

Comprehensive Annual Financial Report
Year Ended December 31, 2019

2019



ARAPAHOE COUNTY
COLORADO'S FIRST

Arapahoe County Colorado

DEPARTMENT OF FINANCE

5334 South Prince Street
Littleton, Colorado 80120-1136
www.arapahoegov.com

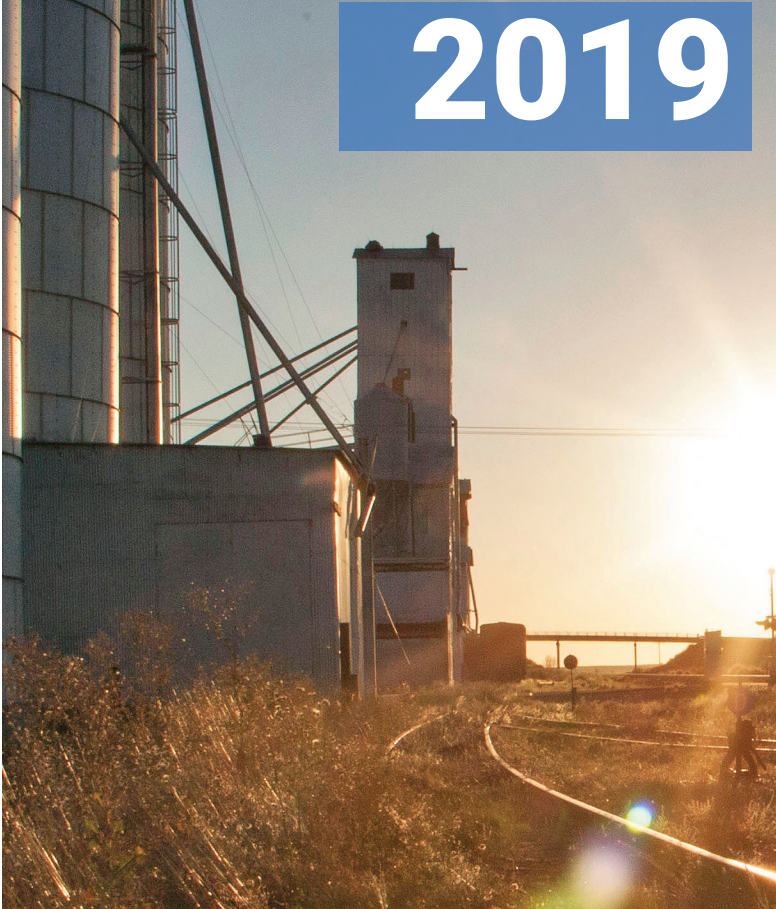
Reasonable Accommodation Policy

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Comprehensive Annual Financial Report
Year Ended December 31, 2019

2019



ARAPAHOE COUNTY
COLORADO'S FIRST

ACKNOWLEDGEMENTS

BOARD OF COUNTY COMMISSIONERS

Kathleen Conti District 1
Nancy N. Sharpe District 2, Chair
Jeff Baker District 3
Nancy Jackson District 4
Bill L. Holen..... District 5, Chair Pro Tem

ELECTED OFFICIALS

PK Kaiser Assessor
Joan Lopez Clerk and Recorder
Dr. Kelly Lear..... Coroner
George Brauchler.....District Attorney
Tyler S. Brown.....Sheriff
Sue Sandstrom..... Treasurer

FINANCE DEPARTMENT

Todd Weaver.....Finance Director
Heather Lin, CPA.....Accounting Manager
Erik Burge, CPA Senior Accountant
Nandu Giri, CPA Accountant III
Loren Kohler Accountant III
Tanya Lepler, CPA.....Accountant III
Kathy Stafford.....Accountant III
Jennifer Bennett Accountant II
Jon Rajewich..... SAP Business Operations Manager
Andrew Barranco SAP Functional Analyst
Mary Lisa Bugel SAP Functional Analyst
Joe Cornejo.....SAP Functional Analyst
Debbie McCarty.....SAP Functional Analyst
Stephen Krusoe Technical Writer
Jennifer Leake SAP Trainer



ARAPAHOE COUNTY, COLORADO COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED DECEMBER 31, 2019

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**ARAPAHOE COUNTY, COLORADO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
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Department of Finance

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June 23, 2020

To the Board of County Commissioners and to the
Citizens of Arapahoe County, Colorado:

Colorado state law requires that every general purpose local government publish a complete set of audited financial statements. This report is published and hereby submitted to fulfill that requirement for the year ended December 31, 2019.

This report includes information on the financial activities of Arapahoe County (hereafter referred to as the County). Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal controls 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. To the best of our knowledge, the enclosed data is accurate in all material respects and is reported in a manner that presents fairly the financial position of the County as a whole and its various funds. All required disclosures necessary to enable the reader to gain an understanding of the County's financial activities have been included.

The County financial statements have been audited by CliftonLarsonAllen LLP, a firm of licensed Certified Public Accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the County present fairly, in all material respects, the financial position of the County. The independent auditors have issued an unmodified ("clean") opinion on the County's financial statements for the year ended December 31, 2019. The independent auditors' report is presented as the first component 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. MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of Arapahoe County

Arapahoe County, incorporated in 1902, is located in the north central part of the State. The County is located in the southeastern portion of the Denver metropolitan area and covers approximately 850 square miles. Arapahoe County, with the county seat located in the City of Littleton, is the third largest county in the State of Colorado with a population of about 650,000. A majority of residents live in the urbanized western part of the County, while other residents live in the rural, rolling farmlands to the east. The County contains all or part of the following cities and towns: Aurora, Bennett, Bow-Mar, Centennial, Cherry Hills Village, Columbine Valley, Deer Trail, Englewood, Foxfield, Glendale, Greenwood Village, Littleton and Sheridan. There are also nine school districts and approximately 420 local improvement and service districts within the County.

MISSION

Enhancing your quality of life through exceptional delivery of services and efficient use of public funds.

Comprehensive Annual Finance Report (CAFR) Transmittal

A five-member Board of County Commissioners (BOCC) serves as the legislative, policy-making and administrative body governing the unincorporated area of the County. The Commissioners serve four year terms and are considered full time employees. The County does not have a County Manager or Administrator. The Commissioners are elected from individual districts within the County. The Board currently includes:

Kathleen Conti	District 1
Nancy N. Sharpe, Chair	District 2
Jeff Baker	District 3
Nancy Jackson	District 4
Bill L. Holen, Chair Pro Tem.....	District 5

Departments overseen by the Board of County Commissioners include: BOCC Administration, Communication Services, Community Resources, County Attorney, Facilities and Fleet Management, Finance, Human Resources, Human Services, Information Technology, Public Works and Development, Department of Strategy and Performance, and Open Spaces.

In addition to the BOCC there are six elected officials that serve the County in specific areas. These positions are independent of the BOCC in their duties. The BOCC does have budgetary oversight for these departments.

PK Kaiser	Assessor
Sue Sandstrom	Treasurer
Dr. Kelly Lear	Coroner
Joan Lopez	Clerk and Recorder
George Brauchler	District Attorney
Tyler S. Brown	Sheriff

The Public Trustee is appointed by the Governor and is responsible for processing transactions related to real property located within the County including the release of deeds and the processing of foreclosures. This office is a fiscally separate and independent agency.

Budget Process

The budget helps to ensure that the County's financial strength and integrity continue to be maintained and enhanced. The budget also supports continuous customer service efforts to foster efficiency, cost effectiveness, and excellence in the provision of services to the Citizens of Arapahoe County.

The County constructs its budget on a calendar year as required by Part 1 of Article 1 of Title 29 of the Colorado Revised Statutes, which governs the budget process of Colorado counties. On or before August 15th, elected officials and department directors submit revenue estimates and expenditure requests to the Budget Division of the Finance Department. On or before August 25 of each year, the County Assessor submits the current total assessed valuations for all taxing entities in the County and the factors needed to compute the statutory property tax revenue limits. Based on this information and following a review process, the Budget Division submits a recommended structurally balanced budget to the Board of County Commissioners through the Executive Budget Committee on or before October 15. The Executive Budget Committee is composed of selected representatives from the elected officials and department directors who review preliminary budget issues and requests and present their recommendations to the Board of County Commissioners. The County currently prepares budgets on an annual basis.

Comprehensive Annual Finance Report (CAFR) Transmittal

All mill levies must be certified by the BOCC on or before December 22nd of each year. Prior to the beginning of the next fiscal year, the BOCC enacts a budget adoption resolution and an appropriating resolution to approve the total budget and departmental expenditures. The BOCC may make no contract and no liability against the County can be created by any County officials unless an appropriation has been made.

In addition, neither the BOCC nor any County official can expend money for any of the purposes set out in the appropriation resolution in excess of the amount appropriated. In the case of an emergency or a contingency that was not reasonably foreseeable, the BOCC may authorize the expenditure of funds in excess of the budget by a resolution adopted by a majority vote.

Local Economy

Arapahoe County is located in the southeast portion of a major metropolitan area. Its economy is greatly influenced by the economy of the state and the entire Denver metro area. The local economy does generally follow national economic trends. The County has a diversified economic base with numerous city and other local governments, a large general aviation airport, a large military base, many schools, shopping centers, health care facilities and high tech businesses contributing to the activity. Growth in residential and commercial construction, the real estate market, employment, consumer spending, and inflation all play a role in the local economy.

