant effect on the financial position of the County if disposed of unfavorably.

B Grants

The County has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to request for reimbursements to grantor agencies for

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expenditures disallowed under the terms of the grant. Based upon prior experience, the County management believes such disallowances, if any, will be immaterial.

C TABOR

In November 1992, the people of the State of Colorado passed an amendment to the State's Constitution (Article X, Section 20) known as the Taxpayer's Bill of Rights (TABOR), which was effective December 31, 1992. TABOR's intended purpose was to reasonably restrain most of the growth of government by imposing spending and revenue limits on the state and any local government, excluding enterprises. Provisions of TABOR require, among other things, that:

- Each district shall reserve for use in declared emergencies 3% or more of its fiscal year spending (as defined by TABOR) excluding bonded debt service.
- If revenue from sources not excluded from fiscal year spending exceeds the limits prescribed by TABOR in dollars for that fiscal year, the excess shall be refunded in the next fiscal year unless voters approve a revenue change as an offset.
- Revenue collected, kept, or spent illegally since four full fiscal years before an individual or class action enforcement suit is filed shall be refunded with 10% annual simple interest from the initial conduct.
- With minor exceptions, advance voter approval is required for any new tax, tax rate increase, mill levy above that for the prior year or creation of any multiple fiscal years direct or indirect district debt or other financial obligation without certain cash reserve amounts.

In 2017, the County placed an initiative on the November 2017 ballot to retain the 2016 TABOR excess funds. The citizens of El Paso County passed the ballot initiative which allowed the County to retain the excess funds to spend on road projects, park projects, and disaster recovery projects. As of December 31, 2017, those funds are recorded in restricted fund balance according to the ballot initiative.

The County believes it complies with the provisions of TABOR. However, many of its provisions will most likely be interpreted by the judicial system and those interpretations could differ from those of the County. Based upon the County's interpretation of TABOR for 2017, the County does not exceed the fiscal year's spending limit. The County will ensure proper actions will be taken to be in compliance with TABOR and appropriate action will be taken if necessary upon final determination.

3. *El Paso County Retirement Plan*

A Plan description and provisions

The following brief description of the El Paso County Retirement Plan (Plan) is provided for informational purposes only. Participants should refer to the plan document for more complete information. The Plan issues a publicly available financial report that includes financial statements and required supplementary information for the Plan. That report may be obtained by writing to the El Paso County Retirement Plan, 2880 International Cir., Suite 030, Colorado Springs, Colorado 80910, or by calling (719) 520-7490. The report may also be found at <https://retirement.elpaso.com>.

General - The Plan is a cost-sharing multiple employer defined benefit plan covering all permanent, full-time and job-share employees of the participating employers upon their date of employment. Employers, as defined in the plan document, include El Paso County, El Paso County Public Health, Pikes Peak Library District, 4th Judicial District Attorney and El Paso County Retirement Plan. All employees hired after September 1, 1967 are required to participate. Employees hired from 1974 through 1981 who were age 60 or older at their date of employment could elect to become a member as of January 1, 1982.

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The participants of the Plan consisted of the following as of December 31, 2016 (the most recent actuarial valuation date):

Inactive plan members currently receiving benefits	1,564
Inactive plan members entitled to but not yet receiving benefits	306
Active plan members	<u>2,669</u>
Total	<u><u>4,539</u></u>

The El Paso County Board of Retirement (the Board) manages and administers the Plan. The Board consists of five members, one of whom is the El Paso County Treasurer, two of whom are appointed by the El Paso County Board of Commissioners (the Board of Commissioners) and two of whom are employees of the participating employers elected by participants. The Board shall have all powers necessary to affect the management and administration of the Plan in accordance with its terms. The Board has the powers set forth in Part 1, Title 24, Article 54, of the Colorado Revised Statutes.

Plan Amendments - The Board has the right to alter, amend, or terminate the Plan or any part thereof in such manner as it may determine; provided that no such alteration or amendment shall provide that a retirement benefit payable to any retired member shall be less than that provided by his or her accumulated contributions or affect the right of any member to receive a refund of his accumulated contributions and provided further that no alteration, amendment or termination of the Plan or any part thereof shall permit any part of the Plan to revert to or be recoverable by any employer or be used for or diverted to purposes other than the exclusive benefit of members, retired members, terminated vested members or beneficiaries under the Plan, except such funds, if any, as may remain at termination of the Plan after satisfaction of all liabilities with respect to members, retired members, terminated vested members and beneficiaries under the Plan and are due solely to erroneous actuarial calculations.

The Plan is intended to comply with the requirements of the applicable provisions of Internal Revenue Service Code Section 401(a) as now in effect or hereafter amended, and any modification or amendment of the Plan may be made retroactive, as necessary or appropriate, to establish and maintain such compliance.

Contributions - Contribution requirements are established and may be amended by the Board. Through December 31, 2009, participants contributed 6% of their monthly compensation to the Plan. The Plan was amended during 2009 to increase the participant monthly contribution rate to 6.5% effective January 1, 2010, 7.0% effective January 1, 2011 and 7.5% effective January 1, 2012. The Plan was further amended in 2013 to increase the participant monthly contribution rate to 8.0% effective January 1, 2014. Under the Plan provisions, the participating employers make monthly contributions at least equal to the contributions made by the participants. Interest is credited on employee contributions at the rate of 3% per annum, compounded monthly. Employee and employer basic contributions amounted to 16% of covered payroll for both 2017 and 2016.

Contributions are tax-deferred to the participants for federal income tax purposes. If participants have completed five years of service if hired before January 1, 2013 and eight years of service if hired on or after January 1, 2013, they are eligible to receive a future monthly retirement benefit. Any refund of contributions paid waives all future rights to any benefits. However, eligible participants who return to employment with a participating employer within 48 months and were previously refunded their contributions may reinstate withdrawn service if they repay the Plan the amount received when employment was terminated, plus interest, within twelve months of rehire.

Active participants who have completed five years of service if hired before January 1, 2013 and eight years of service if hired on or after January 1, 2013 may purchase up to five years of service credit for any period of full-time, nonvested previous employment with any public or private employer. One month of service credit

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may be purchased for each full month of full-time, nonvested, noncovered employment. The cost to purchase one month of service credit for noncovered employment is the "actuarial equivalent cost", as determined by the actuary for the Plan.

Participants may elect to pay for purchases of service credit in a lump sum or an installment basis. Effective July 2016, service credit purchases may also be made by rollover contributions from an eligible retirement plan. Payments may be made on a monthly, quarterly or annual basis with interest due at the actuarial equivalent interest rate for periodic benefits. The period over which installment payments may be made cannot exceed a period equal to the total amount of credited service to be purchased. Purchased service is recognized when paid.

Administrative Expenses - The Plan's administrative expenses are paid from the assets of the Plan accumulated from contributions and investment earnings. In 2016, the Board of County Commissioners voted to reimburse the Plan's administrative costs annually up to a maximum of \$600,000 commencing in 2017. The Plan received \$450,000 in 2017 for reimbursement of administrative costs.

Termination Benefits - Participants vest in accumulated contributions as follows:

- (a) If hired before January 1, 2013 and credited with less than five years of service or hired on or after January 1, 2013 and credited with less than eight years of service: Refund of the participant's accumulated contributions.
- (b) If hired before January 1, 2013 and credited with five or more years of service or hired on or after January 1, 2013 and credited with eight or more years of service:
 - (i) The participant may elect to receive a deferred retirement benefit which shall be equal to the participant's accrued benefit as of the date of termination and payable on the participant's normal retirement date. The participant may elect to receive a reduced retirement benefit beginning on the first day of any month subsequent to the participant's attainment of age 55. The reduction shall be 3% for each year by which payments commence prior to the first of the month following the participant's normal retirement date.
 - (ii) In lieu of (i), a participant may elect a current refund of accumulated contributions made by the participant.

Retirement Benefits - Participants hired before January 1, 2010 are eligible for normal retirement on the first of the month coincident with attainment of age 62. Participants hired after December 31, 2009 are eligible for normal retirement after attainment of age 62, but not before the completion of 60 months of continuous service. Participants hired after December 31, 2012 are eligible for normal retirement after attainment of age 62, but not before the completion of 96 months of continuous service.

If hired before January 1, 2010, the monthly benefit payable at normal retirement is equal to 2.22% times the final average monthly compensation, times years of credited service earned through December 31, 2012 and 2.00% times the final average monthly compensation, times years of credited service earned after December 31, 2012. If hired on or after January 1, 2010, the monthly benefit payable at normal retirement is equal to 2.00% times final average monthly compensation times years of credited service.

The normal retirement benefit will not be greater than 75% of the participant's final average monthly compensation if hired before January 1, 2013 and not greater than 60% of final average monthly compensation if hired on or after January 1, 2013. Final average compensation is the highest monthly average of considered compensation during the 36 consecutive calendar months of credited service out of the last 120 calendar months of credited service.

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A participant is eligible for an early retirement benefit at age 55, provided the member has completed five or eight years of credited service. If the participant is hired before January 1, 2013, five years is required. If hired on or after January 1, 2013, eight years is required. The monthly pension is based on the vested portion of the normal retirement benefit, reduced by 3% for each year the early retirement date precedes the normal retirement date.

A participant is eligible for special early retirement benefits if the sum of the participant's age and credited service equals 75 or more. Employees hired on or after January 1, 2016 must be a minimum age of 50 to be eligible under this provision. The monthly benefit is equal to the normal retirement benefit and is not reduced for early commencement.

The annuity for delayed retirement is computed by the normal retirement formula considering credited service and compensation to actual retirement.

Disability Benefits - A participant is eligible for disability benefits if the participant's employment is terminated due to total and permanent disability as determined by eligibility for and receipt of disability benefits continuously until the normal retirement date under (1) the employer's long-term disability plan, or (2) Title II of the Federal Social Security Act. The annuity, payable at age 62, shall be calculated as for normal retirement considering the credited service that would have accrued had the participant been employed until the normal retirement date and the final average compensation during the calendar year preceding the year of the member's disability retirement.

Payment of Benefits - The monthly benefit, computed as set forth above, shall be paid in equal monthly payments commencing one month after the actual retirement date continuing at monthly intervals for the retired participant's lifetime thereafter. If the retired participant's death occurs prior to the payment of 120 monthly payments, the remainder of the 120 payments shall be paid to the participant's beneficiary.

Death Benefits Prior to Retirement - Death benefits prior to retirement are as follows:

In the event that an active participant or vested participant dies prior to their normal retirement date, the participant's surviving beneficiary will be entitled to either two times the participant's accumulated contributions payable immediately or a monthly benefit equal to 60% of the monthly retirement benefit earned by the member prior to the date of death. Payment of the monthly benefit to the beneficiary will begin on the first of the month following the death or the date the member would have attained age 55, if later. If the participant met the rule of 75 while working and had not applied for retirement no ceased employment as of date of death, their beneficiary will be entitled to a monthly benefit. Under these circumstances, the participant will be deemed to have retired on the first day of the month of their death. If no optional benefit had been elected prior to death, the participant shall be deemed to have elected the full joint and survivor benefit and such benefit shall be payable for the life of the participant's designated beneficiary, if living, following the participant's death.

Between normal and delayed retirement - In the event that a participant dies after their normal retirement date but prior to their actual retirement, their beneficiary will be entitled to a monthly benefit. Under these circumstances, the participant will be deemed to have retired on the first day of the month of their death. If no optional benefit had been elected prior to death, the participant shall be deemed to have elected the full joint and survivor benefit and such benefit shall be payable for the life of the participant's designated beneficiary, if living, following the participant's death.

Death Benefits After Retirement - Death benefits after retirement consist of a lump-sum benefit of \$3,000 payable upon the death of a retired participant.

Plan Termination - Although not presently contemplated, the Board has the right to terminate the Plan at any time, subject to limitations. In the event of termination, after payment of expenses, accumulated

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contributions would be returned to the participants, and the remaining assets distributed on a pro rata method to the participants based on accrued benefits. Participating employers would not receive any Plan assets.

B Summary of significant accounting policies

Reporting entity — The Plan is considered a multi-employer cost-sharing pension trust fund.

Basis of accounting and presentation — The financial statements of the Plan are presented using the economic resources measurement focus and the accrual basis of accounting in accordance with generally accepted accounting principles in the United States of America that apply to governmental accounting for fiduciary funds. Employee and employer contributions are recognized in the period they are due. Investment earnings are recognized in the period earned. Expenses are recognized when incurred. Benefits and refunds are recognized when due and payable in accordance with the Plan provisions.

Investments — Investments are stated at fair value. Fair value is the amount the Plan can reasonably expect to receive to sell an investment in an orderly transaction between market participants. See Note C for further information on the fair values of investments. Investment income is recognized when earned by the Plan. Investment income from funds and limited partnerships measured at net asset value is included in net appreciation (depreciation) in fair value of investments consistent with the presentation provided by the asset custodian.

Capital Assets — Capital assets are recorded at cost. Depreciation is calculated using the straight-line method over useful lives of 3 to 7 years.

Tax Status — The Plan is a governmental plan within the meaning of the Internal Revenue Code (the Code). The Internal Revenue Service has determined and informed the Plan by a letter dated July 1, 2014, that the Plan is designed in accordance with the applicable sections of the Code. The Plan has been subsequently amended; however, management of the Plan believes that the Plan is designed and operating in accordance with the Code. Accordingly, no provision for income taxes has been included in the accompanying financial statements.

Subsequent Events — The Plan has evaluated subsequent events for recognition or disclosure through the date of the Independent Auditors' Report, which is the date the financial statements were available for issuance.

C Net Pension Liability

The total pension liability was determined by an actuarial valuation as of December 31, 2016 using the following actuarial assumptions, applied to all periods included in the measurement, and rolled forward to the measurement date of December 31, 2017. Adjustments to roll forward the total pension liability include service cost, interest on total pension liability and benefit payments. The net pension liability is the difference between the total pension liability and the fiduciary net position as of December 31, 2017.

Actuarial Assumptions — The total pension liability was determined by an actuarial valuation as of December 31, 2016 using the following actuarial assumptions, applied to all periods included in the measurement, and rolled forward to the measurement date of December 31, 2017:

Inflation	3.50%
Salary increases	Graded by service, from 7.76% to 3.75 %
Investment rate of return	8.00%, net of pension plan investment expenses. This is based on an average inflation rate of 3.5% and a real rate of return of 4.5%.

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Mortality rates were based on the RP-2000 sex-distinct mortality table projected generationally using Projection Scale AA, with a one year setback for females. Mortality rates used for disabled members is based on the RP-2000 Disabled Mortality Table.

The actuarial assumptions used in the December 31, 2016 actuarial valuation were based on the results of an actuarial experience study for the period from January 1, 2008 to December 31, 2012, resulting in changes in actuarial assumptions adopted by the Board to better reflect expected future experience.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2017 are summarized in the following table (note that the rates shown below exclude the inflation component):

Asset Class	Long Term Expected Real Rate of Return
Private equity	11.45%
Public equity	7.50%
Fixed income	1.85%
Hedge fund-of-funds	4.73%
Real estate	6.73%

Discount Rate – The discount rate used to measure the total pension liability was 8.0%. The projection of cash flows used to determine the discount rate assumed that employer contributions will continue to follow the current funding policy adopted by the Board. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate – The following presents the El Paso County Primary Government's proportionate share of the net pension liability, separated according to Governmental Activities and Business-type Activities. The proportionate share of the net pension liability is calculated using the discount rate of 8.0%, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7.0%) or 1-percentage-point higher (9.0%) than the current rate.

	1% Decrease (7.0%)	Current Discount Rate (8.0%)	1% Increase (9.0%)
El Paso County Governmental Activities proportionate share of the net pension liability	\$ 168,118,501	\$ 119,141,982	\$ 77,914,921
El Paso County Business-type Activities Non-Major Enterprise Funds - Household Hazardous Waste proportionate share of net pension liability	374,871	265,663	173,735
El Paso County Primary Government proportionate share of the net pension liability	\$ 168,493,372	\$ 119,407,645	\$ 78,088,656

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D Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2017, El Paso County Primary Government reported a liability of \$119,407,645 for its proportionate share of the Plan's net pension liability. Of this total, \$119,141,982 was attributed to El Paso County Governmental Activities and \$265,663 was attributed to El Paso County Business-type Activities Non-Major Enterprise Funds - Household Hazardous Waste. El Paso County's proportion of the net pension liability was based on its contributions to the Plan for the calendar year 2017 relative to the total contributions of participating employers to the Plan.

At December 31, 2017, El Paso County's proportion was 80.31%, which was a decrease of 0.61% from its proportion measured as of December 31, 2016.