At the end of 2019, growth in the Colorado economy continued at a rate that was on par with national trends and the housing and labor markets were strong. Over the past few years, Colorado's strong labor market and desirable quality of life has driven population growth, increases in wages and consumer spending and is reflected in a very active real estate market with increasing home prices and construction. The national and Colorado economy have taken a significant downward turn early in 2020 due to the dramatic impacts of the COVID-19 pandemic. The labor market has been completely up ended from historically low to historically high unemployment rates as stay-at-home orders and mandated business closures have resulted in a significant downturn in spending and business activity.

The most recent economic forecasts are from the period just as the pandemic was beginning to take hold. It is not clear whether this economic downturn will lead to a prolonged recession or if economic activity and employment will rebound quickly following the pandemic response. The County should not be significantly impacted in the short term by the economic impact as it is primarily funded through relatively stable property tax revenue. Consumer spending is likely to be impacted significantly in the short term but the long term impact on other areas of revenue such as those related to automobile or home purchases is not clear at this point but could be impacted in the coming year or two. The Federal government is providing a large amount of aid and stimulus to individuals, businesses, and local and state governments to assist in dealing with the effects of the pandemic.

Long-term Financial Planning

The County currently projects revenues, expenditures and available fund balances for 5-year periods to help determine its financial position and plan for the future. It is the County's intent each year to structurally balance the General Fund operating budget, meaning that budgeted ongoing expenditures do not exceed budgeted ongoing revenues. The available fund balance at the end of one year (in excess of policy reserves) can then be used to budget for capital projects and other one-time uses in the following year.

The Executive Budget Committee (EBC), after a thorough review of the County's financial position, has set the following priorities when planning for the future.

- Maintaining a structurally balanced General Fund operating budget
- Maintaining the Total Compensation philosophy in order to recognize and retain a quality workforce
- Limiting the growth in operating expenditures, preserving fund balance, and funding requirements and mandated services
- Continuing focused investments in the justice system, public safety, and transportation capital improvements

Comprehensive Annual Finance Report (CAFR) Transmittal

In planning for 2020, the General Fund budget is structurally balanced with a \$491,532 operating surplus but also includes a reduction in fund balance of \$8.9 million. This represents a planned use of fund balance for one-time uses such as equipment and professional services, costs related to the 2020 elections, as well as a transfer \$5.5 million to the Capital Expenditure Fund for capital projects. This structural balance was the result of measures implemented by the Executive Budget Committee and the Board of County Commissioners with the cooperation of all County departments and elected offices. The 2020 adopted budget funded a 3.3% performance-based salary increase pool for employees which is consistent with the increase funded in 2019. This year's merit increase was also accompanied by a market adjustments to keep County salaries and salary structure on par with comparative data with similar local organizations while still adhering to the County's commitment to a structurally balanced budget but was only funded to employees impacted by the movement at the bottom of the salary range.

For the 2020 budget, the Executive Budget Committee reviewed trends in revenues and expenditures, considered the addition of the total compensation recommendations, and determined that with the current revenue projection there could be additions to the operating budget but such additions would need to be limited in order to structurally balance the budget in future budget years as well. The Executive Budget Committee started with a baseline budget and after careful analysis recommended only those budget packages that the Committee felt were significant enough to be included in the upcoming budget.

The County has budgeted \$10.3 million in capital improvements for 2020 which includes continued work on the Iliiff Avenue Corridor Improvements (\$2.96 million), the Quincy/Gun Club Interchange project (\$1.4 million), the construction of additional courtroom space at the Courthouse II facility (\$1.8 million), elevator upgrades at Courthouse I (\$700,000), and other facility projects (\$1.0 million), other road/streets/drainage projects (\$1.1 million), Sheriff/Public Safety Projects (\$1.2 million), and Technology/Communication Projects (\$150,000).

Preparing for the Future

Property tax is the largest source of revenue to the County, comprising 45% of overall County revenues. Per State regulations, property assessments are conducted only every other year with the impact on property tax collections occurring only in even-numbered years. In intervening years such as 2020, growth in property tax collections is limited to new construction and other additions and subtractions and does not take into account changes in property values. Additionally, the County continues to be restricted by most provisions of the Taxpayers Bill Of Rights (TABOR), an amendment to Article X of the Colorado Constitution that limits the County's property tax revenue growth rate to the sum of the estimated inflation for the Denver metro area for that budget year plus the growth of new construction in the prior calendar year. The major impact of TABOR is that the County may not be able to retain all the property tax revenue it could collect.

Due to this growth restriction, the County's property tax revenue growth from 2019 to 2020 is limited to 3.25 percent, which is the sum of the estimated inflation of 2.00 percent and new construction growth ("local growth") of 1.25 percent in the 2019 assessment. A resulting temporary tax credit of 4.220 mills will be provided to taxpayers to adjust for the portion of the 15.821 base mill levy that cannot be collected under the provisions of TABOR. The County is permitted to extend a levy to recover property taxes refunded and abated in prior years to adjust for errors in property assessments and in 2020, this levy is 0.084 mills for about \$1.0 million, and is included in the County's total levy. The 2020 adopted budget factors in the increase in assessed value and the current projections for inflation and as a result, the County's property tax revenue is projected to increase from \$137.1 million in 2019 to \$140.1 million. The total levy for the County will be set at 11.685 mills, down from 13.301 mills as the temporary tax credit increases from 2.604 mills to 4.220 mills to remain within the TABOR revenue limitations and below the maximum levy of 15.821 mills.

The County continues to make more effective use of its revenues through its Align Arapahoe strategic and performance management program, business process improvement efforts, stricter budgeting practices, technological advances, cost-sharing partnerships and creative service delivery methods. But the success of all these measures has also meant less and less unspent funds are available at the end of each year, funds which have traditionally been used to fund subsequent years' Capital Improvement Projects and other

Comprehensive Annual Finance Report (CAFR) Transmittal

one-time operational needs.

A continuing question is whether the current trend in limited property tax growth will be sufficient to consistently fund ongoing operations and capital needs and meet the growing service needs of a growing constituency. Foremost among the capital needs is the County's aging infrastructure both facilities and transportation infrastructure. Over the past two years, the County has had discussions internally as well as with external groups to analyze the County's financial condition, long-term budget challenges and present potential solutions. During 2019, the County proposed a ballot initiative to raise additional revenue to reconstruct and modernize the County's aging detention facility. This ballot initiative did not pass during the November 2019 election however the County will continue to analyze the challenges and options and work on how to move forward in implementing solutions to these issues.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Arapahoe County Government for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2018. The Certificate of Achievement is a prestigious national award-recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized CAFR, the contents of which conform to program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. Arapahoe County has received a Certificate of Achievement for the last 32 consecutive years (fiscal years ended 1987 – 2018). We believe our current report continues to conform to the Certificate of Achievement program requirements and we are submitting it to the GFOA.

I would like to express my appreciation to the Accounting Manager, Heather Lin, and the department accountants and analysts: Jennifer Bennett, Erik Burge, Tanya Lepler, Loren Kohler, Nandu Giri and Kathy Stafford, who contributed greatly to the audit and the preparation of the CAFR. Their professionalism, dedication, and efficiency made the preparation of this report possible. Jon Rajewich, Mary Lisa Bugel, Debbie McCarty, Andrew Barranco, Joe Cornejo, Stephen Krusoe and Jennifer Leake also deserve recognition for their outstanding work in managing the County's financial system (SAP). I would also like to thank each of the Department Directors, Elected Officials and their staff for their cooperation allowing our staff to successfully account for, monitor and report on the financial activity of Arapahoe County.

Finally, I wish to thank the Board of County Commissioners for their leadership and support, without which the preparation of this report and the continued success of the Finance Department would not be possible.