For the year ended December 31, 2017, El Paso County recognized pension expense of \$14,689,737. Of this total, \$14,646,413 was attributed to El Paso County Governmental Activities and \$43,324 was attributed to Business-type Activities Non-Major Enterprise Funds - Household Hazardous Waste.

At December 31, 2017, El Paso County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Governmental Activities	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between projected and actual experience	\$ 4,520,565	\$ -
Difference between projected and actual earnings on pension plan investments	-	4,487,501
Changes in proportion and differences between employer contributions and proportionate share of contributions	406,876	684,414
Total	\$ 4,927,441	\$ 5,171,915
 Business-type Activities Non-Major Enterprise Funds - Household Hazardous Waste	 Deferred Outflows of Resources	 Deferred Inflows of Resources
Difference between projected and actual experience	\$ 10,080	\$ -
Difference between projected and actual earnings on pension plan investments	-	10,006
Changes in proportion and differences between employer contributions and proportionate share of contributions	907	10,560
Total	\$ 10,987	\$ 20,566

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Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31	Deferral attributed to Governmental Activities	Deferral attributed to Business-type Activities Non-Major Enterprise Funds - Household Hazardous Waste	Total Combined Deferral
2018	\$ 2,378,830	\$ 93,206	\$ 2,472,036
2019	2,362,813	92,578	2,455,391
2020	(2,357,546)	(92,372)	(2,449,918)
2021	\$ (2,628,571)	\$ (102,991)	\$ (2,731,562)

4. *Other post employment benefits (OPEB)*

Plan Description

The County contributes to and administers a single employer defined benefit post employment health care plan referred to as the Medical Benefits Trust Fund (MBTF) to provide medical benefits to eligible retired County employees and their beneficiaries. Authority was established by approval of a resolution adopted by the Board of County Commissioners (BoCC) to create the MBTF fund on December 15, 2004. The BoCC has the authority to amend the contributions and terms of the MBTF at will.

The monthly premium rates and County subsidy rates are shown in the table below:

EPO Medical Plan				
Monthly Premium		Years of Service	County Subsidy	
<i>Lowest cost</i>	<i>Highest cost</i>		Retirement 2004 to 2017	Retirement Prior to 2004
\$ 587.89	— 1,588.33	Less than 8 Years	\$ 0.00	\$ 0.00
		8 - 14 Years	\$ 323.24	\$ 314.52
		15 - 19 Years	\$ 440.92	\$ 417.40
		20+ Years	\$ 587.89	\$ 523.22

PPO 65+ Medicare-Eligible Medical Plan		
Monthly Premium	Years of Service	County Subsidy
\$ 380.34	Less than 8 Years	\$ 0.00
	8 - 14 Years	\$ 209.19
	15 - 19 Years	\$ 285.25
	20+ Years	\$ 380.34

Elected and Appointed Officials EPO Medical Plan			
Monthly Premium		Years of Service	County Subsidy
<i>Lowest cost</i>	<i>Highest cost</i>	Less than 4 Years	\$ 0.00
\$ 587.89	– 1,588.33	4 - 7 Years	\$ 293.95
		8+ Years	\$ 587.89

Elected and Appointed Officials PPO 65+ Medicare-Eligible Medical Plan		
Monthly Premium	Years of Service	County Subsidy
\$ 380.34	Less than 4 Years	\$ 0.00
	4 - 7 Years	\$ 190.17
	8+ Years	\$ 380.34

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Funding Policy

The contribution requirements for plan members and their employers are established annually by the Employee Benefits Committee. The required contributions are based on pay-as-you-go financing. Plan member contributions are also determined from monthly premiums.

Annual OPEB cost and net OPEB obligation

The County's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45 implemented proactively. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal annual costs and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years.

The following table shows the components of the County's annual OPEB cost for the year, and the amount actually contributed to the plan, and changes in the County's net OPEB obligation to MBTF:

Annual Required Contribution (ARC)	\$ 10,602,524
Interest on Net OPEB Obligation	3,847,394
Adjustment to ARC	<u>(5,303,389)</u>
Annual OPEB Cost	9,146,529
Contributions Made	<u>(3,034,613)</u>
Increase in Net OPEB Obligation	6,111,916
NET OPEB - Beginning of Year	<u>91,170,479</u>
NET OPEB - End of Year	<u><u>\$ 97,282,395</u></u>

In calculating the plan liabilities and expenses, two key assumptions are the discount rate and the future medical inflation. A discount rate of 4.22% was assumed based on the average Moody's Aa corporate bond yield for the valuation period, down from 4.67% used in the last valuation. This rate is used to determine today's value of future expected benefit payments or subsidies. An annual medical inflation rate of 8.0% was used in the valuation. Starting in 2014, the inflation rate was graded down to 5.0% per year over a number of years. These rates reflect that the growth in health care costs is expected to be moderate over time. There were no changes to the percent of eligible employees assumed to enroll in the retiree medical plan.

The mortality table used was the RP-2000 Mortality Table projected to 2015 using scale AA with a one year setback for women from the 1994 Group Annuity Mortality Table to be consistent with the pension valuation. The table of aging factors was changed from a proprietary table to tables from a 2013 Society of Actuaries (SOA) study, *Health Care Costs from Birth to Death*.

As the retiree medical plan is not funded, asset growth or asset rate of return is not required. The discount rate of 4.22% was used to determine the present value of future benefits. This rate is based on the Moody's Aa corporate bond yield. Amortization was calculated using a level dollar amount versus a level percent of salary. Hence, an assumption regarding salary increases was not necessary.

The county's subsidy level is based on the plan, the year of retirement and the years of service upon retirement. Both the cost of coverage and the County's subsidy are projected to increase at the health care cost trend rate shown below. No change in benefits and subsidy level was assumed. No changes in assumptions in the determination of County subsidy as a percentage of the total cost other than future trend increases.

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2017 and the preceding two years were as follows:

EL PASO COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

Percentage of Annual OPEB

Fiscal Year End	Annual OPEB Cost	% of Annual OPEB Cost Contributed	Net OPEB Obligation
12/31/2015	\$ 9,613,075	25%	\$ 84,487,932
12/31/2016	9,253,250	28%	91,170,479
12/31/2017	9,146,529	33%	97,282,395

Funded status and funded progress

The funded status of the plan as of the most recent actuarial valuation date is as follows:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b - a) / c)
1/1/2016	-	120,181,099	120,181,099	0.00%	132,007,466	91%

Actuarial Assumptions and Methods

Valuation Date	01/01/2016
Actuarial Method	Entry Age Normal
Amortization Method	Level Dollar
Remaining Amortization Period	30 years – Open

Actuarial Assumptions

Discount Rate	4.22%
Long-term rate of return	4.64%
Health Care Cost Trend Rate:	
2016	8.0%
2017	7.0%
2018	6.0%
2019	5.0%
2020 and later	5.0%
Annual Medical Inflation Rate	8.0%
General Inflation Rate	Not Used

Actuarial valuations for OPEB plans involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective, and, as such, actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

Projections of benefits are based on the types of benefits provided under the substantive plan at the time of each valuation and on the pattern of sharing of benefit costs between the employer and plan members to that point. Projections of benefits for financial reporting purposes do not explicitly incorporate the potential effect of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future.

EL PASO COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

The schedule of funding progress, presented in the Required Supplementary Information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

5. *Jointly governed organizations*

Pikes Peak Regional Building Department (PPRBD) – The County, in conjunction with the City of Colorado Springs, City of Fountain, City of Manitou Springs, Town of Green Mountain Falls, Town of Monument and Town of Palmer Lake has created the Pikes Peak Regional Building Department. The PPRBD's board is composed of three members, one appointed by the County, one appointed by the City of Colorado Springs, and one appointed by the other cities and towns together.

During 2003, Certificates of Participation of \$17,245,000 were issued to finance a building project for PPRBD. In 2012, the 2003 Series COP were refinanced by the Refunding and Improvement Certificates of Participation Series 2012. PPRBD continued into the lease agreement with the County to make lease payments that will pay the debt service on the Certificates of Participation. The County is not obligated for repayment of the Certificates of Participation beyond the resources provided by the lease agreement with PPRBD.

The El Paso County Emergency Services Authority (ESA) - The ESA was established in 2014 between the City of Fountain and El Paso County (after the dissolution of the El Paso County Emergency Service Agency at the end of March 2014) to provide for uniform ambulance service in El Paso County, Colorado. It is the goal of the ESA to provide excellent emergency medical and ambulance transport services to citizens and visitors throughout El Paso County.

The ESA is a 12-member board made up of EMS and first-responder professionals, physicians, elected officials and citizens, offering broad-based representation. Currently, the board includes two emergency room physicians, four fire district representatives, one paramedic, three elected officials, a citizen representative and a senior citizen representative.

The ESA is not considered a Component Unit and is, therefore, not included in the County's reporting entity. The County does not invest in the ESA and it is intended that the ESA administer its fees to recover all its expenses.

The Fourth Judicial District Special Investigation Fund - This fund was established and governed by the El Paso County Sheriff's Department, the Teller County Sheriff's Department, the Colorado Springs Police Department, and the District Attorney's Office for the Fourth Judicial District of Colorado to account for money received from public nuisance seizures and is legally separate from the County. The funds are used for special investigations of organized crime, white-collar crime, and other illegal activity.

The Fourth Judicial District Special Investigation Fund is not considered a Component Unit and is, therefore, not included in the County's Reported entity. The County does not invest in the Special Investigation Fund and it is intended that the Special Investigation Fund administer its fees to recover all its expenses.

The Fourth Judicial District Special Investigation Fund was closed in June 2017.

The Pikes Peak Regional Communications Network (PPRCN) - The County, in conjunction with the City of Colorado Springs, has created the Pikes Peak Regional Communication Network. The PPRCN's board is composed of five members; two members appointed by the Colorado Springs Mayor, one member appointed by the Director of Colorado Springs Utilities, one member appointed by the Sheriff of El Paso County, and one member appointed by the Administrator of El Paso County. The agency board shall provide a financial and operating report to the Colorado Springs City Council and the El Paso County Board of County Commissioners no later than September 1 of each year.

EL PASO COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

6. *Pikes Peak Rural Transportation Authority (PPRTA)*

On November 2, 2004, the Pikes Peak Rural Transportation Authority was established by the voters in the four governments. The PPRTA was authorized to collect a one-percent sales tax to fund transportation and transit improvements. Fifty-five percent of the money would fund a voter-approved list of capital projects, 35% would be used for additional maintenance (such as street overlays and pothole patching), and 10% would be used to expand the Springs Transit bus system.

In November 2012, nearly 80% of the voters in the region (including those in Ramah, which had joined the RTA in 2009) approved a ten-year extension for capital projects, from 2015 to 2024.

7. *Construction and other significant commitments*

At year-end, there were projects under construction with commitments of:

December 31, 2017 Projects	Spent to Date	Amount to Complete Project in 2018
General Fund Projects	\$ 1,610,384	\$ 5,450,013
Conservation Trust Fund Projects	-	11,567
Road & Bridge Fund Projects	674,139	2,650,394
Total Construction Commitments	<u>\$ 2,284,523</u>	<u>\$ 8,111,974</u>

8. *Tax Abatements*

As of December 31, 2017, and according to GASB Statement No. 77, *Abatement Disclosures*, the County has no tax abatement agreements in place that qualify under the definition of tax abatements.



**REQUIRED SUPPLEMENTARY
INFORMATION**

Major Governmental Funds Descriptions

GENERAL FUND

As the County's major operating fund, the general fund accounts for ordinary operating expenditures financed by property taxes, service charges, and other sources. The fund includes all resources and expenditures not legally or properly accounted for in other funds.

ROAD & BRIDGE FUND

Accounts for construction and maintenance of County roads and bridges financed by property taxes, highway user taxes, and other revenues restricted to use on roads and bridges.

DEPARTMENT OF HUMAN SERVICES FUND

Accounts for the federal and state public welfare programs administered by the County and financed by grants, intergovernmental reimbursements, and sales taxes.

EL PASO COUNTY, COLORADO
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Property taxes	\$ 47,428,545	\$ 47,428,545	\$ 46,810,929	\$ (617,616)
Sales taxes	77,149,152	76,239,152	75,948,638	(290,514)
Specific ownership taxes	3,870,000	3,870,000	5,670,341	1,800,341
Intergovernmental	17,269,118	25,502,003	20,732,428	(4,769,575)
Fees and fines	589,000	589,000	541,253	(47,747)
Licenses and permits	2,093,700	2,093,700	2,331,200	237,500
Charges for services	22,766,418	22,964,828	24,155,555	1,190,727
Investment earnings	401,250	401,250	1,062,642	661,392
Contributions	6,165,514	10,254,838	10,242,142	(12,696)
Miscellaneous	2,804,109	4,191,977	4,306,137	114,160
Total revenues	180,536,806	193,535,293	191,801,265	(1,734,028)
EXPENDITURES				
General Government				
Administration	1,582,034	2,018,002	1,939,288	78,714
Budget and Finance	4,688,166	4,072,859	1,691,391	2,381,468
County Assessor	3,788,545	3,898,545	3,688,179	210,366
County Attorney	1,163,803	1,183,180	1,048,646	134,534
County Clerk and Recorder	10,948,462	11,300,062	9,101,955	2,198,107
County Surveyor	9,129	9,129	8,651	478
County Treasurer	1,251,929	1,247,769	1,163,745	84,024
Economic Development	7,893,913	12,027,729	10,583,867	1,443,862
Employment and Risk Management	1,457,051	1,275,990	1,086,263	189,727
Facilities management	8,851,498	9,081,605	8,109,748	971,857
Fleet management	3,996,124	3,996,124	3,734,700	261,424
Information technology	10,874,050	10,452,312	9,427,653	1,024,659
Planning and Community Development	2,107,229	2,257,229	2,086,926	170,303
Procurement	581,279	581,279	532,521	48,758
Retirement administration	7,187,347	7,187,347	7,082,005	105,342
Security	1,284,172	1,470,172	1,301,356	168,816
Total General Government	67,664,731	72,059,333	62,586,894	9,472,439
Public Safety				
Coroner	2,474,619	2,468,419	2,462,748	5,671
County Sheriff	72,313,673	78,523,156	74,398,373	4,124,783
District Attorney Office	14,360,730	14,360,730	14,320,071	40,659
Fire and flood recovery	-	2,383,747	2,074,617	309,130
Justice services	6,470,195	8,737,540	8,684,914	52,626
Total Public Safety	95,619,217	106,473,592	101,940,723	4,532,869
Health and Welfare				
Environmental services	373,684	497,612	401,598	96,014
Health administration	3,285,804	3,326,485	3,326,486	(1)
Pikes Peak Workforce Center	7,093,369	7,550,310	7,432,850	117,460
Total Health and Welfare	10,752,857	11,374,407	11,160,934	213,473
Culture and Recreation				
Parks	2,550,967	3,814,697	2,132,978	1,681,719
Total Culture and Recreation	2,550,967	3,814,697	2,132,978	1,681,719

EL PASO COUNTY, COLORADO
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Auxiliary services				
Veterans services	438,382	440,182	424,420	15,762
CSU extension service	175,307	220,367	197,579	22,788
Total Auxiliary services	613,689	660,549	621,999	38,550
Capital outlay	3,925,807	13,353,153	6,968,186	6,384,967
Total expenditures	181,127,268	207,735,731	185,411,714	22,324,017
Excess (deficiency) of revenues over (under) expenditures	(590,462)	(14,200,438)	6,389,551	20,589,989
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	150,000	171,708	431,758	260,050
Total other financing sources (uses)	150,000	171,708	431,758	260,050
Net change in fund balances	<u>\$ (440,462)</u>	<u>\$ (14,028,730)</u>	<u>\$ 6,821,309</u>	<u>\$ 20,850,039</u>

See the accompanying independent auditors' report.

EL PASO COUNTY, COLORADO
ROAD AND BRIDGE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Property taxes	\$ 2,159,462	\$ 2,159,462	\$ 2,041,175	\$ (118,287)
Specific ownership taxes	1,800,000	1,800,000	1,800,000	-
Highway user taxes	13,400,000	13,400,000	13,003,581	(396,419)
Intergovernmental	783,000	8,783,387	4,934,441	(3,848,946)
Charges for services	648,000	648,000	517,955	(130,045)
Contributions	-	1,793	51,793	50,000
Miscellaneous	7,000	7,000	20,406	13,406
Total revenues	18,797,462	26,799,642	22,369,351	(4,430,291)
EXPENDITURES				
Administration	9,744,190	21,482,185	12,214,702	9,267,483
Personnel services	10,288,895	10,293,895	10,292,288	1,607
Capital outlay	488,608	3,809,250	1,716,493	2,092,757
Total expenditures	20,521,693	35,585,330	24,223,483	11,361,847
Net change in fund balances	<u>\$ (1,724,231)</u>	<u>\$ (8,785,688)</u>	<u>\$ (1,854,132)</u>	<u>\$ 6,931,556</u>

See the accompanying independent auditors' report.

EL PASO COUNTY, COLORADO
HUMAN SERVICES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Sales taxes	\$ 17,468,834	\$ 17,468,834	\$ 17,468,834	\$ -
Intergovernmental	52,612,900	55,907,217	55,344,409	(562,808)
Charges for services	155,766	165,949	165,950	1
Contributions	30,000	30,000	2,635	(27,365)
Total revenues	70,267,500	73,572,000	72,981,828	(590,172)
EXPENDITURES				
Child welfare block grant	35,195,388	37,278,488	37,207,821	70,667
Child care block grant	2,973,250	2,807,250	2,771,729	35,521
Child Support Enforcement	3,853,861	4,576,861	4,568,394	8,467
Miscellaneous federal grants	3,805,855	3,575,505	3,534,680	40,825
Local County funding	583,311	415,811	337,638	78,173
County administration block grant	13,572,952	14,933,452	14,917,234	16,218
Temporary aid to needy families	10,107,883	9,809,633	9,596,427	213,206
Total expenditures	70,092,500	73,397,000	72,933,923	463,077
Net change in fund balances	\$ 175,000	\$ 175,000	\$ 47,905	\$ (127,095)

See the accompanying independent auditors' report.

EL PASO COUNTY, COLORADO
BUDGETARY COMPARISON SCHEDULE
BUDGET-TO-GAAP RECONCILIATION
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE A - Explanation of Differences Between Budgetary Inflows
and Outflows and GAAP Revenues and Expenditures

	General Fund	Road & Bridge	Human Services
Sources/inflows of resources			
Total revenues and other financing sources - budgetary basis from the schedules of revenues, expenditures, and changes in fund balances - budget and actual	\$ 192,233,023	\$ 22,369,351	\$ 72,981,828
Interest earned on investments is not an inflow for budgetary purposes but is included as revenue for financial reporting purposes	(87,895)	-	-
Accrued revenues are not an inflow for budgetary purposes but are included as revenue for financial reporting purposes	(92,357)	-	10,070
TABOR excess revenue limitation is not a subtraction to revenue for budgetary purposes but is included for financial reporting purposes	<u>11,674,442</u>	<u></u>	<u>3,500,000</u>
Total operating revenues, non-operating revenues, capital contributions - GAAP basis from the combining statement of revenues, expenses and changes in fund net assets	<u><u>203,727,213</u></u>	<u><u>22,369,351</u></u>	<u><u>76,491,898</u></u>
Uses/outflows of resources			
Total expenditures and other financing uses - budgetary basis from the schedules of revenues, expenditures, and changes in fund balances - budget and actual	185,411,714	24,223,483	72,933,923
Capital outlays are outflows of budgetary resources but do not include completed work in progress expenses for financial reporting purposes	340,000	-	-
Accrued wages are not outflows of budgetary resources but are expenditures for financial reporting purposes	(182,836)	11,225	79,560
Inventory adjustments are not outflows of budgetary resources but are expenses for financial reporting purposes	(344,953)	-	-
Prepaid expenses are not outflows of budgetary resources but as adjustments to expenses for financial reporting purposes	<u>8,874</u>	<u>-</u>	<u>-</u>
Total operating expenses - GAAP basis from the combining statement of revenues, expenses and changes in fund net assets	<u><u>\$ 185,232,799</u></u>	<u><u>\$ 24,234,708</u></u>	<u><u>\$ 73,013,483</u></u>

See the accompanying independent auditors' report.

EL PASO COUNTY, COLORADO
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2017

Budgetary Information

Budgets are adopted on a basis consistent with US Generally accepted accounting principles (GAAP) for all government funds with a few minor exceptions. These exceptions are reconciled on the Budget to GAAP reconciliation schedule on the previous page. The Proprietary funds and Falcon Vista, adopt budgets using the modified accrual basis of accounting, which is not US GAAP for those fund types. Annual appropriated budgets are adopted for all governmental funds, proprietary funds, Local Improvement Districts, Public Improvement District #1, Public Improvement District #2, Public Improvement District #3, Pioneer Village Roads Improvement District and Stratmoor Valley Public Improvement District. All annual appropriations lapse at fiscal year end. Budgets are not presented for the Public Trustee Agency Fund or the other Agency funds because these are funds collected and held on behalf of others. In addition, budget is not presented for the Pension Trust because these funds are also collected on behalf of others and the Trust issues separately stated financial statements.

Appropriations in governmental funds are encumbered upon issuance of purchase orders, contracts, or other forms of legal commitments. While appropriations lapse as of the end of the fiscal year, the succeeding year's budget ordinance specifically provides for the re-appropriation of year-end encumbrances. Encumbrances outstanding as of December 31, 2017 do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year.

The County's managers may make transfers of appropriations within a fund. Transfers of appropriations between funds require the approval of the Board of County Commissioners. The legal level of budgetary control is the fund level.

The County follows these procedures in establishing the budgetary data reflected in the financial statements:

- A. Public hearings are conducted by the County to obtain taxpayer comments.
- B. Prior to December 31, the budget is legally enacted through passage of an appropriation resolution.
- C. Any revisions that alter the total expenditures of any fund must be approved by the County Commissioners by passage of a resolution.
- D. The Road and Bridge Fund budgets expenditures using the natural classifications. Therefore, a difference arises between the fund financial statements reflecting expenditures under US GAAP, under which salary expenditures may be part of capital outlay expenditures, and the budget to actual schedules reflecting expenditures in their natural classifications.
- E. No fund had excesses of expenditures over appropriations for the year ended December 31, 2017.

EL PASO COUNTY, COLORADO
SCHEDULE OF THE COUNTY'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
LAST 4 FISCAL YEARS

El Paso County Governmental Activities

	2017	2016	2015	2014
County's proportion (percentage) of the collective net pension liability	80.13%	80.73%	80.21%	80.23%
County's proportionate share of the collective pension liability	\$ 119,141,982	\$ 130,040,090	\$ 124,740,902	\$ 110,118,016
Covered payroll	\$ 119,604,078	\$ 113,987,927	\$ 106,668,864	\$ 103,784,288
County's proportionate share of the net pension liability as a percentage of its covered-employee payroll	99.61%	114.08%	116.94%	96.47%
Plan fiduciary net pension as a percentage of the total pension liability	72.07%	68.22%	67.55%	72.66%

Business-type Activities Non-Major Enterprise Funds –
Household Hazardous Waste

	2017	2016	2015	2014
Fund's proportion (percentage) of the collective net pension liability	0.18%	0.19%	0.17%	0.17%
Fund's proportionate share of the collective pension liability	\$ 265,663	\$ 302,885	\$ 271,217	\$ 217,681
Covered payroll	\$ 266,696	\$ 265,932	\$ 231,923	\$ 207,975
Fund's proportionate share of the net pension liability as a percentage of its covered-employee payroll	99.61%	113.90%	116.94%	104.67%
Plan fiduciary net pension as a percentage of the total pension liability	72.07%	68.22%	67.55%	72.66%

See the accompanying independent auditors' report.

The County implemented GASB Statement No. 68 in fiscal year 2014. Information for years prior to fiscal year 2014 is unavailable.

EL PASO COUNTY, COLORADO
SCHEDULE OF THE COUNTY'S
PENSION CONTRIBUTIONS AND RELATED RATIOS
LAST 10 FISCAL YEARS

El Paso County Governmental Activities

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Contractually required contributions	\$ 9,568,436	\$ 9,134,127	\$ 8,533,522	\$ 8,283,907	\$ 7,096,878	\$ 6,880,096	\$ 6,151,821	\$ 5,597,621	\$ 4,754,745	\$ 4,892,816
Contributions in relation to the contractually required contribution	9,568,436	9,134,127	8,533,522	8,283,907	7,096,878	6,880,096	6,151,821	5,597,621	4,754,745	4,892,816
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-	-
Covered payroll	\$ 119,604,078	\$ 113,987,927	\$ 106,668,864	\$ 103,784,288	\$ 94,636,264	\$ 91,725,879	\$ 87,872,000	\$ 86,128,471	\$ 79,245,751	\$ 81,554,204
Contribution as a percentage of covered payroll	8.00%	8.01%	8.00%	7.98%	7.50%	7.50%	7.00%	6.50%	6.00%	6.00%

Business-type Activities Non-Major Enterprise Funds - Household Hazardous Waste

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Contractually required contributions	\$ 21,336	\$ 21,275	\$ 18,554	\$ 16,598	\$ 15,289	\$ 15,223	\$ 17,866	\$ 18,131	\$ 13,548	\$ 11,967
Contributions in relation to the contractually required contribution	21,336	21,275	18,554	16,598	15,289	15,223	17,866	18,131	13,548	11,967
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-	-
Covered payroll	\$ 266,696	\$ 265,932	\$ 231,923	\$ 207,975	\$ 203,847	\$ 202,966	\$ 255,231	\$ 278,948	\$ 225,804	\$ 199,444
Contribution as a percentage of covered payroll	8.00%	8.00%	8.00%	7.98%	7.50%	7.50%	7.00%	6.50%	6.00%	6.00%

See the accompanying independent auditors' report.

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS FOR THE
EL PASO COUNTY OTHER POSTEMPLOYMENT HEALTHCARE PLAN

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actual Accrued Liability (AAL) -- Entry Age (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage Of Covered Payroll ((b - a) / c)
01/01/2010	-	\$ 131,154,853	\$ 131,154,853	0.00%	\$ 94,157,897	139%
01/01/2012	-	104,901,666	104,901,666	0.00%	106,197,075	99%
01/01/2014	-	114,895,686	114,895,686	0.00%	119,618,797	96%
01/01/2016	-	120,181,099	120,181,099	0.00%	132,007,466	91%

See the accompanying independent auditors' report.

OTHER SUPPLEMENTARY INFORMATION

Non-Major Special Revenue Funds
Schedules of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual

EL PASO COUNTY, COLORADO
 CONSERVATION TRUST FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED DECEMBER 31, 2017

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
REVENUES				
Intergovernmental	\$ 1,351,230	\$ 1,351,230	\$ 1,366,572	\$ 15,342
Investment earnings	1,000	1,000	4,994	3,994
Total revenues	1,352,230	1,352,230	1,371,566	19,336
EXPENDITURES				
Culture and recreation	1,352,230	1,558,965	1,330,451	228,514
Capital outlay	-	86,823	17,150	69,673
Total expenditures	1,352,230	1,645,788	1,347,601	298,187
Change in fund balances	\$ -	\$ (293,558)	\$ 23,965	\$ 317,523

See the accompanying independent auditors' report.

Other Major Governmental Funds

Capital Projects Fund Description

CAPITAL PROJECTS FUND

Accounts for the construction, improvement and/or purchase of public facilities, including, land, buildings, and furnishings. Financing is provided by property taxes and capital lease proceeds.

EL PASO COUNTY, COLORADO
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Sales taxes	\$ 10,753,455	\$ 11,403,455	\$ 11,403,455	\$ -
Intergovernmental	-	110,000	839,885	729,885
Charges for services	5,363,393	5,363,393	4,527,628	(835,765)
Total revenues	16,116,848	16,876,848	16,770,968	(105,880)
EXPENDITURES				
Administration	20,000	144,712	30,020	114,692
Principal	9,613,112	10,335,985	10,335,985	-
Interest and other charges	6,483,736	6,410,863	6,406,246	4,617
Total expenditures	16,116,848	16,891,560	16,772,251	119,309
Excess (deficiency) of revenues over (under) expenditures	-	(14,712)	(1,283)	13,429
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	-	-	1,890	1,890
Total other financing sources (uses)	-	-	1,890	1,890
Net change in fund balances	\$ -	\$ (14,712)	\$ 607	\$ 15,319

See the accompanying independent auditors' report.

Proprietary Funds

Enterprise Funds Descriptions

These funds account for the programs and expenditures for which a fee is charged to external users for goods and services.

HOUSEHOLD HAZARDOUS WASTE

The Household Hazardous Waste Fund has been established by the Board of County Commissioners to collect tipping fees at privately owned landfills within the County. The funds will be appropriated to pay for operational service information and equipment needed for solid waste disposal sites within the County.

Internal Service Funds Descriptions

Internal service funds are usually to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.

SELF-INSURANCE FUND

El Paso is essentially self-insured. The Self-Insurance Fund was established to account for the accumulation and allocation of costs associated with insurance claims and administration costs.

EL PASO COUNTY, COLORADO
HOUSEHOLD HAZARDOUS WASTE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN NET POSITION - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
OPERATING REVENUES				
Charges for services	\$ 1,081,686	\$ 1,081,686	\$ 1,239,115	\$ 157,429
Total revenues	1,081,686	1,081,686	1,239,115	157,429
OPERATING EXPENSES				
Personnel Services	418,959	432,559	423,298	9,261
Administration and operations	662,927	750,327	730,885	19,442
Total expenditures	1,081,886	1,182,886	1,154,183	28,703
Operating income (loss)	(200)	(101,200)	84,932	186,132
NONOPERATING REVENUES (EXPENSES)				
Investment earnings	200	200	5,024	4,824
Contributions	-	-	2	2
Total nonoperating revenues (expenses)	200	200	5,026	4,826
Change in net position	\$ -	\$ (101,000)	\$ 89,958	\$ 190,958

See the accompanying independent auditor's report.

EL PASO COUNTY, COLORADO
SELF INSURANCE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN NET POSITION - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
OPERATING REVENUES				
Charges for services	\$ 20,001,482	\$ 20,209,104	\$ 20,646,383	\$ 437,279
Total revenues	20,001,482	20,209,104	20,646,383	437,279
OPERATING EXPENSES				
Insurance premiums	3,995,000	3,991,700	3,889,134	102,566
Claim settlements	26,536,900	30,329,822	29,813,850	515,972
Administration and operations	3,301,550	4,669,159	4,656,644	12,515
Total expenditures	33,833,450	38,990,681	38,359,628	631,053
Operating income (loss)	(13,831,968)	(18,781,577)	(17,713,245)	1,068,332
NONOPERATING REVENUES (EXPENSES)				
Sales tax	13,866,064	19,666,064	19,666,064	-
Total nonoperating revenues (expenses)	13,866,064	19,666,064	19,666,064	-
Change in net position	\$ 34,096	\$ 884,487	\$ 1,952,819	\$ 1,068,332

See the accompanying independent auditors' report.

EL PASO COUNTY, COLORADO
BUDGETARY COMPARISON SCHEDULE
BUDGET-TO-GAAP RECONCILIATION
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE A - Explanation of Differences Between Budgetary Inflows
and Outflows and GAAP Revenues and Expenditures

	Capital Projects	Conservation Trust Fund	Household Hazardous Waste	Self- Insurance Fund
Sources/inflows of resources				
Total revenues and other financing sources - budgetary basis from the schedules of revenues, expenditures, and changes in fund balances/net position - budget and actual	\$ 16,772,858	\$ 1,371,566	\$ 1,244,141	\$ 40,312,447
Interest earned on investments is not an inflow for budgetary purposes but is included as revenue for financial reporting purposes	120,282	-	-	-
Accounts Receivable for Accrued wages is not an inflow for budgetary purposes but is included as revenue for financial reporting purposes	3,826,775	-	-	-
Certificates of Participation are not an inflow for budgetary purposes but are non-operating revenues for financial reporting purposes	-	-	-	-
Total operating revenues, non-operating revenues, capital contributions - GAAP basis from the combining statement of revenues, expenses and changes in fund net assets	<u>20,719,915</u>	<u>1,371,566</u>	<u>1,244,141</u>	<u>40,312,447</u>
Uses/outflows of resources				
Total expenditures and other financing uses - budgetary basis from the schedules of revenues, expenditures, and changes in fund balances/net position - budget and actual	16,772,251	1,347,601	1,154,183	38,359,628
Capital outlays are outflows of budgetary resources but do not include completed work in progress expenses for financial reporting purposes	1,016,895	-	-	-
Capital lease costs are not outflows of budgetary resources but are expenses for financial reporting purposes	42,862	-	-	-
Depreciation is not an outflow of budgetary resources but is an expense for financial reporting purposes	-	-	47,128	10,131
Accrued wages are not outflows of budgetary resources but are expenditures for financial reporting purposes	-	508	1,350	-
Prepaid expenses are not outflows of budgetary resources but as adjustments to expenses for financial reporting purposes	12,523	-	21,988	-
Loss on disposal of property is not an outflow of budgetary resources but is an expense for financial reporting purposes	-	-	74,840	-
Health claims incurred but not reported are not outflows of budgetary resources but are expenses for financial reporting purposes	-	-	-	(170,426)
Total operating expenses - GAAP basis from the combining statement of revenues, expenses and changes in fund net position	<u>\$ 17,844,531</u>	<u>\$ 1,348,109</u>	<u>\$ 1,299,489</u>	<u>\$ 38,199,333</u>

See the accompanying independent auditors' report.