Respectfully,



Todd Weaver
Director of Finance
Arapahoe County, Colorado



Government Finance Officers Association

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

Presented to

**Arapahoe County
Colorado**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2018

Christopher P. Morill

Executive Director/CEO

ARAPAHOE COUNTY, COLORADO

LIST OF PRINCIPAL OFFICERS

Board of County Commissioners (BOCC)

Kathleen Conti..... District 1
Nancy N. Sharpe..... District 2, Chair
Jeff Baker..... District 3
Nancy Jackson..... District 4
Bill L. Holen..... District 5, Chair Pro Tem

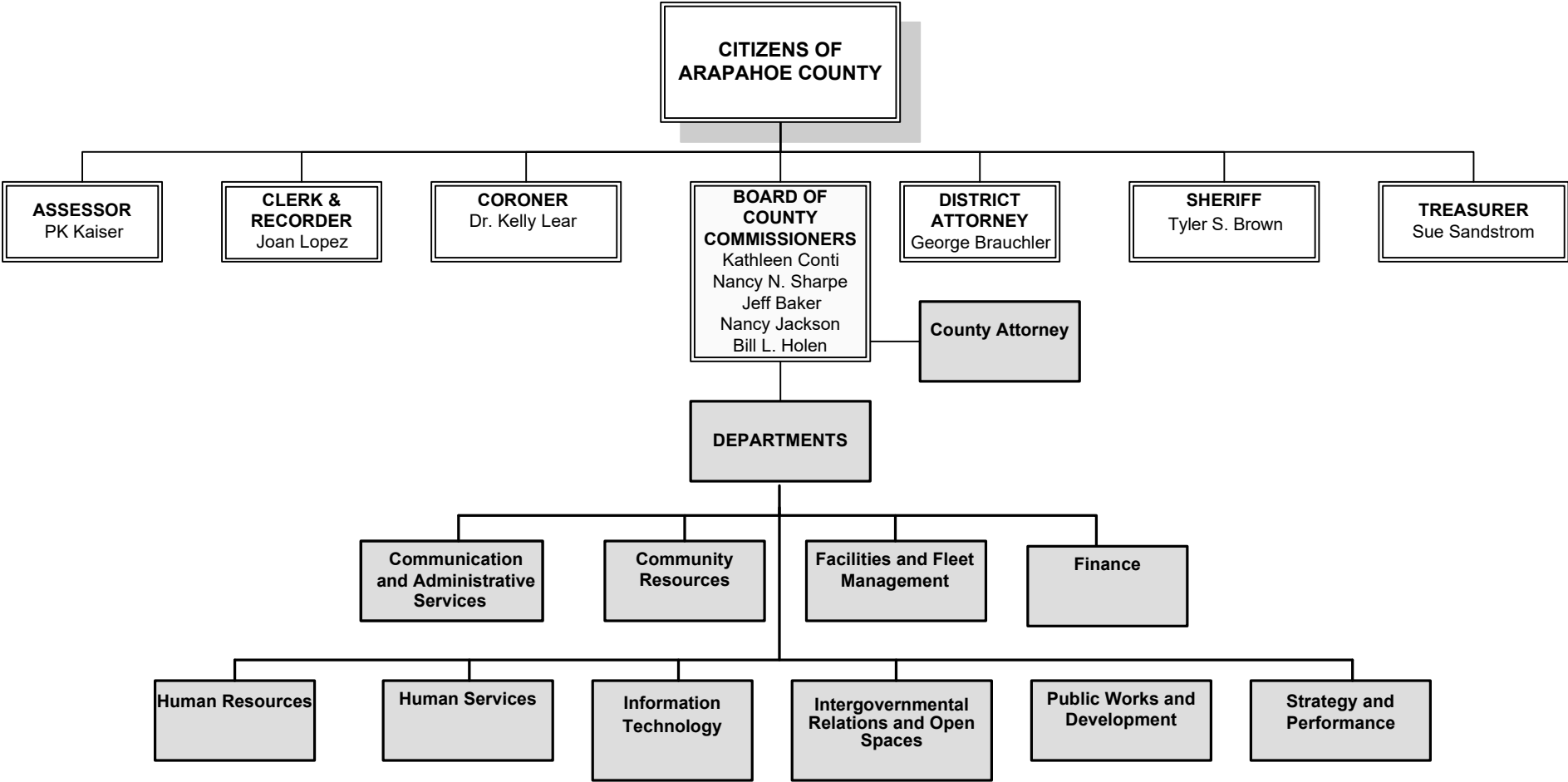
Elected Officials Other Than BOCC

PK Kaiser..... Assessor
Joan Lopez..... Clerk and Recorder
Dr. Kelly Lear..... Coroner
George Brauchler..... District Attorney
Tyler S. Brown..... Sheriff
Sue Sandstrom..... Treasurer

Department Directors

Michelle Halstead..... Communication Services
Don Klemme..... Community Resources
Ron Carl..... County Attorney
Dick Hawes..... Facilities and Fleet Management
Todd Weaver..... Finance
Patrick Hernandez..... Human Resources
Cheryl Ternes..... Human Services
David Bessen..... Information Technology
Shannon Carter..... Intergovernmental Relations and Open Spaces
Bryan Weimer..... Public Works & Development
Manisha Singh..... Strategy and Performance

ARAPAHOE COUNTY GOVERNMENT ORGANIZATIONAL CHART





INDEPENDENT AUDITORS' REPORT

Board of County Commissioners
Arapahoe County, Colorado

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of Arapahoe County, Colorado, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the entity'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 Arapahoe County Public Airport Authority or Arapahoe County Water and Wastewater Authority, both of which are 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 Arapahoe County Public Airport Authority and Arapahoe County Water and Wastewater Authority, is based solely on the reports of the other auditors. We 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the Arapahoe County Water and Wastewater, a discretely presented component unit, was not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Arapahoe County, Colorado as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparisons for the General Fund, the Social Services Fund, and the Open Spaces Sales Tax Fund 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 B-4 - B-18 and required supplementary information on pages C-65 and C-66 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the 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 Arapahoe County, Colorado's basic financial statements. The Combining and Individual Financial Statements and Schedules, the Statements of Component Unit without Separately Presented Financial Statements, and Other Supplementary Information, as listed in the table of contents, (collectively, the Supplementary Information) are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), is also presented for purposes of additional analysis and is not a required part of the basic financial statements.

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

The introductory section and statistical section listed in the table of contents 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 23, 2020, on our consideration of Arapahoe County, Colorado's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the result of that testing, and not to provide an opinion on the effectiveness of 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 Arapahoe County, Colorado's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

CliftonLarsonAllen LLP

Greenwood Village, Colorado
June 23, 2020

MANAGEMENT'S DISCUSSION AND ANALYSIS

ARAPAHOE COUNTY, COLORADO

December 31, 2019

In this Management's Discussion and Analysis (MD&A) section of the Comprehensive Annual Financial Report (CAFR), we provide readers with a narrative overview and analysis of the financial activities of Arapahoe County, Colorado (the County) for the fiscal year ended December 31, 2019. When analyzing financial activities of the current fiscal year, it is useful to compare current fiscal year information with comparable information of the previous fiscal year. This discussion and analysis is also intended to serve as an introduction to the County's basic financial statements. We encourage readers to consider the information presented here in conjunction with the information presented in the letter of transmittal and basic financial statements to enhance their understanding of the County's financial activity and performance.

FINANCIAL HIGHLIGHTS

- The County's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$672,415,561 (net position). Of this amount, \$730,898,495 relates to capital assets or is restricted in how it may be used. The unrestricted portion is (\$58,482,934). This balance is negative due to the reporting of the net pension liability. See Note 14 – Retirement Plan on page C-52 for more information.
- Total Net Position decreased by \$25.2 million during fiscal year 2019.
- Total Net Pension Liability increased by \$157.4 million during fiscal year 2019.
- At the end of the current fiscal year, the County's governmental funds reported combined fund balance of \$186.5 million, an increase of \$16.0 million from 2018.

OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

The Basic Financial Statements are comprised of three components: government-wide financial statements, fund financial statements, and notes to the financial statements. In addition to the basic financial statements, this annual report also contains required supplementary information, other supplementary schedules and information, a statistical section, and a compliance section.

Government-Wide Financial Statements

The government-wide financial statements provide readers with a long-term and broad overview of the County's finances as a whole in a manner similar to a private sector business. The government-wide financial statements use an economic resource measurement focus and the full accrual basis of accounting to present this overview in the Statement of Net Position and the Statement of Activities. Therefore, certain expenditures that are recorded in the governmental fund financial statements are either deferred or capitalized with amortization or depreciation in the government-wide financial statements. Long-term liabilities, deferred inflows of resources, revenues and related assets and deferred outflows of resources not reported in fund financial statements are recorded in the government-wide financial statements independent of the cash flows related to these items. Fiduciary fund assets held by the County for other parties either as trustee or as agent are not included in the government-wide financial statements because they cannot be used to finance the County's own operating programs.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
ARAPAHOE COUNTY, COLORADO
December 31, 2019

The Statement of Net Position presents the financial condition of the County as a whole at the end of the fiscal year by presenting information on all of the County's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. The difference between these components is reported as net position. Over time, increases or decreases in net position serve as a useful indicator of whether the County's financial condition is improving or deteriorating. If the County's net position has increased, the financial condition of the County has improved. If the County's net position has decreased, the financial condition of the County has deteriorated. The Statement of Activities shows why the financial condition of the County as a whole has changed since the beginning of the fiscal year by presenting information showing how the government's net position has changed during the fiscal year. In the Statement of Activities, all changes in net position are reported as soon as the underlying economic event giving rise to the change occurs, regardless of the timing of related cash flows.

The government-wide financial statements include not only the County, the general-purpose government, but also legally separate and special purpose governmental entities, for which the County is financially accountable and with which the County has a significant relationship. These legally separate and special purpose governmental entities are known as component units.

Component units are reported in the financial statements as either blended or discretely presented component units. The financial activity of blended component units can be objectively viewed as an extension of the general-purpose government because their governing bodies are substantively the same and there is a financial benefit or burden relationship between the primary government and the component unit. Additional criteria for blending include whether or not the component unit provides services entirely or almost entirely to the primary government or otherwise exclusively or almost exclusively benefits the primary government even though it does not provide services directly to it. When the component unit's financial activities are blended into the County's financial statements, the activities are presented as if they were executed by the general local government. The balances of the blended component unit's financial statements are merged with the similar balances of the general-purpose local government in a manner that prevents the balances of the blended component unit and the local primary government from being separately identified. The merged financial statements of the general-purpose government and the blended component units are identified in the government-wide financial statements as the primary government. The following component units have been blended into the County's primary government in the government-wide financial statements:

- Arapahoe County Building Finance Corporation
- Arapahoe County Law Enforcement Authority
- Arapahoe County Housing Authority
- Arapahoe County Recreation District
- Arapahoe County Water and Wastewater Public Improvement District
- Arapahoe County Retirement Trust Fund

The financial information for component units that should not be blended into the financial statements of the primary government are presented separately from the financial information presented for the primary government as discrete component units of the County in the government-wide financial statements. The following component units have been presented as discrete component units in the County's government-wide financial statements:

- E-911 Authority
- Arapahoe County Airport Authority
- Arapahoe County Water and Wastewater Authority

Complete financial statements of the individual component units can be obtained from their respective administrative offices. Addresses and other additional information about the County's component units are presented in Note 1 – Summary of Significant Accounting Policies on page C-21.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
ARAPAHOE COUNTY, COLORADO
December 31, 2019

On the Statement of Net Position, columns are used to separate the financial information of the primary government and the discretely presented component units. On the Statement of Activities, both columns and rows are used to separate the financial information of the primary government and the discretely presented component units.

The government-wide financial statements can be found on pages C-1 to C-3 of this annual report.

Fund Financial Statements

A fund is a fiscal and accounting entity with a self-balancing set of accounts used to record financial resources with related liabilities and residual equities segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related regulations, requirements, restrictions, or limitations.

All funds of the County can be divided into three categories:

- Governmental Funds
- Proprietary Funds
- Fiduciary Funds

Governmental Funds – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, because the measurement focus of governmental fund financial statements is on near-term inflows and outflows of current financial resources, as well as on balances of current financial resources available at the end of the fiscal year, these financial statements provide information about the ability of the fund to finance current activities and operate within the planned appropriations and budgets. Such information may be useful in evaluating a government's ability to meet its near-term financing and appropriation related requirements.

All current financial resources contained in a governmental fund, other than the General Fund, are available only for carrying on the specific activities or attaining the certain objectives in accordance with special regulations, restrictions or limitations related to the purpose for which these funds were created. Therefore, all of the current financial resources contained in these governmental funds are considered to be assigned to the purpose for which the fund was created. The General Fund is used to account for all governmental fund activities that are not specifically accounted for in the other governmental funds. Therefore, the General Fund is one of the governmental funds that contain positive unassigned funds in addition to assigned funds in its fund balance.

Current financial resources, the measurement focus of the governmental fund financial statements, are cash and near-cash assets reduced by short-term debt (spendable/appropriable resources) that are available during the fiscal year and 60 days after the end of the fiscal year. These funds financially support the purpose of carrying on specific activities or attaining certain objectives in the current fiscal year in accordance with the special regulations, restrictions or limitations that define the fund.

Governmental fund accounting uses the modified accrual basis of accounting. This basis of accounting records and reports the inflows and outflows of current financial resources (spendable/appropriable resources) under the special regulations, restrictions or limitations that define the fund. By focusing on current financial resources, modified accrual accounting provides additional information related to the regulations, restrictions or limitations that define the fund and emphasizes the need for short-term financing and the generation of spendable resources.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
ARAPAHOE COUNTY, COLORADO
December 31, 2019

Because the focus of fund financial statements is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds in fund financial statements with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. A reconciliation of the total Governmental Fund Balances in the fund financial statements balance sheets to the Net Position of Governmental Activities in the government-wide financial statements is provided following the Balance Sheet of Government Funds in the fund financial statements. A reconciliation of the Net Change in Fund Balances — Total Governmental Funds in the fund financial statements to the Change in Net Position of governmental activities in the government-wide financial statements is provided following the Statement of Revenues, Expenditures and Changes in Fund Balances in the fund financial statements. These reconciliations provide explanations of differences between these balances and facilitate an understanding of the differences between the measurement focuses and basis of accounting used for preparing the fund financial statements and the government-wide financial statements.

In this annual report, the County reports on twenty-four individual governmental funds. Information is presented separately in the fund financial statements for the General Fund, Social Services Fund, and Open Spaces Sales Tax Fund, all of which are considered major funds. Individual fund balance sheets for these major funds are presented in the Balance Sheet Governmental Funds and individual fund income statements in the Statement of Revenues, Expenditures and Changes in Fund Balance. The remaining twenty-one governmental funds are combined into a single, aggregated presentation as Other Governmental in the fund financial statements in the Basic Financial Statements section of this annual report.

The basic governmental fund financial statements can be found on pages C-4 to C-14 of this annual report. Financial information related to the individual non-major funds is provided on pages D-1 to D-44 and D-62 to D-63 in the Combining and Individual Fund Financial Statements and Schedules Section of this annual report.

Proprietary Funds – The fund financial statements contain two types of proprietary funds: enterprise funds and internal service funds. Enterprise funds may be used to report any activity for which a fee is charged to external users for goods or services. The County does not have any enterprise funds.

Internal service funds are used to report any activity that provides goods and services to other funds of the primary government or component units on a cost reimbursement basis. The County uses five internal service funds to account for the following activities: the accumulation and allocation of equipment and materials costs, employee benefits, and self-insurance activities. The measurement focus for internal service funds is economic resources and the basis of accounting used is full accrual accounting. The revenue and expenses of the internal service funds have been eliminated in the government-wide Statement of Activities. The balance sheets of the internal service funds have been merged in the government-wide Statement of Net Position.

The five internal service funds are combined into a single, aggregated presentation as Governmental Activities – Internal Service Funds in the fund financial statements in the Basic Financial Statements section. These statements can be found on pages C-15 to C-17 of this annual report. Financial information related to the individual internal service funds is provided on pages D-45 to D-52 in the Combining Financial Statements and Schedules section of this annual report.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not included in the government-wide financial statements because the resources of these funds are not available to support the County's programs or operations. The County uses four fiduciary funds: one trust fund and three agency funds.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
ARAPAHOE COUNTY, COLORADO
December 31, 2019

The activity of the Arapahoe County Retirement Trust is presented in the Basic Financial Statements section of this annual report.

The total amount of the three agency funds is combined into a single, aggregated presentation as Agency Funds – Total in the fund financial statements in the Basic Financial Statements section of this annual report. The Agency Funds – Total presentation does not include a statement presenting the activities that change the agency funds net position as part of the Basic Financial Statements. The basis of accounting for the agency funds is full accrual accounting. Financial information related to the individual agency funds is provided on pages D-53 and D-54 in the Combining Financial Statements and Schedules section of this annual report.

A Statement of Fiduciary Net Position is presented in the fund financial statements for both the Arapahoe County Retirement Trust and the Agency Funds. A Statement of Changes in Fiduciary Net Position is presented for only the Arapahoe County Retirement Trust in the fund financial statements. The fiduciary fund financial statements can be found on pages C-18 and C-19 of this annual report.

Notes to the Financial Statements

The notes to the Basic Financial Statements provide a more detailed explanation of some of the information contained in the financial statements, which is essential to gaining a better understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages C-21 through C-63 of this annual report.

Budgetary Comparisons

The County adopts an annual appropriation budget for all of its governmental funds. A budgetary comparison statement has been provided for the General Fund and all major special revenue funds on pages C-12 to C-14 of this annual report. Budget-to-actual comparisons for each of the remaining governmental funds are provided on pages D-24 to D-44 and D-62 to D-63 in the Combining Financial Statements and Schedules and Other Supplementary Information Sections of this annual report.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
ARAPAHOE COUNTY, COLORADO
December 31, 2019

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Comparative Summary of Net Position

The following table provides a condensed comparative presentation of the County's government-wide Statement of Net Position for the primary government for 2019 and 2018:

	Governmental Activities	
	2019	2018
Assets		
Current and other assets	\$ 421,276,614	\$ 394,098,378
Capital assets	823,801,121	829,335,628
Total assets	1,245,077,735	1,223,434,006
Deferred outflows of resources	157,477,832	45,623,124
Liabilities		
Current and other liabilities	38,703,239	35,183,282
Long-term liabilities	514,021,441	361,746,968
Total liabilities	552,724,680	396,930,250
Deferred inflows of resources	177,415,326	174,461,965
Net position		
Net investment in capital assets	665,383,529	662,881,767
Restricted	65,514,966	65,523,120
Unrestricted	(58,482,934)	(30,739,972)
Net position	\$ 672,415,561	\$ 697,664,915

Analysis of Government-Wide Financial Position

As of December 31, 2019, the County's primary government assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$672.4 million. This is a decrease of \$25.2 million over the net position at December 31, 2018 of \$697.7 million.