Fiduciary Funds

Private-Purpose Trust Funds Descriptions

Private Purpose Trust funds are fund types used to report assets held on behalf of a trust arrangement. The County is responsible for ensuring the assets reported in these funds are used for their intended purposes.

SCHOOLS TRUST FUND

The Schools Trust Fund is used to account for resources from developers of new subdivisions and the distribution of these resources to local school districts.

Agency Funds Descriptions

Agency funds are used to account for assets held by the government as an agent for individuals, private organizations, other governments, and/or other funds.

TREASURER'S AGENCY FUND

Accounts for the receipt and disbursement of all revenues received by the Treasurer for the County and all other taxing entities in the County, as well as the receipt, investment, and disbursement of all other revenues received by the County.

PUBLIC TRUSTEE AGENCY FUND

This fund was established to account for expenditures for the Public Trustee's Office. The Public Trustee is appointed by the Governor of Colorado for a four-year term. This office administers foreclosures including issuance of Public Trustee deeds, cure of default and lien redemptions.

FALCON VISTA ACQUISITION LID

Falcon Vista Acquisition bonds were issued to finance acquisition, construction and installation of certain public improvements within the Falcon Vista subdivision.

PUBLIC IMPROVEMENT DISTRICTS

Public Improvement Districts account for the receipt and disbursement of revenues derived from mill levies, proceeds of debt issued by the Districts, and revenues from road impact fees.

SHERIFF AGENCY FUNDS

Accounts for funds collected for and disbursed from the Inmate Trust Fund, the Civil Trust Fund and the Confidential Informant Trust Fund.

EL PASO COUNTY, COLORADO
SCHOOLS TRUST FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN NET POSITION - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
ADDITIONS				
Charges for services	\$ 100,000	\$ 100,000	\$ 51,793	\$ (48,207)
TOTAL ADDITIONS	100,000	100,000	51,793	(48,207)
DEDUCTIONS				
Outside agencies	100,000	100,000	32,706	67,294
TOTAL DEDUCTIONS	100,000	100,000	32,706	67,294
Change in net position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,087</u>	<u>\$ 19,087</u>

See the accompanying independent auditors' report.

EL PASO COUNTY, COLORADO
 AGENCY FUNDS
 COMBINING STATEMENT OF NET POSITION
 DECEMBER 31, 2017

	Treasurer's	Public Trustee	Falcon Vista	Public Improvement District 1
ASSETS				
Cash and cash equivalents	\$ 37,120,651	\$ 1,661,300	\$ 104,798	\$ 856,280
Other Assets	-	21,078	-	208,535
Total assets	<u>37,120,651</u>	<u>1,682,378</u>	<u>104,798</u>	<u>1,064,815</u>
LIABILITIES				
Due to other governments	11,229,647	-	-	-
Escrow deposits held by Trustee	-	1,053,489	-	-
Funds due to bondholders	-	-	104,798	-
Other	25,891,004	628,889	-	1,064,815
Total liabilities	<u>\$ 37,120,651</u>	<u>\$ 1,682,378</u>	<u>\$ 104,798</u>	<u>\$ 1,064,815</u>

See the accompanying independent auditors' report.

EL PASO COUNTY, COLORADO
 AGENCY FUNDS
 COMBINING STATEMENT OF NET POSITION
 DECEMBER 31, 2017

Public Improvement District 2	Public Improvement District 3	Pioneer Village Roads Improvement District	Stratmoor Valley Streetlight Public Improvement District	Sheriff Agency Funds	Total
\$ 43,216	\$ 3,010	\$ 55,117	\$ 40,031	\$ 496,378	\$ 40,380,781
-	-	-	-	-	229,613
<u>43,216</u>	<u>3,010</u>	<u>55,117</u>	<u>40,031</u>	<u>496,378</u>	<u>40,610,394</u>
-	-	-	-	-	11,229,647
-	-	-	-	-	1,053,489
-	-	-	-	-	104,798
<u>43,216</u>	<u>3,010</u>	<u>55,117</u>	<u>40,031</u>	<u>496,378</u>	<u>28,222,460</u>
<u>\$ 43,216</u>	<u>\$ 3,010</u>	<u>\$ 55,117</u>	<u>\$ 40,031</u>	<u>\$ 496,378</u>	<u>\$ 40,610,394</u>

See the accompanying independent auditors' report.

EL PASO COUNTY, COLORADO
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED DECEMBER 31, 2017

TREASURER'S AGENCY FUND

	Balance January 1, 2017	Additions	Deletions	Balance December 31, 2017
ASSETS				
Cash and investments	\$ 30,606,735	\$ 1,018,059,649	\$ 1,011,545,733	\$ 37,120,651
LIABILITIES				
Due to other governments	11,002,795	793,383,447	793,156,595	11,229,647
Other	19,603,940	224,676,202	218,389,138	25,891,004
Total liabilities	\$ 30,606,735	\$ 1,018,059,649	\$ 1,011,545,733	\$ 37,120,651

PUBLIC TRUSTEE AGENCY FUND

	Balance January 1, 2017	Additions	Deletions	Balance December 31, 2017
ASSETS				
Cash and investments	\$ 2,135,934	\$ 67,391,459	\$ 67,866,093	\$ 1,661,300
Other assets	25,034	21,078	25,034	21,078
Total assets	2,160,968	67,412,537	67,891,127	1,682,378
LIABILITIES				
Escrow deposits held by trustee	1,521,514	66,535,579	67,003,604	1,053,489
Other	639,454	876,958	887,523	628,889
Total liabilities	\$ 2,160,968	\$ 67,412,537	\$ 67,891,127	\$ 1,682,378

FALCON VISTA ACQUISITION LID

	Balance January 1, 2017	Additions	Deletions	Balance December 31, 2017
ASSETS				
Cash and investments	\$ 78,953	\$ 181,010	\$ 155,165	\$ 104,798
LIABILITIES				
Funds due to bondholders	\$ 78,953	\$ 181,010	\$ 155,165	\$ 104,798

See the accompanying independent auditors' report.

EL PASO COUNTY, COLORADO
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES – CONTINUED
FOR THE YEAR ENDED DECEMBER 31, 2017

PUBLIC IMPROVEMENT DISTRICT #1

	Balance January 1, 2017	Additions	Deletions	Balance December 31, 2017
ASSETS				
Cash and investments	\$ 547,673	\$ 889,209	\$ 580,602	\$ 856,280
Other assets	19,398	208,535	19,398	208,535
Total assets	<u>567,071</u>	<u>1,097,744</u>	<u>600,000</u>	<u>1,064,815</u>
LIABILITIES				
Other	\$ <u>567,071</u>	\$ <u>1,097,744</u>	\$ <u>600,000</u>	\$ <u>1,064,815</u>

PUBLIC IMPROVEMENT DISTRICT #2

	Balance January 1, 2017	Additions	Deletions	Balance December 31, 2017
ASSETS				
Cash and investments	\$ 61,923	\$ 234,376	\$ 253,083	\$ 43,216
LIABILITIES				
Other	\$ <u>61,923</u>	\$ <u>234,376</u>	\$ <u>253,083</u>	\$ <u>43,216</u>

PUBLIC IMPROVEMENT DISTRICT #3

	Balance January 1, 2017	Additions	Deletions	Balance December 31, 2017
ASSETS				
Cash and investments	\$ -	\$ 3,049	\$ 39	\$ 3,010
LIABILITIES				
Funds due to bondholders	\$ -	\$ 3,049	\$ 39	\$ 3,010

PIONEER VILLAGE ROADS PUBLIC IMPROVEMENT DISTRICT

	Balance January 1, 2017	Additions	Deletions	Balance December 31, 2017
ASSETS				
Cash and investments	\$ 17,777	\$ 37,833	\$ 493	\$ 55,117
LIABILITIES				
Other	\$ <u>17,777</u>	\$ <u>37,833</u>	\$ <u>493</u>	\$ <u>55,117</u>

See the accompanying independent auditors' report.

EL PASO COUNTY, COLORADO
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES – CONTINUED
FOR THE YEAR ENDED DECEMBER 31, 2017

STRATMOOR VALLEY STREETLIGHT PUBLIC IMPROVEMENT DISTRICT

	Balance January 1, 2017	Additions	Deletions	Balance December 31, 2017
ASSETS				
Cash and investments	\$ 25,170	\$ 26,703	\$ 11,842	\$ 40,031
LIABILITIES				
Other	\$ 25,170	\$ 26,703	\$ 11,842	\$ 40,031

SHERIFF AGENCY FUNDS

	Balance January 1, 2017	Additions	Deletions	Balance December 31, 2017
ASSETS				
Cash and investments	\$ 671,145	\$ 8,431,245	\$ 8,606,012	\$ 496,378
LIABILITIES				
Other	\$ 671,145	\$ 8,431,245	\$ 8,606,012	\$ 496,378

TOTALS - ALL AGENCY FUNDS

	Balance January 1, 2017	Additions	Deletions	Balance December 31, 2017
ASSETS				
Cash and investments	\$ 34,145,310	\$ 1,095,254,533	\$ 1,089,019,062	\$ 40,380,781
Other assets	44,432	229,613	44,432	229,613
	<u>34,189,742</u>	<u>1,095,484,146</u>	<u>1,089,063,494</u>	<u>40,610,394</u>
LIABILITIES				
Due to other governments	11,002,795	793,383,447	793,156,595	11,229,647
Escrow deposits held by trustee	1,521,514	66,535,579	67,003,604	1,053,489
Funds due to bondholders	78,953	181,010	155,165	104,798
Other	21,586,480	235,384,110	228,748,130	28,222,460
Total liabilities	\$ 34,189,742	\$ 1,095,484,146	\$ 1,089,063,494	\$ 40,610,394

See the accompanying independent auditors' report.

EL PASO COUNTY, COLORADO
FALCON VISTA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN NET POSITION - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
ADDITIONS				
Special assessments	\$ 140,000	\$ 181,011	\$ 179,631	\$ (1,380)
Interest	-	-	1,379	1,379
TOTAL ADDITIONS	140,000	181,011	181,010	(1)
DEDUCTIONS				
Debt service	140,000	181,011	155,165	25,846
TOTAL DEDUCTIONS	140,000	181,011	155,165	25,846
Change in net position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,845</u>	<u>\$ 25,845</u>

See the accompanying independent auditors' report.

EL PASO COUNTY, COLORADO
PUBLIC IMPROVEMENT DISTRICT #1
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN NET POSITION - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
ADDITIONS				
Special assessments	\$ 602,621	\$ 703,721	\$ 1,089,353	\$ 385,632
Interest	900	900	8,391	7,491
TOTAL ADDITIONS	603,521	704,621	1,097,744	393,123
DEDUCTIONS				
Outside agencies	507,775	607,775	600,000	7,775
TOTAL DEDUCTIONS	507,775	607,775	600,000	7,775
Change in net position	<u>\$ 95,746</u>	<u>\$ 96,846</u>	<u>\$ 497,744</u>	<u>\$ 400,898</u>

See the accompanying independent auditors' report.

EL PASO COUNTY, COLORADO
PUBLIC IMPROVEMENT DISTRICT #2
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN NET POSITION - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
ADDITIONS				
Special assessments	\$ 204,403	\$ 225,403	\$ 233,363	\$ 7,960
Interest	-	-	1,013	1,013
TOTAL ADDITIONS	204,403	225,403	234,376	8,973
DEDUCTIONS				
Outside agencies	253,066	279,000	253,083	25,917
TOTAL DEDUCTIONS	253,066	279,000	253,083	25,917
Change in net position	<u>\$ (48,663)</u>	<u>\$ (53,597)</u>	<u>\$ (18,707)</u>	<u>\$ 34,890</u>

See the accompanying independent auditors' report.

EL PASO COUNTY, COLORADO
PUBLIC IMPROVEMENT DISTRICT #3
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN NET POSITION - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
ADDITIONS				
Special assessments	\$ 2,661	\$ 2,661	\$ 3,026	\$ 365
Interest	-	-	23	23
TOTAL ADDITIONS	2,661	2,661	3,049	388
DEDUCTIONS				
Outside agencies	2,661	2,661	39	2,622
TOTAL DEDUCTIONS	2,661	2,661	39	2,622
Change in net position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,010</u>	<u>\$ 3,010</u>

See the accompanying independent auditors' report.

EL PASO COUNTY, COLORADO
PIONEER VILLAGE ROADS PUBLIC IMPROVEMENT DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN NET POSITION - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
ADDITIONS				
Special assessments	\$ 34,610	\$ 34,610	\$ 37,352	\$ 2,742
Interest	130	130	481	351
TOTAL ADDITIONS	34,740	34,740	37,833	3,093
DEDUCTIONS				
Outside agencies	42,989	42,989	28,493	14,496
TOTAL DEDUCTIONS	42,989	42,989	28,493	14,496
Change in net position	<u>\$ (8,249)</u>	<u>\$ (8,249)</u>	<u>\$ 9,340</u>	<u>\$ 17,589</u>

See the accompanying independent auditors' report.

EL PASO COUNTY, COLORADO
 STRATMOOR VALLEY STREETLIGHT PUBLIC IMPROVEMENT DISTRICT
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN NET POSITION - BUDGET AND ACTUAL
 FOR THE YEAR ENDED DECEMBER 31, 2017

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
ADDITIONS				
Special assessments	\$ 24,606	\$ 24,606	\$ 26,290	\$ 1,684
Interest	75	75	414	339
TOTAL ADDITIONS	24,681	24,681	26,704	2,023
DEDUCTIONS				
Outside agencies	22,847	22,847	12,781	10,066
TOTAL DEDUCTIONS	22,847	22,847	12,781	10,066
Change in net position	<u>\$ 1,834</u>	<u>\$ 1,834</u>	<u>\$ 13,923</u>	<u>\$ 12,089</u>

See the accompanying independent auditors' report.

MISCELLANEOUS

EL PASO COUNTY, COLORADO
HUMAN SERVICES FUND
SCHEDULE OF EBT AUTHORIZATIONS, WARRANT EXPENDITURES, AND TOTAL EXPENDITURES
FOR THE YEAR ENDING DECEMBER 31, 2017

Program	A	B	C	D	E
	EBT	County Share	Expenditures	EBT plus	Total County
	Authorizations	of EBT Auth.	by Warrant	Warrant Exp	Expenditures
Old Age Pension	\$ 6,825,298	\$ 11,513	\$ -	\$ 6,825,298	\$ 11,513
LEAP	\$ 4,695,674	\$ -	\$ 19,800	\$ 4,715,474	\$ 19,800
TANF	\$ 12,179,261	\$ 2,835,218	\$ 6,759,924	\$ 18,939,184	\$ 9,595,141
Administration	\$ 6,994,097	\$ 3,420,531	\$ 11,919,156	\$ 18,913,254	\$ 15,339,688
Child Welfare	\$ 27,877,552	\$ 9,391,294	\$ 24,548,999	\$ 52,426,552	\$ 33,940,293
Core Services	\$ 5,006,334	\$ 935,573	\$ 1,362,759	\$ 6,369,093	\$ 2,298,332
AND	\$ 958,409	\$ 237,097	\$ 268,601	\$ 1,227,010	\$ 505,698
IV-D Administration**	\$ -	\$ 1,058,866	\$ 3,509,528	\$ 4,568,395	\$ 4,568,395
Child Care	\$ 14,425,527	\$ 1,469,416	\$ 1,302,313	\$ 15,727,840	\$ 2,771,729
Grants Settled in CFMS**	\$ -	\$ 102,607	\$ 2,677,451	\$ 2,780,058	\$ 2,780,058
Grants/Other ***	\$ -	\$ -	\$ 889,559	\$ -	\$ 889,559
Senior Services***	\$ -	\$ -	\$ 293,278	\$ -	\$ 293,278
Sub-Total	\$ <u>78,962,152</u>	\$ <u>19,462,115</u>	\$ <u>53,551,368</u>	\$ <u>132,492,158</u>	\$ <u>73,013,483</u>
Food Assistance	\$ 101,264,683	\$ -	\$ -	\$ 101,264,683	\$ -
Grand Total	\$ <u>180,226,835</u>	\$ <u>19,462,115</u>	\$ <u>53,551,368</u>	\$ <u>233,756,841</u>	\$ <u>73,013,483</u>
				\$ <u>232,937,197</u>	\$ <u>73,013,483</u>

A. EBT Authorizations reflect Human Services payments authorized by El Paso County and paid by Colorado Department of Human Services

B. County Share of EBT Transactions are reported as a reduction of State cash advances to the County

C. Expenditures by warrant reflects cash disbursements from the County

D. EBT Authorizations (A) plus Warrants (C) reflects the total State, Federal and County participation in Human Services programs and recorded on a Cash Basis in the State Financial System (CFMS)

E. Total County Expenditures reflects the net disbursements by warrant (C) plus County Share of EBTs (B) and recorded on a Modified Accrual Basis in the County Financial System

** All Administration expenditures are paid by warrant; therefore, Column (D) and Column (E) on this line are equal.

*** Grants/Other and Senior Services reflect expenditures in the County Financial System Only, and may be noted on CFMS as settled outside CFMS

See the accompanying independent auditors' report.

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

LOCAL HIGHWAY FINANCE REPORT		City or County: El Paso County
		YEAR ENDING: December 2017
This Information From The Records Of (example - City of _ or County of _)	Prepared By: Nikki Simmons	Phone: 719-520-6461

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Receipts from local sources:	
1. Local highway-user taxes	
a. Motor Fuel (from Item I.A.5.)	
b. Motor Vehicle (from Item I.B.5.)	
c. Total (a.+b.)	
2. General fund appropriations	
3. Other local imposts (from page 2)	4,353,353
4. Miscellaneous local receipts (from page 2)	5,179,363
5. Transfers from toll facilities	
6. Proceeds of sale of bonds and notes:	
a. Bonds - Original Issues	
b. Bonds - Refunding Issues	
c. Notes	
d. Total (a. + b. + c.)	0
7. Total (1 through 6)	9,532,715
B. Private Contributions	
C. Receipts from State government (from page 2)	13,738,967
D. Receipts from Federal Government (from page 2)	4,199,054
E. Total receipts (A.7 + B + C + D)	27,470,736

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway disbursements:	
1. Capital outlay (from page 2)	6,216,694
2. Maintenance:	8,719,654
3. Road and street services:	
a. Traffic control operations	459,186
b. Snow and ice removal	1,494,363
c. Other	9,491,280
d. Total (a. through c.)	11,444,829
4. General administration & miscellaneous	2,954,916
5. Highway law enforcement and safety	
6. Total (1 through 5)	29,336,093
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	0
2. Notes:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	0
3. Total (1.c + 2.c)	0
C. Payments to State for highways	
D. Payments to toll facilities	
E. Total disbursements (A.6 + B.3 + C + D)	29,336,093

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)				0
1. Bonds (Refunding Portion)				
B. Notes (Total)				0

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursement	D. Ending Balance	E. Reconciliation
	18,348,743	27,470,736	29,336,093	16,483,386	0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT

STATE:
Colorado
YEAR ENDING (mm/yy):
December 2017

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	2,041,174	a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees	512,179	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	1,800,000	g. Other Misc. Receipts	26,181
6. Total (1. through 5.)	2,312,179	h. Other	5,153,181
c. Total (a. + b.)	4,353,353	i. Total (a. through h.)	5,179,363
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	13,003,581	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	8,850
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	735,387	d. Federal Transit Admin	4,161,617
d. Other (Specify) - DOLA Grant		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	28,587
f. Total (a. through e.)	735,387	g. Total (a. through f.)	4,199,054
4. Total (1. + 2. + 3.f)	13,738,967	3. Total (1. + 2.g)	
			(Carry forward to page 1)

DISBURSEMENTS 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		1,018	1,018
b. Engineering Costs		580,707	580,707
c. Construction:			
(1). New Facilities		117,076	117,076
(2). Capacity Improvements	4,935,423		4,935,423
(3). System Preservation		487,280	487,280
(4). System Enhancement & Operation		95,190	95,190
(5). Total Construction (1) + (2) + (3) + (4)	4,935,423	699,546	5,634,969
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	4,935,423	1,281,271	6,216,694
			(Carry forward to page 1)

Notes and Comments:

III. STATISTICAL SECTION

Statistical Section

This part of the El Paso County comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

FINANCIAL TRENDS

These schedules contain trend information to help the reader understand how the County's financial performance and fiscal health have changed over time.

Net Position by Component
Changes in Net Position
Fund Balances, Governmental Funds
Changes in Fund Balances, Governmental Funds

REVENUE CAPACITY

These schedules contain information to help the reader assess the County's most significant sources of revenue.

Assessed Value and Actual Value of Taxable Property
Direct and Overlapping Property Tax Rates
General Fund Property Tax Levies and Collections
Property Taxes by Fund
Principal Sales Tax Payers
Sales and Use Tax Collections by State Category

DEBT CAPACITY

These schedules contain information to help the reader assess the affordability of the County's current level of debt and the County's ability to issue debt in the future.

Ratios of Outstanding Debt by Type

DEMOGRAPHIC AND ECONOMIC INFORMATION

These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.

Demographic and Economic Statistics
Principal Employers

OPERATING INFORMATION

This schedule contains information regarding the number of employees in various job categories and types of assets by function/department.

Full-Time Equivalent County Employees by Function/Program
Operating Indicators by Function/Program
Capital Asset Statistics by Function/Program

FINANCIAL TRENDS

Schedule 1 - Unaudited
El Paso County
Net Position by Component
Last Ten Fiscal Years

	Fiscal Year			
	2008	2009	2010	2011
Governmental activities				
Net investment in capital assets	\$ 426,496,580	\$ 432,326,238	\$ 421,605,773	\$ 408,258,511
Restricted	15,786,029	12,143,902	18,137,383	31,613,701
Unrestricted	(27,537,646)	(19,957,838)	(18,810,665)	(34,744,060)
Total governmental activities net position	<u>414,744,963</u>	<u>424,512,302</u>	<u>420,932,491</u>	<u>405,128,152</u>
Business-type activities				
Net investment in capital assets	886,205	864,976	1,412,817	1,418,042
Unrestricted	1,480,954	1,346,726	516,836	382,867
Total business-type activities net position	<u>2,367,159</u>	<u>2,211,702</u>	<u>1,929,653</u>	<u>1,800,909</u>
Primary government				
Net investment in capital asset	427,382,785	433,191,214	423,018,590	409,676,553
Restricted	15,786,029	12,143,902	18,137,383	31,613,701
Unrestricted	(26,056,692)	(18,611,112)	(18,293,829)	(34,361,193)
Total primary government net position	<u>\$ 417,112,122</u>	<u>\$ 426,724,004</u>	<u>\$ 422,862,144</u>	<u>\$ 406,929,061</u>

Data source:
Statement of Net Position, EPC Financial Statements
El Paso County Financial Statements

	2012	2013	2014	2015	2016	2017
\$	386,839,249	\$ 378,815,025	\$ 378,589,179	\$ 379,277,388	\$ 393,539,637	\$ 402,103,483
	25,753,607	23,152,127	32,866,602	34,410,977	34,912,960	50,144,509
	(57,276,815)	(65,951,812)	(78,622,043)	(184,587,074)	(201,767,248)	(213,954,280)
	<u>355,316,041</u>	<u>336,015,340</u>	<u>332,833,738</u>	<u>229,101,291</u>	<u>226,685,349</u>	<u>238,293,712</u>
	1,373,439	1,329,309	1,285,181	1,263,552	1,291,263	1,169,297
	435,992	466,906	568,953	460,289	503,404	570,022
	<u>1,809,431</u>	<u>1,796,215</u>	<u>1,854,134</u>	<u>1,723,841</u>	<u>1,794,667</u>	<u>1,739,319</u>
	388,212,688	380,144,334	379,874,360	380,540,940	394,830,900	403,272,780
	25,753,607	23,152,127	32,866,602	34,410,977	34,912,960	50,144,509
	(56,840,823)	(65,484,906)	(78,053,090)	(184,126,785)	(201,263,844)	(213,384,258)
\$	<u>357,125,472</u>	<u>\$ 337,811,555</u>	<u>\$ 334,687,872</u>	<u>\$ 230,825,132</u>	<u>\$ 228,480,016</u>	<u>\$ 240,033,031</u>

**Schedule 2 - Unaudited
El Paso County
Changes in Net Position
Last Ten Fiscal Years**

Expenses	Fiscal Year			
	2008	2009	2010	2011
Governmental activities:				
General government	\$ 44,543,821	\$ 40,459,544	\$ 43,100,936	\$ 46,367,966
Public safety	70,429,035	71,629,027	70,323,510	73,974,617
Public works	96,727,905	39,723,895	41,884,076	41,224,357
Health and welfare	53,492,404	65,628,193	59,051,252	62,298,421
Culture and recreation	2,942,434	2,911,825	2,854,071	3,108,688
Auxiliary services	2,003,860	184,138	81,062	405,317
Outside agencies	4,613,511	4,046,667	6,207,919	5,986,054
Interest on long-term debt	5,700,186	2,734,663	6,186,058	6,411,700
Total governmental activities expenses	280,453,156	227,317,952	229,688,884	239,777,120
Business-type activities:				
Waste management	874,130	814,250	827,965	913,594
Land development	2,780,985	-	-	-
Total business-type activities expenses	3,655,115	814,250	827,965	913,594
Total primary government expenses	284,108,271	228,132,202	230,516,849	240,690,714
Program Revenues				
Governmental activities:				
Charges for services:				
General government	15,597,399	16,888,532	19,453,228	22,969,843
Public safety	3,842,816	4,695,479	5,273,240	5,138,506
Public works	1,892,183	1,963,976	652,189	209,252
Health and Welfare	402,884	165,172	243,041	293,282
Culture and recreation	4,336,800	618,382	617,047	568,749
Outside agencies	221,753	240,898	224,440	225,825
Operating grants and contributions	55,961,305	73,028,190	74,376,558	66,637,356
Capital grants and contributions	25,615,236	22,988,775	6,118,913	5,987,521
Total governmental activities program revenues	107,870,376	120,589,404	106,958,656	102,030,334
Business-type activities:				
Charges for services:				
Waste management	882,231	730,278	790,000	882,726
Land development	1,539,145	-	-	-
Operating grants and contributions	-	-	-	-
Total business-type activities program revenues	2,421,376	730,278	790,000	882,726
Total primary government program revenues	\$ 110,291,752	\$ 121,319,682	\$ 107,748,656	\$ 102,913,060

(Continued)

	2012	2013	2014	2015	2016	2017
\$	59,265,849	\$ 58,162,963	\$ 68,213,731	\$ 69,873,396	\$ 65,653,733	\$ 65,281,483
	87,608,455	90,516,659	102,380,666	99,913,246	107,410,027	113,483,626
	49,352,850	44,133,430	34,466,675	31,903,334	31,919,113	34,766,473
	71,896,379	69,676,163	70,758,066	84,785,987	90,671,586	91,321,790
	4,017,556	3,332,306	3,432,589	3,595,595	4,098,894	4,393,346
	529,369	535,323	568,875	447,472	646,005	702,870
	5,895,486	5,860,942	-	-	-	-
	7,938,172	7,731,019	7,436,929	7,206,931	7,232,318	6,004,080
	<u>286,504,116</u>	<u>279,948,805</u>	<u>287,257,531</u>	<u>297,725,961</u>	<u>307,631,676</u>	<u>315,953,668</u>
	952,362	981,058	998,704	1,025,034	1,140,009	1,299,489
	-	-	-	-	-	-
	<u>952,362</u>	<u>981,058</u>	<u>998,704</u>	<u>1,025,034</u>	<u>1,140,009</u>	<u>1,299,489</u>
	<u>287,456,478</u>	<u>280,929,863</u>	<u>288,256,235</u>	<u>298,750,995</u>	<u>308,771,685</u>	<u>317,253,157</u>
	25,954,492	27,369,375	25,107,711	24,992,044	27,436,347	29,520,516
	5,032,350	6,736,549	6,008,910	6,857,472	7,218,040	7,231,670
	711,194	1,070,430	1,170,633	701,000	858,364	581,918
	152,199	160,391	156,654	156,310	191,302	211,234
	675,916	908,101	785,649	904,825	638,292	817,269
	54,413	94,023	-	-	-	-
	69,900,661	70,868,809	84,646,148	81,438,559	90,783,302	87,028,434
	12,653,521	9,644,943	14,524,609	15,870,740	23,674,209	18,300,352
	<u>115,134,746</u>	<u>116,852,621</u>	<u>132,400,314</u>	<u>130,920,950</u>	<u>150,799,856</u>	<u>143,691,393</u>
	952,671	957,064	1,034,755	1,097,983	1,198,611	1,239,115
	-	-	-	-	-	-
	-	-	21,635	14,181	10,512	2
	<u>952,671</u>	<u>967,064</u>	<u>1,056,390</u>	<u>1,112,164</u>	<u>1,209,123</u>	<u>1,239,117</u>
\$	<u>116,087,417</u>	<u>\$ 117,809,685</u>	<u>\$ 133,456,704</u>	<u>\$ 132,033,114</u>	<u>\$ 152,008,979</u>	<u>\$ 144,930,510</u>

Schedule 2 – Continued
El Paso County
Changes in Net Position
Last Ten Fiscal Years

Net (Expense) Revenue	Fiscal Year			
	2008	2009	2010	2011
Governmental activities	\$ (172,582,780)	\$ (106,728,548)	\$ (122,730,228)	\$ (137,746,786)
Business-type activities	(1,233,739)	(83,972)	(37,965)	(30,868)
Total primary government net expense	<u>(173,816,519)</u>	<u>(106,812,520)</u>	<u>(122,768,193)</u>	<u>(137,777,654)</u>
General Revenues and Other Changes in Net Position				
Governmental activities:				
Taxes				
Property taxes	43,479,334	44,657,977	46,165,964	47,311,463
Sales taxes	50,098,470	58,722,451	56,432,810	58,259,187
Other taxes	9,409,854	15,242,819	15,717,611	15,703,573
Investment earnings	2,270,800	355,449	373,076	374,538
Gain/Loss on sale of capital assets	297,718	82,816	362,773	195,502
Transfers	27,510	74,966	98,183	-
TABOR limitation	-	-	-	-
Total governmental activities	<u>105,583,686</u>	<u>119,136,478</u>	<u>119,150,417</u>	<u>121,844,263</u>
Business-type activities:				
Investment earnings	46,354	3,481	1,953	308
Loss on sale of capital assets	-	-	-	-
Transfers	(27,510)	(74,966)	(98,183)	-
Total business-type activities	<u>18,844</u>	<u>(71,485)</u>	<u>(96,230)</u>	<u>308</u>
Total primary government	<u>105,602,530</u>	<u>119,064,993</u>	<u>119,054,187</u>	<u>121,844,571</u>
Change in Net Position				
Governmental activities	(66,999,094)	12,407,930	(3,579,811)	(15,902,523)
Business-type activities	(1,214,895)	(155,457)	(134,195)	(30,560)
Total primary government	<u>\$ (68,213,989)</u>	<u>\$ 12,252,473</u>	<u>\$ (3,714,006)</u>	<u>\$ (15,933,083)</u>

2012	2013	2014	2015	2016	2017
\$ (171,369,370)	\$ (163,096,184)	\$ (154,857,217)	\$ (166,805,011)	\$ (156,831,820)	\$ (172,262,275)
8,309	(13,389)	57,686	87,130	69,114	(60,372)
<u>(171,361,061)</u>	<u>(163,109,573)</u>	<u>(154,799,531)</u>	<u>(166,717,881)</u>	<u>(156,762,706)</u>	<u>(172,322,647)</u>
42,920,278	43,587,576	43,584,455	44,606,433	48,046,061	48,852,104
75,207,266	86,971,156	90,841,733	100,147,762	102,160,928	119,995,369
15,817,127	16,212,257	16,929,457	18,003,165	18,710,879	20,473,922
201,608	270,118	319,970	433,220	672,452	1,104,655
15,022	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	(15,174,442)	-
<u>134,161,301</u>	<u>147,041,107</u>	<u>151,675,615</u>	<u>163,190,580</u>	<u>154,415,878</u>	<u>190,426,050</u>
213	173	233	258	1,712	5,024
-	-	-	-	-	-
-	-	-	-	-	-
<u>213</u>	<u>173</u>	<u>233</u>	<u>258</u>	<u>1,712</u>	<u>5,024</u>
<u>134,161,514</u>	<u>147,041,280</u>	<u>151,675,848</u>	<u>163,190,838</u>	<u>154,417,590</u>	<u>190,431,074</u>
(37,208,069)	(16,055,077)	(3,181,602)	(3,614,431)	(2,415,942)	18,163,775
8,522	(13,216)	57,919	87,388	70,826	(55,348)
<u>\$ (37,199,547)</u>	<u>\$ (16,068,293)</u>	<u>\$ (3,123,683)</u>	<u>\$ (3,527,043)</u>	<u>\$ (2,345,116)</u>	<u>\$ 18,108,427</u>

Data source:
Statement of Activities
El Paso County Financial Statements

**Schedule 3 - Unaudited
El Paso County
Fund Balances, Governmental Funds
Last Ten Fiscal Years**

	Fiscal Year			
	2008	2009	2010	2011
General Fund				
Non-spendable	\$ -	\$ -	\$ -	\$ 377,254
Restricted	-	-	-	6,446,587
Committed	-	-	-	1,131,782
Assigned	-	-	-	21,716,258
Unrestricted	-	-	-	3,499,404
Reserved	5,401,663	6,364,437	7,706,723	-
Unreserved	17,222,930	28,545,587	29,885,543	-
Total general fund	<u>22,624,593</u>	<u>34,910,024</u>	<u>37,592,266</u>	<u>33,171,285</u>
All Other Governmental Funds				
Non-spendable	-	-	-	2,198,308
Restricted	-	-	-	25,167,114
Committed	-	-	-	1,777,863
Assigned	-	-	-	3,436,343
Unrestricted	-	-	-	(517,775)
Reserved	22,736,315	14,483,922	45,449,515	-
Unreserved, reported in:				
Special revenue funds	11,498,350	10,779,478	5,232,264	-
Capital projects funds	778,640	-	1,402,989	-
Debt service funds	-	-	-	-
Total all other governmental funds	<u>35,013,305</u>	<u>25,263,400</u>	<u>52,084,768</u>	<u>32,061,853</u>
Total governmental funds	<u>\$ 57,637,898</u>	<u>\$ 60,173,424</u>	<u>\$ 89,677,034</u>	<u>\$ 65,233,138</u>

Data Source:

Statement of Activities

El Paso County Financial Statements

* GASB 54 was implemented in 2011. Years 2011 and after are presented in compliance with GASB 54.