The County's net investment in capital assets, \$665.4 million (99.0% of net position) in 2019 and \$662.9 million (95.0% of net position) in 2018, is the largest portion of the County's primary government net position. Capital assets include land, land improvements, bridges, water and sewer lines, roads, buildings, building improvements, leasehold improvements, vehicles, furniture and equipment. These capital assets are used to provide services or utilities to citizens. Consequently, they are not available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

An additional \$65.5 million (9.7% of net position) in 2019 and \$65.5 million (9.4% of net position) in 2018 represents restricted net position, resources that are subject to external restrictions on how they may be used. Included in this category are statutory reserves required by the State of Colorado, debt service reserves, and accumulated revenues that may only be used for specific voter-approved projects.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
ARAPAHOE COUNTY, COLORADO
December 31, 2019

The remainder of the County's primary government net position, (\$58.5 million) (8.7% of net position) in 2019 and (\$30.7 million) (4.4% of net position) in 2018 represents unrestricted net position that could otherwise be used to meet ongoing obligations to citizens and creditors when positive. The negative balance of unrestricted net position at the end of 2019 decreased by \$27.7 million (90.3%) from the balance at the end of 2018 due primarily to the increase in the net pension liability from the failure to meet the cross-over test as required by GASB Statement 67, *Financial Reporting for Pension Plans* (see further discussion below).

Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until that future period. In 2019, the County has two items that qualify for reporting in this category. The first results from the loss on refunding on bonds reported in the government-wide Statement of Net Position. This amount, \$0.8 million, resulted from the difference in the carrying value of refunded debt and the reacquisition price of the refunding debt. The second is pension outflows totaling \$156.7 million, which is comprised of \$11.7 million of contributions made subsequent to measurement date, \$103.0 million in changes in assumptions, \$10.2 million in differences between expected and actual experience, and \$31.8 million in the difference between projected and actual earnings.

Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. The County has two items that qualify for reporting in this category during 2019. The first is property tax revenue, \$167.2 million, which is deferred in the year the taxes are levied, 2019, and measurable and recognized as an inflow of resources in the period they are collected, 2020. The second is pension inflows totaling \$10.2 million, which is comprised of \$1.0 million of differences between expected and actual experience and \$9.2 million of differences between projected and actual earnings.

Governmental activities saw an overall increase of \$21.6 million in total assets. This includes an increase of \$6.5 million in property tax receivable as property values increased and an increase of \$27.2 million in current assets, due mainly to increased cash and investments from increasing interest rates during 2019. These increases were offset by a decrease in net capital assets of \$5.5 million, mainly from depreciation.

Liabilities had an overall increase of \$155.8 million compared to the prior year. This was due primarily to an increase of \$157.4 million in the net pension liability from the failure to meet the cross-over test. The Arapahoe County Retirement Plan's fiduciary net position and future contributions were sufficient to finance all benefit payments through the year 2050. As a result, the single discount rate of 5.60% was used, which is a blend of the expected rate of return of 7.25% for all benefit payments through 2050 and the municipal bond rate of 3.71% for all benefit payments after that date. This change to the blended discount rate of 5.60% (as compared to 7.25% in 2018) was the main reason the net pension liability increased from \$177,086,030 for 2018 to \$334,464,400 for 2019 (see Note 14 – Retirement Plan).

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
ARAPAHOE COUNTY, COLORADO
December 31, 2019

Condensed Statement of Activities

The following table provides a condensed comparative presentation of the County's government-wide Statement of Activities for the primary government for 2019 and 2018:

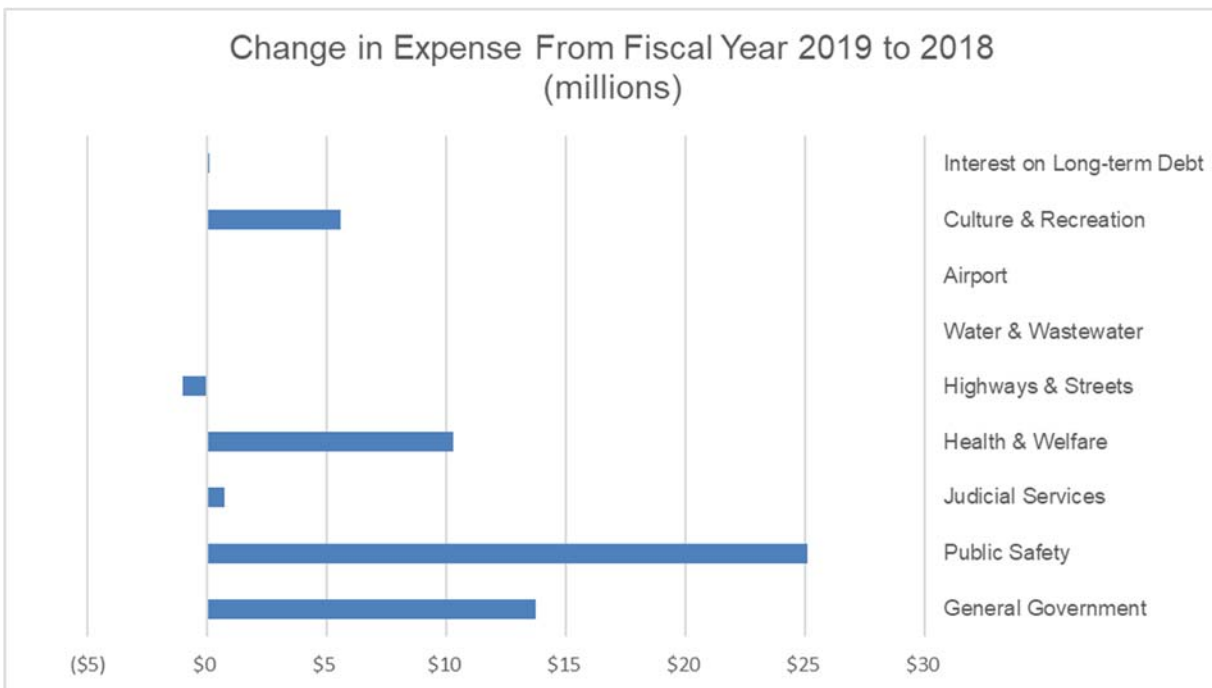
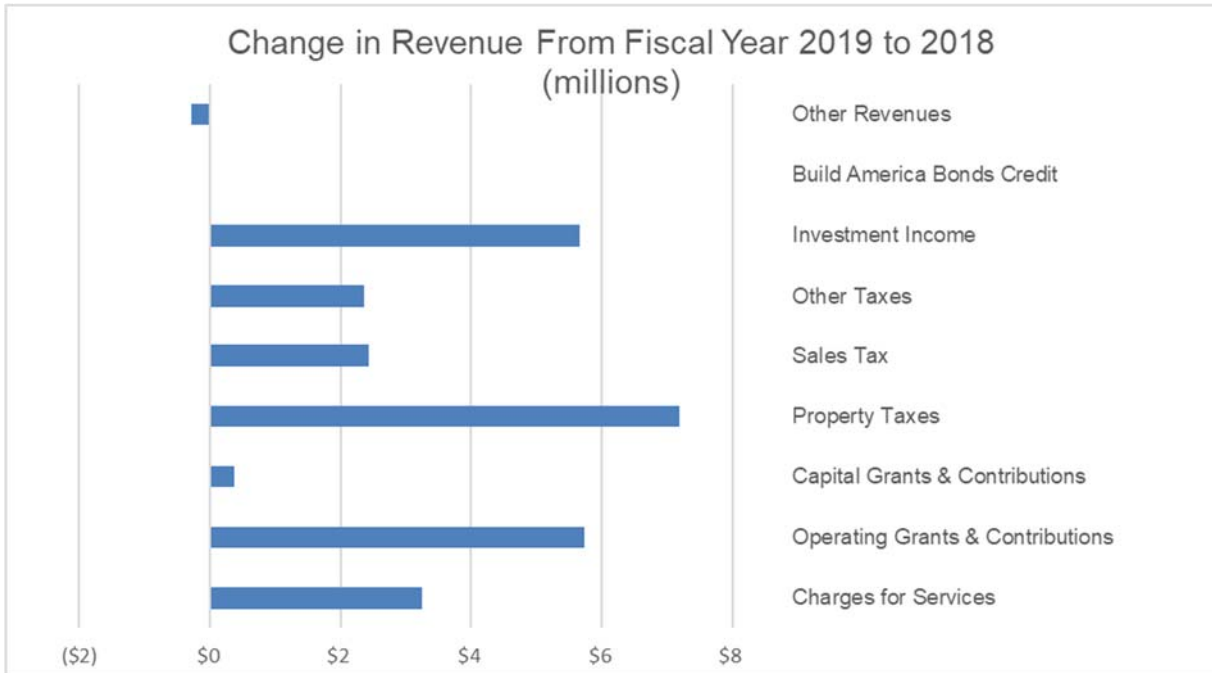
	Governmental Activities	
	2019	2018
Revenues		
Program revenues		
Charges for services	\$ 67,072,529	\$ 63,826,149
Operating grants and contributions	91,981,452	86,243,631
Capital grants and contributions	3,331,492	2,966,142
General revenues		
Property taxes	164,054,460	156,874,600
Sales tax	30,334,481	27,911,710
Other taxes	13,170,907	10,811,204
Investment income	10,372,294	4,704,611
Build America Bonds credit	1,088,299	1,084,245
Other revenues	5,577,133	5,854,285
Total revenues	<u>386,983,047</u>	<u>360,276,577</u>
Expenses		
General government	83,051,860	69,320,281
Public safety	124,944,437	99,859,375
Judicial services	15,888,842	15,143,028
Health & welfare	116,509,490	106,223,692
Highways & streets	27,870,648	28,882,804
Water & wastewater	3,562,136	3,559,558
Airport	-	-
Culture and recreation	33,265,464	27,661,147
Interest on long-term debt	7,139,524	7,045,569
Total expenses	<u>412,232,401</u>	<u>357,695,454</u>
Change in net position	(25,249,354)	2,581,123
Net position - January 1	697,664,915	695,083,792
Net position - December 31	<u>\$ 672,415,561</u>	<u>\$ 697,664,915</u>

Analysis of Government-Wide Results of Operations

Government-wide expenses for the County were greater than revenues by \$25.2 million during fiscal year 2019, while government-wide revenues for fiscal year 2018 were greater than expenses by \$2.6 million. Revenues in the government-wide Statement of Activities for 2019 increased \$26.7 million (7.4%) from revenues for 2018. In program revenues, operating grants and contributions increased \$5.7 million mainly due to an increase in local monies for highways and streets. In general revenues, property taxes increased \$7.2 million as a continued result of higher assessed valuations.