Information for 2008 - 2010 is presented as before GASB-54 implementation. Data is not available to restate.

<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
\$ 462,770	\$ 805,176	\$ 1,666,071	\$ 1,802,453	\$ 1,786,850	\$ 2,126,150
6,653,514	7,693,246	14,126,448	15,159,318	16,918,398	33,792,193
1,635,399	7,167,737	4,429,589	5,864,367	6,207,230	4,814,696
17,370,988	18,212,599	6,438,541	6,304,446	3,041,630	3,466,811
4,147,026	500,901	2,275,218	8,507,501	3,878,328	6,127,000
-	-	-	-	-	-
-	-	-	-	-	-
<u>30,269,697</u>	<u>34,379,659</u>	<u>28,935,867</u>	<u>37,638,085</u>	<u>31,832,436</u>	<u>50,326,850</u>
1,758,568	2,422,657	1,898,716	1,526,994	1,595,497	1,374,363
19,100,093	15,458,881	18,740,154	19,251,659	17,994,562	22,907,728
1,802,389	1,096,611	338,253	3,686,145	3,230,862	3,244,381
5,709,904	5,160,998	6,864,980	7,697,910	12,237,313	12,043,662
(62,060)	(35,445)	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>28,308,894</u>	<u>24,103,702</u>	<u>27,842,103</u>	<u>32,162,708</u>	<u>35,058,234</u>	<u>39,570,134</u>
\$ <u>58,578,591</u>	\$ <u>58,483,361</u>	\$ <u>56,777,970</u>	\$ <u>69,800,793</u>	\$ <u>66,890,670</u>	\$ <u>89,896,984</u>

Schedule 4 - Unaudited
El Paso County
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years

	Fiscal Year			
	2008	2009	2010	2011
Revenues				
Property taxes	\$ 43,479,334	\$ 44,657,977	\$ 46,165,964	\$ 47,311,463
Sales taxes	50,098,470	58,722,451	56,432,810	58,259,187
Other taxes	9,409,854	15,242,819	15,717,611	15,703,573
Intergovernmental	62,439,883	74,619,901	72,949,855	61,886,419
Fees and fines	988,225	1,154,509	845,649	766,805
Licenses and permits	329,387	274,330	438,298	593,272
Charges for services	15,985,632	18,471,476	17,703,477	22,784,406
Investment earnings	2,270,801	355,449	372,623	371,306
Miscellaneous	11,990,328	7,394,816	8,902,461	10,019,400
TABOR limitation	-	-	-	-
Total revenues	<u>196,991,914</u>	<u>220,893,728</u>	<u>219,528,748</u>	<u>217,695,831</u>
Expenditures				
Current				
General government	37,247,537	37,748,026	40,009,509	43,903,734
Public safety	65,432,387	66,134,393	66,464,205	71,401,763
Public works	14,138,816	16,772,311	18,603,168	18,466,109
Health and welfare	51,394,991	60,896,990	65,697,695	62,949,418
Culture and recreation	2,648,490	2,479,030	2,774,378	2,924,070
Outside agencies	4,401,352	4,150,462	6,316,283	5,986,054
Auxiliary services	412,422	287,069	356,624	415,880
Debt service:				
Principal	2,885,000	2,975,000	4,250,000	6,118,768
Issuance costs	113,365	-	682,438	6,362,994
Interest and other charges	5,559,367	5,581,880	5,945,964	411,600
Capital outlay	31,110,585	18,861,177	35,694,283	27,772,512
Total expenditures	<u>215,344,312</u>	<u>215,886,338</u>	<u>246,794,547</u>	<u>246,712,902</u>
Excess of revenues over (under) expenditures	<u>(18,352,398)</u>	<u>5,007,390</u>	<u>(27,265,799)</u>	<u>(29,017,071)</u>
Other financing sources (uses)				
Refund of bond issuance costs/COP's	-	-	-	32,820,000
Payment to refunding COP-agent	-	-	-	(35,412,037)
Certificates of participation issued	2,500,000	-	55,925,000	-
Premium on certificates of participation	-	-	421,387	2,102,895
Discount on bonds	-	-	324,839	(232,632)
Capital lease financing	-	-	-	4,999,998
Proceeds from sale of capital assets	297,718	93,760	4,532,774	294,951
Transfers in	7,252,751	6,904,660	(4,434,591)	-
Transfers out	(7,225,241)	(6,829,694)	-	-
Total other financing sources (uses)	<u>2,825,228</u>	<u>168,726</u>	<u>56,769,409</u>	<u>4,573,175</u>
Net changes in fund balances	<u>\$ (15,527,170)</u>	<u>\$ 5,176,116</u>	<u>\$ 29,503,610</u>	<u>\$ (24,443,896)</u>
Debt service as a percentage of noncapital expenditures	4.58%	4.34%	4.83%	5.70%

Data Source:
El Paso County Financial Statements

	2012	2013	2014	2015	2016	2017
\$	42,920,278	\$ 43,587,576	\$ 43,584,455	\$ 44,606,433	\$ 48,046,061	\$ 48,852,104
	75,207,266	86,971,156	90,841,733	100,147,762	102,160,928	119,995,369
	15,817,127	16,212,257	16,929,457	18,003,165	18,710,879	20,473,922
	65,101,975	67,025,567	79,619,263	73,728,259	80,827,146	82,971,106
	519,762	456,956	586,491	636,484	570,957	542,053
	666,357	1,577,421	1,526,229	1,800,512	2,074,273	2,331,200
	27,743,834	30,684,504	27,679,991	27,993,683	29,108,076	29,705,737
	201,608	271,697	320,925	433,250	672,376	1,100,023
	9,123,766	10,098,538	10,747,974	13,081,413	17,166,403	14,448,006
	-	-	-	-	(15,174,442)	-
	<u>237,301,973</u>	<u>256,885,672</u>	<u>271,836,520</u>	<u>280,430,961</u>	<u>284,162,657</u>	<u>320,419,520</u>
	48,485,500	48,338,903	48,338,903	57,962,560	60,536,969	62,346,142
	72,903,001	81,038,873	97,266,185	89,767,014	95,719,071	101,862,204
	16,402,954	16,686,258	11,929,523	13,345,188	11,124,604	14,054,809
	66,250,148	66,753,246	71,811,589	76,344,728	81,884,291	83,991,576
	3,135,372	2,783,478	3,155,545	3,100,511	3,467,576	3,463,937
	5,895,486	5,860,942	-	-	-	-
	455,906	491,187	544,147	532,362	580,784	621,999
	6,769,510	7,915,375	8,177,293	9,017,858	9,369,501	10,358,395
	201,246	-	-	-	553,492	41,500
	7,858,020	8,104,485	7,874,819	7,594,548	6,986,417	6,410,938
	20,012,664	18,443,459	17,179,810	9,930,562	17,595,029	18,522,129
	<u>248,369,807</u>	<u>256,416,206</u>	<u>278,263,484</u>	<u>267,595,331</u>	<u>287,817,734</u>	<u>301,673,629</u>
	<u>(11,067,834)</u>	<u>469,466</u>	<u>(6,426,964)</u>	<u>12,835,630</u>	<u>(3,655,077)</u>	<u>18,745,891</u>
	12,010,000	-	-	-	23,245,000	-
	(11,561,686)	-	-	-	(23,049,162)	-
	-	-	-	-	-	-
	1,663,072	-	-	-	347,655	-
	-	-	-	-	-	-
	-	-	4,618,769	-	-	3,826,775
	2,301,901	55,036	102,804	187,193	201,461	433,648
	-	-	-	-	-	-
	-	-	-	-	-	-
	<u>4,413,287</u>	<u>55,036</u>	<u>4,721,573</u>	<u>187,193</u>	<u>744,954</u>	<u>4,260,423</u>
\$	<u>(6,654,547)</u>	<u>\$ 524,502</u>	<u>\$ (1,705,391)</u>	<u>\$ 13,022,823</u>	<u>\$ (2,910,123)</u>	<u>\$ 23,006,314</u>
	6.41%	6.73%	6.13%	6.45%	6.05%	5.92 %

REVENUE CAPACITY



Schedule 5
El Paso County
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years

Assessment Year Ended December 31,	Payable in Year	Vacant Land	Residential Property	Commercial Property	Industrial Property	Agricultural Property
2008	2009	403,977,710	3,553,447,120	2,077,273,830	237,821,480	14,805,920
2009	2010	406,086,530	3,698,915,150	2,189,684,690	229,551,730	14,665,810
2010	2011	376,811,560	3,730,236,120	2,182,991,990	232,133,550	14,431,970
2011	2012	313,948,570	3,478,431,600	2,010,579,100	229,697,330	13,285,400
2012	2013	300,459,180	3,507,471,170	1,746,010,570	126,334,870	13,206,340
2013	2014	291,843,530	3,494,373,880	2,007,606,090	247,188,270	13,728,040
2014	2015	275,803,640	3,562,258,110	2,028,632,390	236,062,500	13,762,980
2015	2016	284,448,230	3,906,417,080	2,080,685,820	242,501,400	14,205,740
2016	2017	272,587,050	3,982,682,110	2,106,720,270	240,065,640	14,170,090
2017	2018	297,104,920	4,138,373,140	2,354,996,370	283,460,490	14,448,250

Notes:

*Total Taxable Assessed Value is already adjusted for tax exempt property value.

**New Construction value is already adjusted into the appropriate category.

***Abatement values are adjusted in the "payable in" mill levy.

Data Source:

El Paso County Assessor's Office

Abstracts of Assessment

Certification of Assessed Valuation

Natural Resources	Oil and Gas	Public Utilities	Total Taxable Assessed Value	Total Direct Tax Rate	*Tax-Exempt Property	** New Construction	*** Abatement Value
\$ 9,705,240	-	281,115,200	6,578,146,500	7.583	1,512,133,950	239,291,400	451,029
8,325,440	-	278,262,800	6,825,492,150	7.531	1,549,584,850	174,719,260	434,805
6,502,350	-	287,006,000	6,830,113,540	7.537	1,571,803,170	99,557,470	473,833
6,350,220	5,040	269,462,900	6,321,760,160	7.597	1,571,401,630	67,113,150	379,512
5,758,010	-	260,564,000	6,334,487,370	7.663	1,585,165,900	-	381,352
5,752,860	81,420	277,390,880	6,337,964,970	7.714	1,588,612,250	-	293,158
6,016,310	-	317,449,500	6,439,985,430	7.791	1,620,634,570	-	444,416
5,833,670	-	318,472,400	6,852,564,340	7.869	1,675,329,490	-	481,974
6,022,650	-	340,591,400	6,962,839,210	7.919	1,692,265,240	-	315,662
5,867,990	-	351,450,300	7,445,701,460	7.965	1,692,265,240	-	308,204

Schedule 6
El Paso County
Direct and Overlapping Property Tax Rates
Current and Last Ten Fiscal Years

Taxes Payable	2009	2010	2011	2012
Assessment Year	2008	2009	2010	2011
County direct rates				
General	5.144	5.017	4.612	3.109
Abatement	0.069	0.064	0.070	0.060
Road & Bridge	0.330	0.330	0.330	0.330
Social Services	0.000	0.000	0.000	0.000
Capital	1.390	1.330	1.655	3.080
Insurance	0.000	0.000	0.000	0.000
Retirement	0.650	0.790	0.870	1.018
Total County direct rates	7.583	7.531	7.537	7.597
City and town rates				
Calhan	17.563	17.563	17.563	20.000
Colorado Springs	4.944	4.279	4.279	4.279
Fountain	10.239	10.239	10.239	10.239
Green Mountain Falls	14.558	13.558	14.588	14.588
Manitou Springs	16.951	15.750	15.750	15.750
Monument	6.289	6.289	6.289	6.289
Palmer Lake	16.180	15.989	16.459	16.459
Ramah	19.827	19.827	19.827	19.827
<i>Lever Ranges for the following districts are:</i>				
Fire Protection Districts	1.479-12.423	1.357-12.423	1.310-12.423	1.191-12.423
Sanitation Districts	0.579-4.501	0.621-4.500	0.549-4.654	0.549-5.334
Water Districts	0.430-14.437	0.445-14.437	0.454-14.437	0.495-16.803
Sanitation & Water Districts	4.001-33.070	6.950-29.055	6.950-30.986	5.500-35.508
Special Improvement Districts	1.000-51.000	1.000-51.000	1.000-51.000	1.000-51.000
Regional Library District	3.540	3.468	3.556	3.999
Metropolitan Districts	1.927-100.000	0.450-100.000	0.440-100.000	0.440-100.000
School Districts	24.301-60.216	24.436-60.216	23.538-60.216	24.723-60.216

TABOR requires the vote of the people to increase tax rates.

Data Source:
El Paso County Assessor's Office
Abstracts of Assessment

2013	2014	2015	2016	2017	2018
2012	2013	2014	2015	2016	2017
3.844	4.141	7.384	7.461	7.539	7.589
0.066	0.051	0.077	0.078	0.050	0.046
0.330	0.330	0.330	0.330	0.330	0.330
0.000	0.000	0.000	0.000	0.000	0.000
2.500	2.200	0.000	0.000	0.000	0.000
0.000	0.000	0.000	0.000	0.000	0.000
0.923	0.992	0.000	0.000	0.000	0.000
7.663	7.714	7.791	7.869	7.919	7.965
17.563	17.563	17.563	17.563	17.563	17.563
4.279	4.279	4.279	4.279	4.279	4.279
10.239	10.239	10.239	10.239	10.239	10.239
17.588	17.588	17.588	17.588	17.588	17.588
12.070	12.060	12.050	12.246	13.001	13.072
6.289	6.289	6.289	6.255	6.289	6.225
16.459	16.459	16.459	11.238	21.238	21.238
19.827	19.827	19.827	19.827	19.827	19.827
1.164 - 13.200	1.167 - 14.390	1.141 - 15.290	1.022-15.286	0.963-15.286	0.899-18.100
0.573 - 5.534	0.578 - 5.755	0.578 - 6.101	0.587-6.040	0.591-6.248	0.583-7.734
0.478 - 17.709	0.478 - 17.872	0.478 - 18.574	0.471-16.444	0.478-17.725	0.481-17.725
5.805 - 37.471	2.937 - 34.956	2.937 - 41.288	2.937-34.943	2.937-36.836	2.937-36.953
1.000 - 59.420	1.000 - 51.000	1.000 - 51.000	1.000-51.000	1.000-57.089	1.009-51.000
4.030	4.000	4.000	3.857	3.957	3.812
0.440 - 83.000	0.440 - 100.000	0.440 - 100.000	0.440-100.000	0.440-100.000	0.440-100.000
24.703 - 60.216	24.726 - 60.216	24.775 - 60.216	25.195-60.216	24.748-60.216	24.731-61.320

Schedule 7
El Paso County
General Fund Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended December 31,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2008	24,354,955	24,213,913	99.42%	65,891	24,279,804	99.69%
2009	30,839,804	30,648,628	99.38%	63,123	30,711,751	99.58%
2010	31,311,340	31,094,884	99.31%	59,874	31,154,758	99.50%
2011	29,956,511	29,776,229	99.40%	(40,581)*	29,735,648	99.90%
2012	18,010,412	17,870,639	99.22%	78,939	17,949,578	99.66%
2013	22,332,783	22,222,512	99.51%	52,071	22,274,584	99.74%
2014	29,396,268	29,266,912	99.56%	9,229	29,276,141	99.59%
2015	42,805,385	42,640,553	99.61%	54,337	42,694,889	99.74%
2016	46,172,810	45,946,994	99.51%	68,912	46,015,906	99.66%
2017	47,061,251	46,810,929	99.47%	(33,756)*	46,777,173	99.40%

The 2008 and 2009 Tax Levies and collections were corrected for presentation in the 2010 CAFR.