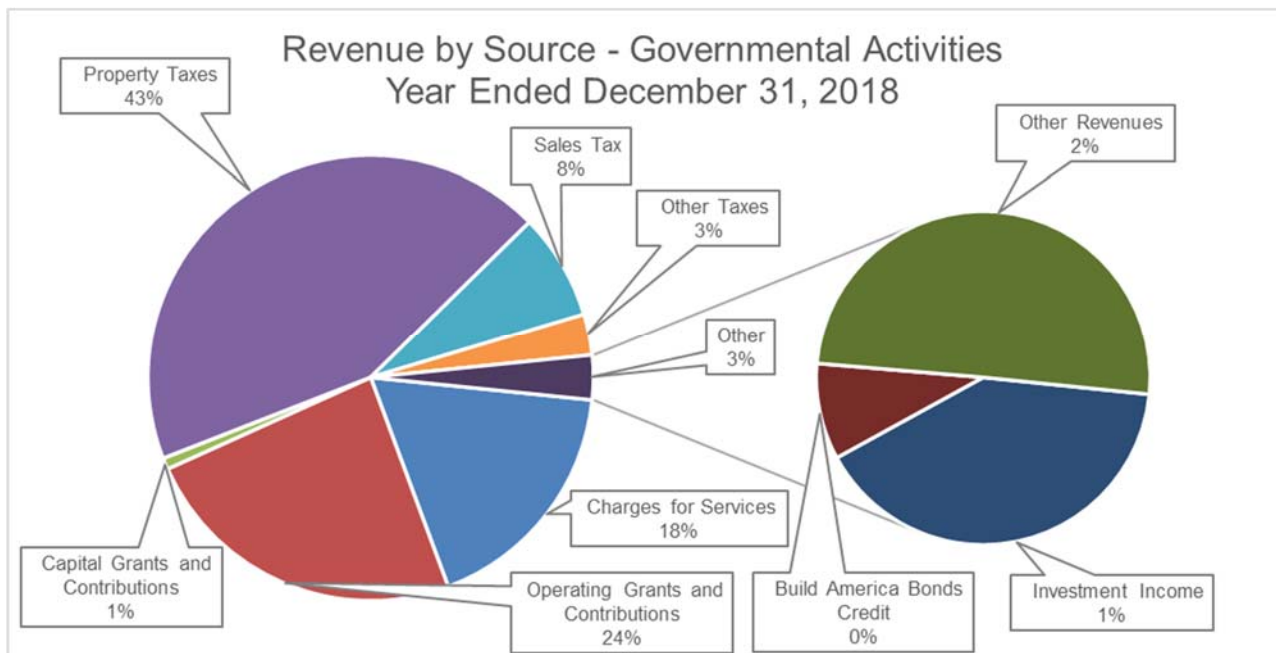
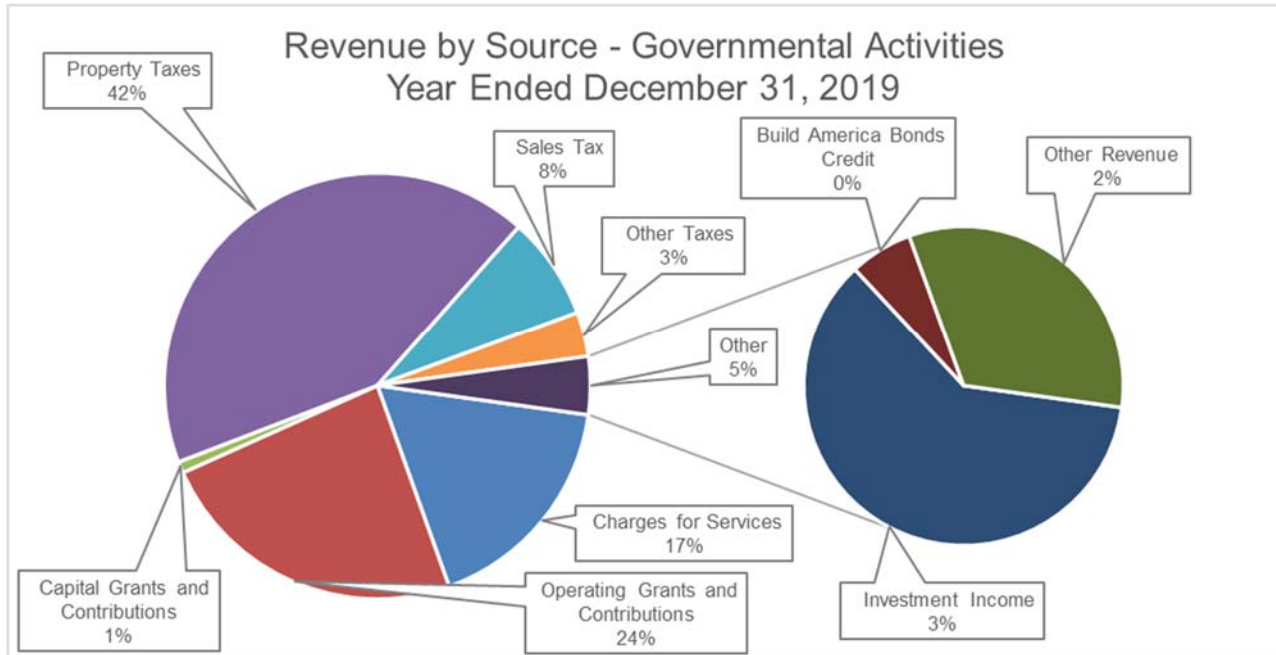
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
ARAPAHOE COUNTY, COLORADO
December 31, 2019

The changes from fiscal year 2019 to 2018 in the revenue and expense categories in the condensed comparative government-wide Statement of Activities:



MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
ARAPAHOE COUNTY, COLORADO
December 31, 2019

The comparison of the component sources of revenue used in the condensed comparative government-wide Statement of Activities for 2019 and 2018:



Expenses in the government-wide Statement of Activities for 2019 increased \$54.5 million (15.3%) from 2018. This is mainly the result of an increase of \$30.1 million in pension expense and an increase of \$8.1 million in Public Safety expenses in salaries and benefits from additional positions, annual raises, and market adjustments.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
ARAPAHOE COUNTY, COLORADO
December 31, 2019

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$186.5 million, an increase of \$16.0 million over the prior year's fund balance. Of the total balance, \$48.6 million (26.0%) represents unassigned fund balance. \$29.0 million (15.5%) is classified as assigned by the Board of County Commissioners for the purposes of the fund. \$43.3 million (23.2%) is classified as committed by Board of County Commissioners Resolution. \$65.5 million (35.1%) is classified as restricted by an outside party for a specific purpose. The remaining fund balance, \$.1 million (.05%), is classified as non-spendable (inventory and prepaid amounts).

At the end of fiscal year 2019, the County had three major governmental funds: the General Fund, the Social Services Fund, and the Open Spaces Sales Tax Fund. These major funds are reported separately in the County's basic financial statements.

General Fund

This fund is the primary operating fund of the County. At the end of the current fiscal year, unassigned fund balance of the general fund was \$49.4 million while total fund balance was \$69.3 million.

As a measure of the General Fund's liquidity, it is useful to compare the total of the assigned and unassigned fund balance at the end of fiscal year 2019 to the budgeted total program revenues, transfers in, expenditures, and transfers out for the following fiscal year, 2020. The total of the assigned and unassigned fund balance of the General Fund at the end of fiscal year 2019 is \$61.0 million, less the budgeted use of this fund balance in 2020, \$8.9 million, is \$52.1 million. This represents 25.9% of the adopted budget for General Fund total program revenues and transfers-in for 2020 of \$201.1 million, or 24.8% of the adopted budget for General Fund total program expenditures and transfers-out of \$210.0 million. This indicates that an approximate 24.8% combination of budgeted revenue shortfalls and/or expenditures over budget could be sustained during 2020 before the liquidity of the General Fund is compromised.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
ARAPAHOE COUNTY, COLORADO
December 31, 2019

The County's budget is prepared according to State of Colorado statutes. The most significant budgeted fund for the County is the General Fund. Notable differences between the original budget and the final amended budget are summarized as follows:

- \$3.5 million increase in Intergovernmental revenue mainly due to additional funding from the City of Centennial for additional public safety service.
- \$3.2 million increase in Public Safety expenditures mainly due to additional positions for the City of Centennial.
- \$0.6 million increase in Public Works and Development for mainly due to additional professional service expenditures.
- \$0.4 million increase in Judicial Services for increased County support.
- \$0.3 million increase in Clerk and Recorder's Office mainly due to additional professional service expenditures.

Actual General Fund revenues and other financing sources of \$204.9 million was greater than the General Fund final appropriated revenues and other financing sources of \$194.4 million by \$10.6 million (5.4%). This was primarily due to an increase in investment earnings and additional revenue from Assessor fees.

Actual General Fund expenditures and other financing uses of \$197.1 million was less than the General Fund final appropriated expenditures and other financing uses of \$202.5 million by \$5.5 million (2.7%). This difference was mainly from cost savings in Information Technology software expenditures and Clerk and Recorder professional service expenditures.

The total revenue and other financing sources in the General Fund increased by \$15.8 million from \$189.1 million in fiscal year 2018 to \$204.9 million in fiscal year 2019 (8.3%). This was mainly due to increases in property taxes and investment earnings. The total expenditures and other financing uses in the General Fund increased by \$11.4 million from \$185.7 million in fiscal year 2018 to \$197.1 million in fiscal year 2019 (6.1%). This increase was a result of higher salaries and benefits and an increase in aid to other agencies.

Social Services Fund

This fund is mandated by the State of Colorado and is used to account for participation by the County in Federal and State public welfare programs. The fund balance increased \$1.9 million to \$11.7 million for 2019 from \$9.9 million in 2018. Nearly all of the fund balance is assigned.

Revenues (excluding transfers) increased by \$1.2 million (1.9%) from \$63.9 million in 2018 to \$65.1 million in 2019. During 2019, the Social Services fund was funded 75.5% from State and Federal grant monies and 23.1% by property and other taxes. The largest portion of the revenue increase, \$1.0 million, was from property taxes.

Expenditures (excluding transfers) increased \$0.7 million (1.1%) from \$62.5 million in 2018 to \$63.2 million in 2019. The main reason for the increase, \$2.5 million, was from employee salaries and benefits however this was offset by a decrease in capital expenditures of \$2.3 million.

Open Spaces Sales Tax Fund

This fund was established in 2003 to collect a sales and use tax for the preservation and maintenance of open space areas within the County. The total fund balance decreased \$1.9 million from \$42.9 million in 2018 to \$41.0 million in 2019. The \$41.0 million fund balance is fully restricted for use on Open Space projects and maintenance.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
ARAPAHOE COUNTY, COLORADO
December 31, 2019

Revenues (excluding transfers) increased by \$2.4 million (7.8%) from \$29.6 million in 2018 to \$32.0 million in 2019. The fund received approximately \$30.3 million in sales and use tax revenue and \$0.5 million in venue booth rental from the County Fairgrounds.

Expenditures (excluding transfers) increased \$7.4 million (21.6%) from \$26.8 million in 2018 to \$34.2 million in 2019, mainly from increases in grants and contract labor. There was \$3.8 million more in share-back payments and grants awarded in 2019 compared to 2018. In total, the fund expended \$24.0 million in grants and share-back payments to incorporated municipalities and other governmental entities in 2019.

Non-Major Governmental Funds

The total fund balance of the combined non-major governmental funds increased by \$8.1 million (14.4%) from \$56.4 million in 2018 to \$64.5 million in 2019. Revenues (excluding transfers) increased \$5.3 million from \$80.4 million in 2018 to \$85.6 million in 2019. This was mainly due to increased revenue in capital projects for highways and streets. Expenditures (excluding transfers) decreased \$1.7 million from \$90.1 million in 2018 to \$88.4 million in 2019. This was mainly a result of decreased expenditures in highways and streets, and health and welfare.

Proprietary Funds

The net position for the County's internal service funds increased \$2.4 million (6.5%) from \$37.6 million in 2018 to \$40.0 million in 2019.

Of the \$40.0 million of the total net position of the proprietary funds in 2019, \$37.5 million (94.0%) was the net position of the Central Service Fund. The Central Service Fund is used primarily to allocate the cost of movable assets (furniture and equipment, computers, and vehicles) to the departments of the County to fund the replacement of the assets. It is also used to distribute the costs of central services (postage, fleet maintenance, parts, and fuel charges) to departments of the County. Of the \$37.5 million net position in the Central Services Fund at the end of 2019, \$13.3 million was invested in capital assets net of accumulated depreciation and approximately \$24.2 million was available to replace expiring movable assets in the future.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The fiduciary funds are not included in the government-wide financial statements because the resources of these funds are not available to support the County's programs or operations. Therefore, they are not discussed in the Management's Discussion & Analysis.

ANALYSIS OF CAPITAL ASSET AND LONG-TERM DEBT ACTIVITY

Capital Assets

Arapahoe County's investment in capital assets (net of accumulated depreciation) for its governmental activities was \$823.8 million as of 2019 and \$829.3 million as of 2018. This investment in capital assets includes land and land improvements, buildings, furniture and equipment, infrastructure, and construction in progress. The County's investment in capital assets (net of accumulated depreciation) decreased \$5.5 million (0.7%) during fiscal year 2019 mainly due to depreciation. A summary of the County's capital assets (net of depreciation) is as follows:

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
ARAPAHOE COUNTY, COLORADO
December 31, 2019

Arapahoe County Government's Capital Assets (Net of Accumulated Depreciation)		
	Governmental Activities	
	2019	2018
Land	\$ 46,157,932	\$ 45,221,497
Easements	4,322,860	4,322,860
Right of Ways	310,042,780	309,993,260
Water Rights	51,616,042	51,616,042
Construction in Progress	5,868,408	5,730,689
Capital Assets Not Being Depreciated:	418,008,022	416,884,348
Land Improvements	20,975,462	19,220,994
Buildings and Improvements	165,557,368	172,981,040
Furniture and Equipment	28,229,250	24,418,943
Infrastructure	191,031,019	195,830,303
Capital Assets Being Depreciated:	405,793,099	412,451,280
Total	<u>\$ 823,801,121</u>	<u>\$ 829,335,628</u>

Construction in progress (CIP) increased \$0.1 million (2.4%) from \$5.7 million in 2018 to \$5.9 million in 2019 as projects were started but not yet completed. The \$5.9 million is composed of the following capital project categories:

Capital Project	CIP Amount
Software Development	\$ 623,941
Roads	508,140
Parks & Trails	843,442
Building Improvement	3,892,885
	<u>\$ 5,868,408</u>

Additional information on Arapahoe County capital assets can be found in the Notes to the Financial Statements located on page C-27 and C-38 to C-40 of this annual report.

Outstanding Long-Term Debt

At the end of fiscal year 2019, the County had three bond issues, one long-term note payable, one certificate of participation, and three capital lease purchase agreements outstanding. A summary of the County's long-term liabilities is as follows:

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
ARAPAHOE COUNTY, COLORADO
December 31, 2019

Arapahoe County Government
Summary of Outstanding Debt

	Governmental Activities	
	2019	2018
Bonds	\$ 133,470,844	\$ 135,007,822
Certificates of Participation	8,929,412	13,198,045
Long-term Notes	3,890,885	5,098,430
Lease Purchase Agreements	12,701,498	13,720,978
Total Outstanding Debt	\$ 158,992,639	\$ 167,025,275

The County's total long-term debt decreased \$8.8 million in 2019 due to normal debt payments and amortization of premiums/discounts.

Additional information about the County's long-term debt can be found in the notes to the financial statements on pages C-28 and C-42 to C-50 of this annual report.

ECONOMIC FACTORS AFFECTING THE COUNTY

Property tax is the largest source of revenue for the County. The mill levy of the County was 13.302 mills in 2018 (collected in 2019) and 11.685 mills in 2019 (collected in 2020). Property tax to be collected in 2020 is projected to be \$140.1 million, an increase of \$3.0 million over the 2019 projected number of \$137.1 million due to increases in the assessed valuation. The County base mill levy was maintained at 15.821 mills with an additional levy of 0.022 mills for refunds and abatements. A temporary tax credit of 4.158 mills was also applied to keep property tax revenue within the limits required by law under the Taxpayer's Bill of Rights (TABOR).

The residential assessment rate, which determines the amount of residential assessed value the mill levy is applied to, decreased to 7.15% from 7.20% for the 2019 reassessment period for collection in 2020. It is forecasted to remain steady in 2020 for the 2021 tax collections. The rate will be reviewed in 2021, which is the next residential reassessment period. The impact from a possible decrease due to the COVID-19 pandemic on revenue will be lessened due to the temporary tax credit.