()* A citizen that has paid for property taxes may request an abatement (refund) for the past two years plus the current year. When abatements pertaining to prior years' exceed the prior years' tax collections it will reflect as a negative amount in the "Collections for Subsequent Years" column.



Schedule 8
El Paso County
Property Taxes by Fund
Last Ten Fiscal Years

	Fiscal Year			
	2008	2009	2010	2011
Revenues				
Property taxes				
Fund 1 - General Fund	\$ 24,254,481	\$ 30,678,405	\$ 31,122,339	\$ 29,776,229
Fund 2 - Road & Bridge	7,684,574	2,002,020	2,092,121	2,094,348
Fund 4 - Department of Human Services	(10,012)	-	-	-
Fund 6 - Capital Improvement Fund	7,566,985	8,161,662	8,124,020	10,121,707
Fund 16 - Retirement Fund	3,983,306	3,815,890	4,827,484	5,319,179
Total Property Tax Revenue	\$ 43,479,334	\$ 44,657,977	\$ 46,165,964	\$ 47,311,463

Data Source:

El Paso County Financial Statements

2012	2013	2014	2015	2016	2017
\$ 17,870,640	\$ 22,222,512	\$ 29,266,912	\$ 42,640,552	\$ 45,946,994	\$ 46,810,929
1,936,902	1,947,715	1,939,123	1,965,881	2,099,067	2,041,175
-	-	-	-	-	-
17,375,089	14,182,145	12,378,420	-	-	-
5,737,647	5,235,204	-	-	-	-
<u>\$ 42,920,278</u>	<u>\$ 43,587,576</u>	<u>\$ 43,584,455</u>	<u>\$ 44,606,433</u>	<u>\$ 48,046,061</u>	<u>\$ 48,852,104</u>

Schedule 9
El Paso County
Principal Sales Tax Remitters
Current Year and Nine Years Ago

	2017			2008		
	Sales Tax Collected	Rank	% of Total County Sales Tax Collected	Sales Tax Collected	Rank	% of Total County Sales Tax Collected
Taxpayer						
Major Retail Store	\$ 4,945,255	1	5.25%	\$ 3,820,996	1	5.94%
Major Retail Store	2,442,059	2	2.59%	1,448,459	3	2.25%
Major Retail Store	2,348,052	3	2.49%	848,979	8	1.32%
Local Government	2,217,899	4	2.35%	1,660,655	2	2.58%
Hotel Industry	1,998,776	5	2.12%	1,172,290	6	1.82%
Major Retail Store	1,732,468	6	1.84%			
Major Retail Store	1,627,714	7	1.73%	1,246,475	4	1.94%
Major Internet Store	1,544,302	8	1.64%			
Major Retail Store	1,174,028	9	1.25%			
Telecommunications	1,145,472	10	1.22%	870,804	7	1.35%
Telecommunications				1,213,056	5	1.89%
Major Retail Store				748,990	9	1.16%
Telecommunications				683,949	10	1.06%
Total	21,176,025		22.47%	13,714,653		21.31%

Sales and Use Tax is the County's largest revenue source, producing 37.4% of the revenues for the Governmental Activities. We are prohibited by ordinance from releasing sales tax information on individual taxpayers. We are providing the above information as the next best available option.

Data Source:
El Paso County Financial Statements
Colorado Department of Revenue

Schedule 10
El Paso County
Sales and Use Tax Collections by State Category
Last Nine Fiscal Years

	2009	2010	2011	2012	2013	2014	2015	2016	2017
Retail Trade	33,841,812	35,897,986	37,406,489	40,291,234	52,016,333	54,519,334	58,394,750	64,154,280	66,580,666
Food Services	7,763,114	8,070,771	8,407,642	9,080,980	11,506,575	12,153,093	13,169,783	14,248,669	15,037,543
Information (Magazines, Newspapers, etc)	4,763,640	4,693,512	4,268,166	4,349,358	5,742,631	5,804,560	5,566,355	5,138,986	5,222,347
Wholesale Trade	2,447,969	2,829,795	2,641,184	2,765,390	3,425,124	3,900,413	4,169,023	4,078,713	4,391,626
Accommodations	2,441,293	2,457,583	2,710,502	2,514,101	3,304,999	3,554,791	4,107,007	4,601,196	5,306,470
Real Estate and Rental & Leasing	1,718,211	1,619,745	1,530,237	1,463,676	1,926,810	2,151,403	2,479,993	2,837,395	3,288,920
Manufacturing	1,584,748	1,541,106	1,989,234	2,524,664	3,265,568	3,841,170	3,398,167	3,645,074	3,822,582
Utilities	1,487,408	1,564,556	1,764,030	1,869,553	2,348,062	2,444,738	2,496,897	2,242,659	2,498,969
Other Services (except Public Admin)	1,438,541	1,490,607	1,526,585	1,638,749	1,982,092	2,121,983	2,395,764	2,538,537	2,685,360
Construction	608,987	699,674	761,574	1,166,426	1,432,089	1,655,433	2,133,413	2,492,062	3,063,222
Professional, Scientific and Technical Services	543,422	809,231	599,824	686,215	1,092,019	704,538	845,868	841,555	1,249,022
Finance and Insurance	448,502	430,360	489,974	460,402	572,430	589,510	532,771	523,856	561,194
Arts Entertainment & Recreation	312,605	315,104	342,311	365,250	475,382	426,138	499,415	576,888	583,232
Waste Management & Remediation Services	241,640	215,568	241,770	236,490	303,262	306,892	304,164	300,369	356,030
Mining	155,299	154,633	167,484	198,869	326,983	351,283	342,787	405,045	522,100
Education Services	151,893	160,237	168,587	175,845	213,356	216,598	186,250	165,916	166,113
Health Care & Social Assistance	109,816	124,779	132,906	139,476	188,272	142,505	134,195	150,841	147,178
Transportation & Warehousing	74,855	37,435	40,945	62,666	76,392	76,646	75,648	87,528	178,939
Agriculture, Forestry, Fishing & Hunting	57,695	90,248	103,424	120,376	141,331	133,315	135,758	168,222	187,568
Public Administration	35,804	40,923	42,987	50,136	64,667	66,486	64,279	56,474	59,659
Category Not Specified	45,558	173,857	(1,886)	11,560	7,128	(32,028)	(48,549)	(16,050)	4,131
Tobacco Tax	109,189	114,764	117,810	103,208	104,636	106,331	102,252	106,713	104,879
Total Sales Tax:	60,382,001	63,532,474	65,451,779	70,274,624	90,516,141	95,235,132	101,485,990	109,344,928	116,017,750
Clerk and Recorder Collections	2,561,135	2,633,983	2,827,992	3,228,003	4,209,854	4,812,397	5,388,523	6,381,493	6,692,197
Reg Bldg Admin Fee	162,655	273,784	254,107	312,003	287,611	406,529	405,806	433,477	633,474
Building Materials	1,694,813	1,124,758	856,458	1,392,448	1,616,726	1,004,300	927,403	1,469,579	1,137,658
Total Use Tax:	4,418,603	4,032,525	3,938,557	4,932,454	6,114,191	6,223,226	6,721,732	8,284,549	8,463,329
Total Sales and Use Tax:	64,800,604	67,564,999	69,390,336	75,207,078	96,630,332	101,458,358	108,207,722	117,629,477	124,481,079

Source: Colorado Department of Revenue

Notes: The above totals will not equate to the Sales Tax Totals on the Statement of Activities because the Sales Tax allocation to Internal Services Fund (Self Insurance) is eliminated as well as timing differences on collections for prior periods.

DEBT CAPACITY

Schedule 11
El Paso County
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities		Total Primary Government	Percentage of Personal Income	EPC Debt Per Capita*
	Certificates of Participation	Capital Leases			
2008	126,465,215	1,168,921	127,634,136	0.55%	213
2009	120,309,103	597,047	120,906,150	0.52%	199
2010	172,193,855	-	172,193,855	0.71%	277
2011	166,148,666	3,736,230	169,884,896	0.66%	267
2012	174,251,235	2,501,720	176,752,955	0.68%	274
2013	169,487,902	1,256,345	170,744,247	0.64%	261
2014	162,243,456	4,607,822	166,851,278	0.59%	252
2015	154,054,010	3,444,964	157,498,974	0.54%	234
2016	146,932,597	2,285,462	149,218,059	0.49%	216
2017	138,031,503	4,313,842	142,345,345	**	205

Notes:

The Certificates of Participation amounts have been updated to reflect totals net of related premiums and discounts.

*Data revised in 2016 with most recent information from the Bureau of Economic Analysis

**Data not available

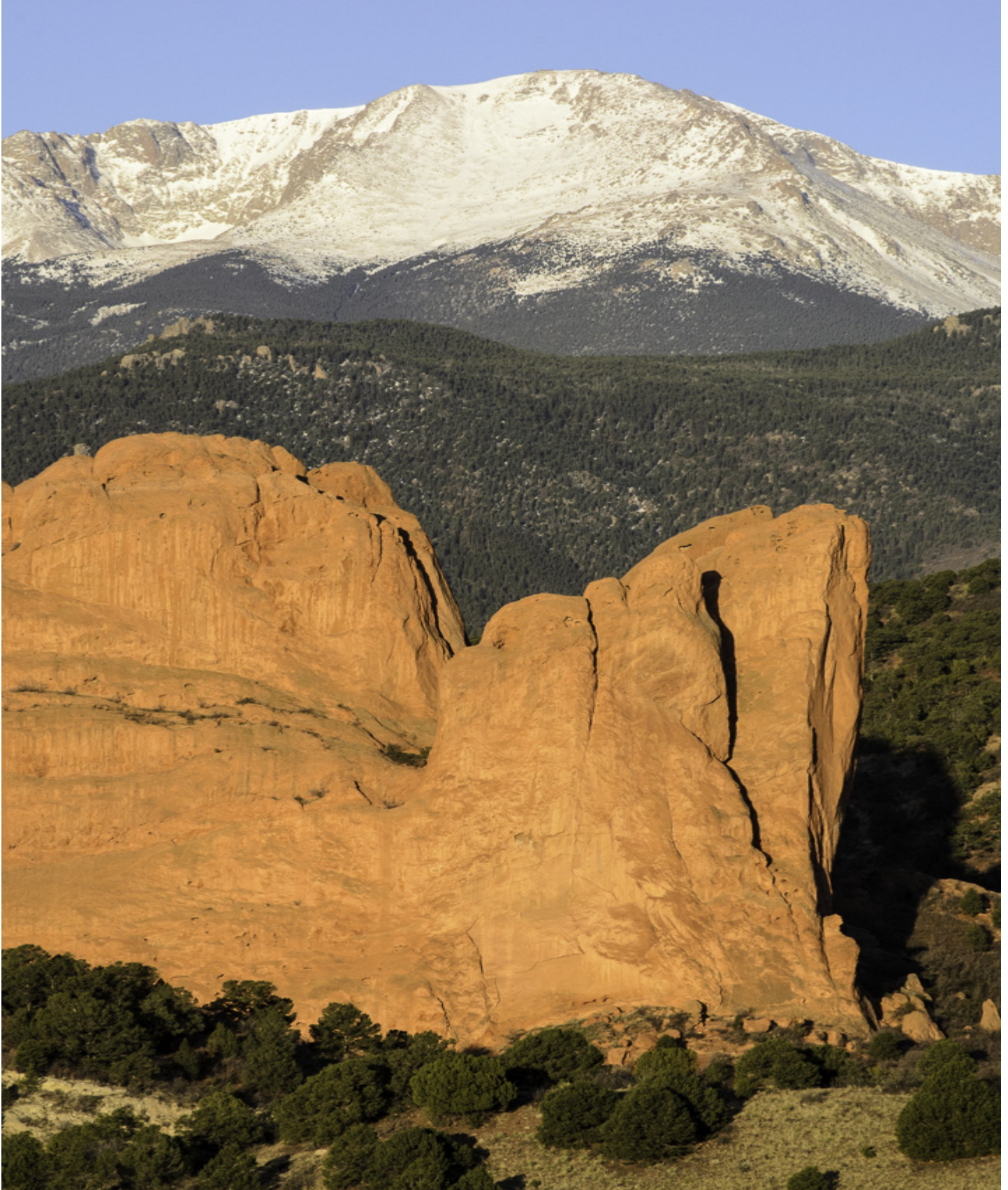
Data sources:

El Paso County Financial Statements

US Department of Commerce

Bureau of Economic Analysis

DEMOGRAPHIC AND ECONOMIC INFORMATION



Schedule 12
El Paso County
Demographic and Economic Statistics
Last Ten Calendar Years

Year	Colorado	Population *		Change from Prior Period	Total Personal Income	Per Capita Personal Income **		
		Change from Prior Period	El Paso County			Colorado	El Paso County	El Paso County as a Percentage of Colorado
2009	4,976,853	1.51%	608,518	1.55%	23,193,879	41,515	38,254	90.35%
2010	5,029,196	1.47%	622,263	2.96%	24,123,028	41,717	38,600	90.61%
2011	5,116,302	1.35%	637,302	1.23%	25,470,641	44,179	40,246	88.46%
2012	5,189,458	1.31%	645,678	1.56%	26,050,723	45,089	40,346	89.33%
2013	5,268,367	1.52%	655,150	1.54%	26,626,735	46,824	40,642	90.66%
2014	5,355,866	1.66%	662,874	1.67%	28,079,165	49,823	42,360	86.08%
2015	5,443,612	1.60%	674,630	1.30%	29,262,206	50,971	43,385	86.06%
2016	5,540,545	1.78%	688,227	2.01%	30,315,645	51,999	44,409	85.40%
2017	5,607,154	1.20%	699,232	0.07%	31,149,325	52,059	****	***

Notes:

* Data revised in 2017 with most recent information from the Colorado Division of Local Government

** Data revised in 2017 with most recent information from the Bureau of Economic Analysis

*** Data revised in 2017 with the most recent information from the Colorado Division of Labor and Employment

**** 2017 Data not available

Data source:

El Paso County Clerk and Recorder

Colorado Department of Education

Colorado Division of Local Government

Colorado Division of Labor and Employment

US Department of Commerce

Bureau of Economic Analysis

El Paso Civilian County Labor Force ***

Employed	Unemployed	Unemployment Rate	Public School Enrollment	Motor Vehicles Registered
275,465	26,473	8.80%	109,246	487,456
272,571	29,462	9.80%	109,962	495,418
272,831	27,722	9.20%	111,318	498,573
301,831	26,259	8.70%	126,274	508,616
274,091	21,325	8.00%	116,061	515,108
278,409	14,199	5.10%	113,837	529,595
293,736	14,200	4.60%	117,928	545,363
311,612	9,854	3.20%	118,754	576,719
329,377	11,199	3.40%	119,442	568,674

Schedule 13
El Paso County
Principal Employers
Current Year and Nine Years Ago

Employer	2017			2008		
	Percentage of Total El Paso County			Percentage of Total El Paso County		
	Employees	Rank	Employment	Employees	Rank	Employment
Fort Carson	30,300	1	11.18%	23,000	1	9.39%
Peterson Air Force Base	9,929	2	3.66%	10,740	2	4.39%
United States Air Force Academy	8,824	3	3.26%	9,917	3	4.05%
Schriever Air Force Base	6,876	4	2.54%	7,526	4	3.07%
UCHealth Memorial Health System	6,200	5	2.29%	4,700	5	1.92%
School District #11 - Colorado Spgs	3,937	6	1.45%	3,900	6	1.59%
School District #20 - Air Academy	3,373	7	1.24%	2,636	8	1.08%
Penrose-St. Francis Health Services	2,320	8	0.86%	2,856	7	1.17%
El Paso County	2,281	9	0.84%	2,230	10	0.91%
City of Colorado Springs	2,209	10	0.81%	2,231	9	0.91%
	<u>76,249</u>			<u>69,736</u>		
El Paso County Total Employment	271,085			244,907		

Data Source: various, including Colorado
Springs Business Journal, journals, annual
reports, company web sites and CDLE Labor
Market Information

OPERATING INFORMATION

Schedule 14
El Paso County
Full-time Equivalent County Government Employees by Function/Program
Last Ten Fiscal Years

Function/Program	Full-time Equivalent Employees									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
County Commissioners	5	5	5	5	5	5	5	5	5	5
County Assessor	66	52	52	52	52	52	52	53	53	53
County Clerk & Recorder - Operations	26	24	24	24	24	24	45	45	45	45
Motor Vehicle	83	70	70	70	73	73	73	73	82	85
Elections	17	14	14	14	14	14	10	10	10	10
Driver's Licenses	5	3	3	3	3	3	8	8	8	8
County Coroner	18	18	19	20	20	20	21	21	22	23
County Sheriff - Operations	248	238	243	285	285	428	432	431	471	460
Detentions	382	362	362	347	347	359	354	354	354	340
County Treasurer	19	19	19	19	19	19	19	19	19	19
Public Trustee	14	12	12	12	8	8	6	6	6	6
County Attorney - General Fund	9	9	9	9	10	10	10	10	11	11
Dept. of Human Services	18	18	18	18	19	19	21	21	23	23
District Attorney - EPC Funded	186	183	183	183	183	183	201	203	207	212
Teller County Funded	1	1	4	4	4	1	1	4	4	4
Grant Funded	13	13	14	14	14	9	9	8	8	8
Human Services - General	362	362	414	383	390	390	416	480	511	530
Senior Services	2	1	1	1	1	1	1	1	1	1
Veterans Services	4	3	3	3	4	4	5	6	7	7
Pikes Peak Workforce Center	100	65	65	65	65	51	51	51	51	52
Administrative Services - Administration	6	4	4	4	4	4	2	2	2	1
CSU Extension	-	-	-	-	3	3	3	3	3	3
Development Services	32	21	24	23	23	23	23	23	25	27
Budget and Economic Development	8	8	12	16	16	17	23	25	29	29
Employee Benefits/Med Serv	18	12	13	18	18	18	23	23	6	7
Environmental Services	8	3	4	-	-	3	5	5	5	5
Facilities	52	31	31	31	49	49	53	53	53	53
Finance	16	12	15	35	37	45	45	47	47	50
*Fleet Services	33	-	-	-	-	-	32	32	33	34
Human Resources	-	-	-	-	-	-	-	-	17	19
Information Services	69	66	70	70	72	72	72	72	75	74
Justice Services	14	1	1	1	1	1	1	1	2	3
Procurements & Contracts	7	6	6	6	7	7	7	7	9	9
Public Communications	2	2	2	4	4	5	6	9	9	11
Risk Management	-	-	-	-	-	-	-	-	7	7
Security	38	29	30	30	31	31	34	34	37	41
Household Hazardous Waste	5	5	5	5	6	4	4	4	4	4
800 MHz	1	-	-	-	-	-	-	-	-	-
Parks & Community Resources - Parks	41	29	29	29	35	28	32	33	37	39
*Road & Bridge	188	175	187	187	201	201	169	169	172	181
Health and Environment	219	160	178	178	178	141	138	137	138	142
Retirement	3	2	3	3	3	3	2	2	2	2
Total	2,338	2,038	2,148	2,171	2,228	2,328	2,414	2,490	2,610	2,643

Data Source: El Paso County Final Budget

*Fleet and Road & Bridge were separated in 2014.



Schedule 15
El Paso County
Operating Indicators by Function/Program
Last Ten Fiscal Years

Function/Program	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
BoCC Administrative Services										
Board Meetings	92	103	93	100	88	76	75	72	75	87
Board/Committee/Commission Appointments	116	135	120	104	106	109	115	98	89	90
Facilities Management										
Number of buildings maintained	126	126	128	132	131	130	130	130	129	129
Square feet total maintained	2,235,781	2,236,000	2,241,501	2,949,191	3,070,453	3,164,384	3,164,384	3,134,227	3,131,918	3,131,918
Parks										
Acres of Regional Parks, Recreation areas and conservation lands	7,100	7,044	7,044	6,585	6,585	6,585	8,000	8,000	8,000	8,000
Miles of Regional, Park & Nature Trails	85	92	92	101	101	101	105	105	105	105
County Office Sites (landscape maintenance)	8	21	8	9	8	11	11	11	11	11
Procurement and Contracts										
Purchase Orders Issued	584	656	751	835	751	963	1,208	995	861	909
Purchase Orders Issued (dollars)	53,922,017	58,760,700	102,556,780	91,458,617	86,926,957	95,971,781	90,979,051	116,725,239	80,775,849	99,800,000
Surplus sales (\$)	118,574	99,711	101,256	122,406	72,920	62,835	134,358	228,673	246,321	156,000
Financial/Budget										
Payroll Serviced	56,845	53,960	55,952	55,500	57,939	63,125	66,555	66,782	63,199	64,990
Journal Entries Processed	19,920	21,312	22,173	22,247	31,240	67,181	64,481	72,637	71,438	70,258
Processed Payment Requests	57,716	49,198	57,181	60,750	61,421	73,967	75,165	77,429	79,584	81,543
Budget Entries Processed	3,005	2,857	2,899	2,390	3,468	4,151	2,885	4,111	2,248	2,172
Public Safety										
Claims Submitted	3,215	3,228	3,244	3,257	3,291	3,312	3,334	3,356	3,373	3,382
Personal Contacts (excluding DSS)	9,494	9,925	10,322	10,714	10,757	10,799	10,842	10,884	10,896	10,972
Telephone Information	24,362	24,880	25,327	25,758	26,196	26,600	27,053	27,288	27,304	27,335
Medicaid Nursing Home Clients	50	50	53	53	51	52	54	53	54	54
Briefings on VA Benefits	2,551	2,603	5,697	6,037	4,629	3,458	4,267	3,582	3,640	3,717
HS quality assurance inquiries	726	753	1,527	1,539	1,542	1,558	1,564	1,570	1,572	1,584
Human Services - Senior Services										
Number seniors/participation levels	4,310	4,431	4,620	4,781	4,947	5,026	5,106	5,187	5,203	5,210
CSU Extension										
Printed brochures and SIAs	142,820	40,000	117,145	117,145	55,000	55,500	45,000	50,000	67,566	89,000
Phone, walk-in, individual	73,125	25,000	61,095	61,095	12,780	16,240	18,000	18,000	21,500	25,000
County Attorney - General Fund										
Board of Equalization	650	650	650	655	650	650	650	655	139	734
Contracts/Agreements (drafted or reviewed)	460	450	455	435	450	461	470	540	600	610
Litigation (for and against the County)	800	760	205	180	123	105	102	113	102	105
Liquor License matters	24	25	20	26	6	6	5	2	2	6
Notices of Claims reviewed	41	40	32	30	47	63	71	69	68	66
Ordinances (new)	1	1	2	-	5	4	1	1	0	2
Resolutions (drafted or reviewed)	190	210	200	240	145	150	155	150	230	215
Written legal opinions	120	150	185	200	215	243	270	290	350	425
Meetings/hearings attended	980	1,030	1,045	1,110	1,210	1,235	1,210	1,500	1,650	1,700
Safety and Risk Management										
Safety Training Seminars -- Attendance	-	-	11	4	4	6	3	4	4	2
Personal Safety & Awareness consultations	350	350	350	33	37	29	10	10	0	28
Wellness programs	23	27	63	85	100	97	119	137	102	65
Employee orientations	299	233	26	24	24	26	26	23	23	23
Safety training/meetings	-	13	11	61	70	78	118	50	422	43
Safety/wellness publications/website information	-	7	10	11	36	65	64	68	111	112
Risk management & insurance consultations	1,500	1,500	89	15	17	12	16	10	25	24
Clerk and Recorder										
Documents recorded	138,048	150,587	135,516	131,805	157,392	153,576	121,600	141,375	153,608	155,000
Documents processed	169,223	181,458	168,253	162,674	192,779	188,958	157,647	176,021	193,279	195,000
Meetings (agendas, minutes, etc.)	2,737	2,798	2,055	2,050	2,551	2,802	2,267	3,028	3,182	3,244
Vehicles Registered	484,033	487,456	495,418	498,573	508,616	515,108	529,595	545,363	576,719	655,000
Drivers Licenses Issued	38,306	31,918	51,833	59,722	76,959	67,922	68,396	80,977	81,963	127,000
Number of precincts	388	404	405	405	199	199	199	242	242	255
Ballot Combinations	87	26	60	44	44	27	65	31	63	32
Registered Voters	374,582	335,880	364,831	382,079	426,355	413,830	427,640	416,990	461,809	468,676
Jurisdictions for which elections are administered	261	265	268	271	271	271	273	273	273	273
Worker's Compensation Fund										
Workers' Compensation claims	262	204	162	160	163	151	186	173	147	153
Claims cost (\$)	2,575,271	1,522,550	1,327,492	1,089,136	1,327,492	1,213,215	1,022,427	986,356	1,138,436	1,163,000

(Continued)

Schedule 15 - Continued

Function/Program	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
County Treasurer										
Annual Tax Statements	272,965	244,740	243,846	243,389	244,236	243,389	245,309	235,276	250,490	252,707
Delinquent Tax Statements	14,116	16,424	15,103	15,538	14,952	12,782	13,409	12,263	12,682	12,052
Property Tax Payments Processed	405,206	448,415	406,865	407,756	407,559	407,492	409,710	410,328	415,032	418,138
Tax roll changes (abatements)	1,418	1,097	1,256	1,105	903	912	1,261	903	1,175	629
Non-property tax revenue transactions	25,213	22,807	23,059	19,655	35,442	35,834	34,453	39,761	26,899	39,848
Tax Liens Sold--manufactured housing	207	173	93	107	105	54	47	51	113	120
Tax Liens Sold--real estate	3,282	4,166	2,486	2,719	2,367	1,786	1,877	1,951	1,718	2,018
Tax Liens redeemed	2,145	3,137	4,023	3,102	2,848	2,785	2,452	2,153	1,865	2,062
Tax Deeds issued	12	10	20	53	26	39	18	20	35	16
Certificates of Taxes Due Reports	30,739	37,168	28,711	44,139	33,769	30,410	27,646	33,293	39,247	35,835
County warrants paid	25,083	18,433	17,549	12,750	12,965	13,159	13,213	12,642	13,860	13,036
County Assessor										
Abstracts provided to all taxing entities	258	260	265	265	269	273	275	277	278	289
Telephone calls handled	49,113	32,507	26,962	32,160	34,956	37,872	27,500	31,890	32,190	33,832
Maps produced for the public	700	300	255	110	274	109	174	171	164	175
Appeals heard by the assessor	2,150	9,496	1,892	4,752	887	1,853	775	3,969	562	3,994
Residences inventoried and measured	4,206	2,233	1,521	1,615	1,407	2,164	1,676	1,887	2,113	2,762
Property transfers logged	29,589	29,243	25,780	29,252	34,606	37,219	34,904	40,897	34,654	42,500
District Attorney										
Felony cases prosecuted	4,793	4,401	4,123	3,920	4,344	4,586	4,169	5,567	6,745	7,150
Traffic and misdemeanor cases prosecuted	32,543	29,596	27,980	25,786	23,575	22,705	24,876	25,831	24,637	24,640
Juvenile cases prosecuted	1,875	1,512	1,494	1,166	1,121	1,088	844	989	1,164	1,100
Sheriff's Office Detentions										
Average daily population - Metro & CJC	1,538	1,499	1,360	1,377	1,380	1,485	1,483	1,547	1,627	1,643
Initial inmate classifications	19,220	18,902	18,966	16,379	15,066	20,469	16,408	17,535	17,414	17,009
Total attendance, Inmate programs - CJC	43,981	54,273	59,577	60,786	45,298	31,009	38,416	41,849	43,507	46,665
Number of commitments	23,068	27,280	24,661	21,641	20,658	20,834	22,203	23,472	20,848	19,746
Number of releases	22,982	21,132	24,725	21,814	20,858	20,772	19,547	21,009	20,812	15,914
Number of prisoner transports	23,924	19,620	21,103	31,880	20,361	20,471	22,970	31,534	32,779	30,112
Department of Transportation										
Miles of road graveled	13	39	21	28	16	8	15	11	9	10
Miles of dust control applied	116	36	35	108	100	66	6	78	79	78
Miles of surface treatment applied	30	32	34	32	54	51	76	26	43	25
Drainage crossspans constructed	35	21	19	20	24	24	30	26	27	39
Feet of curb, gutter or sidewalks	35,411	16,305	26,553	18,056	27,000	19,902	25,909	38,251	41,322	26,204
Miles of road paved	23	39	43	27	21	21	15	78	44	24
Paved roads (miles)	995	1,024	1,038	1,043	1,070	1,073	1,081	1,073	1,112	1,127
Gravel roads (miles)	1,067	1,051	1,051	1,049	1,044	1,045	1,049	1,045	1,050	1,051
Self Insurance Fund										
Lawsuits/notice of claims	38	23	9	23	47	76	65	97	68	62
Litigations cost (\$)	100,000	300,890	38,213	36,607	78,533	89,588	102,327	194,832	88,179	118,000
Property claims	41	36	47	53	88	43	52	59	167	97
Cost (\$)	69,000	170,449	98,860	139,352	272,795	89,216	200,712	151,248	138,409	1,011,000
Liability claims	104	106	68	52	39	39	42	38	35	64
Cost (\$)	43,813	83,185	96,678	58,109	376,721	750,157	82,377	333,822	103,661	150,000
Household Hazardous Waste Fund										
Household chemical waste programs	1	1	1	1	1	12	15	18	16	267
Yard waste collection programs/days	57	52	52	51	52	352	351	88	86	84
Black Forest wildfire mitigation mulch programs	88	85	85	85	134	148	134	157	148	150
Economic Development										
Businesses certified (Enterprise Zone)	331	348	287	294	415	231	226	246	224	250
Contributions to Zone projects	1,538	1,548	1,635	2,084	2,192	2,352	2,637	3,003	3,171	3,000
Enterprise Zone Projects	52	49	50	52	47	49	53	60	61	57
Active affordable housing programs/projects	137	139	141	144	145	127	125	123	115	120
Community Development Block Grant projects	-	17	19	14	17	21	15	16	13	15
Human Resources										
Applications processed	13,128	15,218	12,061	13,463	17,174	20,979	22,327	27,195	28,844	28,643
Employee recognition awards	244	262	260	-	-	-	-	-	440	-

Data Source: El Paso County Budget Book and departmental data

Schedule 16
El Paso County
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

Function/Program	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Sheriff										
Patrol units and other vehicles	215	208	198	200	316	344	345	342	336	324
Department of Transportation										
Paved roads (miles)	995	1,024	1,038	1,043	1,070	1,073	1,081	1,112	1,122	1,129
Gravel roads (miles)	1,067	1,051	1,051	1,049	1,044	1,045	1,049	1,050	1,050	1,051
Miles of road graveled	13	39	21	28	16	8	21	7	9	5
Drainage crosspans constructed	35	21	19	20	24	24	30	26	27	45
Feet of curb, gutter or sidewalks	35,411	16,305	26,553	18,056	27,000	37,572	49,852	38,730	41,322	31,885
Parks										
Acres of Regional Parks, Recreation and conservation lands	7,100	7,044	7,044	6,585	6,585	6,585	7,900	7,900	7,900	7,855
Miles of Regional, Park & Nature Trails	85	92	92	101	101	101	102	107	107	122
County Office Sites (landscape maintenance)	8	21	8	9	9	11	11	11	11	19
Facilities										
Number of buildings maintained	126	126	128	132	132	130	130	134	144	132
Square feet total maintained	2,235,781	2,236,000	2,241,501	2,949,191	3,164,503	3,164,384	3,131,918	3,134,227	3,137,589	3,117,410
County Fairgrounds										
Buildings	18	18	18	22	22	22	26	25	26	26
Stadium	1	1	1	1	1	1	1	1	1	1
Lighted outdoor dance floor	1	1	1	1	1	1	1	1	1	1
Outdoor arena	1	1	1	1	1	1	1	1	1	1
Indoor arena	1	1	1	1	1	1	1	1	1	1

Data Source:
El Paso County Financial Capital Assets Records
El Paso County Department of Transportation
El Paso County Parks Department
El Paso County Facilities