The unemployment rate for the County was 2.3% as of December 2019, which is a decrease from 3.8% in December 2018. This rate is in line with the Denver metro unemployment rate of 2.7% and the State of Colorado rate of 2.8%. Although a decrease from the prior year, the rate is expected to increase substantially during 2020 from the effects of the COVID-19 pandemic.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of Arapahoe County's finances for those with an interest in the government's financial activities. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Todd Weaver, Director of Finance, 5334 South Prince Street, Littleton, CO 80120-1136, (303) 795-4620.

Arapahoe County, Colorado
Statement of Net Position
December 31, 2019

	Primary Government	Component Units		
	Governmental Activities	E-911 Authority	Arapahoe County Airport Authority	Arapahoe County Water and Wastewater Authority
Assets				
Cash and investments	\$ 178,533,941	\$ 6,309,633	\$ 8,928,650	\$ 33,577,314
Accounts receivable	19,070,032	509,901	1,046,425	2,267,889
Property tax receivable, net	167,222,933	-	-	-
Accrued interest receivable	1,279,534	-	-	-
Note receivable	-	-	95,200	-
Due from other governments	5,341,579	-	221,230	-
Inventories	510,662	-	-	-
Prepaid and other items	224,164	-	821,722	265,312
Restricted cash and investments	49,093,769	-	8,000,000	11,513,268
Total non-capital assets	421,276,614	6,819,534	19,113,227	47,623,783
Non-depreciable capital assets	418,008,022	-	24,957,362	110,223,538
Depreciable capital assets	405,793,099	496,852	25,973,027	83,050,320
Total capital assets	823,801,121	496,852	50,930,389	193,273,858
Total assets	1,245,077,735	7,316,386	70,043,616	240,897,641
Deferred outflows of resources				
Refunding of bonds	763,958	-	-	1,753,147
Pension outflows	156,713,874	-	-	-
Total deferred outflows of resources	157,477,832	-	-	1,753,147
Liabilities				
Accounts payable and other current liabilities	27,761,449	596,504	694,400	4,011,804
Accrued interest payable	453,329	-	106,502	368,477
Due to other governments	560,260	-	-	-
Unearned revenue	9,928,201	-	12,712	-
Noncurrent liabilities:				
Long term debt due within one year	12,411,928	-	731,922	3,630,729
Long term debt due in more than one year	164,765,115	-	6,554,008	113,154,190
Net pension liability	334,464,398	-	-	-
Estimated claims payable greater than one year	2,380,000	-	591,413	-
Total liabilities	552,724,680	596,504	8,690,957	121,165,200
Deferred inflows of resources				
Property tax revenue	167,222,933	-	-	-
Pension inflows	10,192,393	-	-	-
Water charges	-	-	-	202,563
Total deferred inflows of resources	177,415,326	-	-	202,563
Net position				
Net investment in capital assets	665,383,529	496,852	51,259,881	78,626,430
Restricted for:				
TABOR reserve	8,415,175	-	-	-
Transportation projects	5,297,707	-	-	-
Debt service and reserves	-	-	-	553,453
Capital projects	-	-	-	552,500
Park development	1,228,943	-	-	-
Parks, recreation and open space	1,915,099	-	-	-
Open space, parks and trails	40,989,797	-	-	-
Developer contributions	15,015	-	-	-
Law enforcement	7,043,201	-	-	-
Electronic filing technology	610,029	-	-	-
Unrestricted	(58,482,934)	6,223,030	10,092,778	41,550,642
Total net position	\$ 672,415,561	\$ 6,719,882	\$ 61,352,659	\$ 121,283,025

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

Arapahoe County, Colorado
Statement of Activities
For the Year Ended December 31, 2019

Functions/Programs	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
General government	\$ 83,051,860	\$ 28,279,158	\$ 392,675	\$ -
Public safety	124,944,437	35,800,426	1,920,058	20,915
Judicial services	15,888,842	-	291,080	-
Health and welfare	116,509,490	623,005	71,616,324	7,058
Highways and streets	27,870,648	1,163,994	17,347,267	2,530,471
Water and wastewater	3,562,136	-	-	-
Culture and recreation	33,265,464	1,205,946	414,048	773,048
Interest on long-term debt	7,139,524	-	-	-
Total governmental activities	412,232,401	67,072,529	91,981,452	3,331,492
Component Units				
E-911	4,203,205	3,975,337	-	-
Arapahoe County Airport Authority	9,765,119	5,177,084	255,549	-
Arapahoe County Water and Wastewater Authority	21,487,011	22,352,912	-	7,123,625
Total component units:	35,455,335	31,505,333	255,549	7,123,625

General revenues

Property taxes
Sales tax
Other taxes
Investment income
Build America Bonds credit
Miscellaneous

Total general revenue

Change in net position

Net position - beginning

Net position - ending

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

Arapahoe County, Colorado
Statement of Activities
For the Year Ended December 31, 2019

Net (Expense) Revenue and Changes in Net Position

Primary Government Total	Component Units			Functions/Programs
	E-911 Authority	Arapahoe County Airport Authority	Arapahoe County Water and Wastewater Authority	
\$ (54,380,027)	\$ -	\$ -	\$ -	Primary Government
(87,203,038)	-	-	-	General government
(15,597,762)	-	-	-	Public safety
(44,263,103)	-	-	-	Judicial services
(6,828,916)	-	-	-	Health and welfare
(3,562,136)	-	-	-	Highways and streets
(30,872,422)	-	-	-	Water and wastewater
(7,139,524)	-	-	-	Culture and recreation
				Interest on long-term debt
(249,846,928)	-	-	-	Total governmental activities
-	(227,868)	-	-	Component Units
-	-	(4,332,486)	-	E-911
-	-	-	7,989,526	Arapahoe County Airport Authority
-	-	-	7,989,526	Arapahoe County Water and Wastewater Authority
-	(227,868)	(4,332,486)	7,989,526	Total component units:
164,054,460	-	-	-	General revenues
30,334,481	-	-	-	Property taxes
13,170,907	-	-	-	Sales tax
10,372,294	132,174	173,533	800,739	Other taxes
1,088,299	-	-	1,795,107	Investment income
5,577,133	289	-	-	Build America Bonds credit
				Miscellaneous
224,597,574	132,463	173,533	2,595,846	Total general revenue
(25,249,354)	(95,405)	(4,158,953)	10,585,372	Change in net position
697,664,915	6,815,287	65,511,612	110,697,653	Net position - beginning
\$ 672,415,561	\$ 6,719,882	\$ 61,352,659	\$ 121,283,025	Net position - ending

Arapahoe County, Colorado
Balance Sheet
Governmental Funds
December 31, 2019

	General	Social Services	Open Spaces Sales Tax	Other Governmental
Assets				
Cash and investments	\$ 66,821,396	\$ 15,129,281	\$ -	\$ 66,789,444
Restricted cash and investments	50,457	-	49,043,312	-
Accounts receivable	9,366,907	5,628,533	5,080,664	5,476,392
Taxes receivable, net	113,969,274	14,114,711	-	39,138,948
Due from other funds	657,661	-	-	-
Prepaid items	16,173	6,785	-	1,207
Inventories	1,936	-	-	70,093
Total assets	<u>\$ 190,883,804</u>	<u>\$ 34,879,310</u>	<u>\$ 54,123,976</u>	<u>\$ 111,476,084</u>
Liabilities				
Accounts payable	\$ 3,027,216	\$ 666,269	\$ 13,063,151	\$ 2,432,125
Accrued expenditures	3,802,509	2,141,438	71,028	887,241
Due to other governments	176,602	47,719	-	50
Due to other funds	-	-	-	657,661
Unearned revenue - other	482,589	6,170,319	-	3,275,293
Total liabilities	<u>7,488,916</u>	<u>9,025,745</u>	<u>13,134,179</u>	<u>7,252,370</u>
Deferred inflows of resources				
Deferred property tax revenue	113,969,274	14,114,711	-	39,138,948
Unavailable revenue-delinquent property taxes	9,426	-	-	-
Unavailable revenue-grants	112,190	-	-	612,449
Total deferred inflows of resources	<u>114,090,890</u>	<u>14,114,711</u>	<u>-</u>	<u>39,751,397</u>
Fund balances (deficits)				
Nonspendable	18,109	6,785	-	71,300
Restricted	8,352,668	-	40,989,797	16,172,501
Committed	-	-	-	43,331,425
Assigned	11,511,037	11,732,069	-	5,707,453
Unassigned	49,422,184	-	-	(810,362)
Total fund balances (deficits)	<u>69,303,998</u>	<u>11,738,854</u>	<u>40,989,797</u>	<u>64,472,317</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 190,883,804</u>	<u>\$ 34,879,310</u>	<u>\$ 54,123,976</u>	<u>\$ 111,476,084</u>

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

**Arapahoe County, Colorado
Balance Sheet
Governmental Funds
December 31, 2019**

Total
Governmental

\$	148,740,121
	49,093,769
	25,552,496
	167,222,933
	657,661
	24,165
	72,029
\$	<u>391,363,174</u>

\$	19,188,761
	6,902,216
	224,371
	657,661
	9,928,201
	<u>36,901,210</u>

	167,222,933
	9,426
	724,639
	<u>167,956,998</u>

	96,194
	65,514,966
	43,331,425
	28,950,559
	48,611,822
	<u>186,504,966</u>

\$	<u>391,363,174</u>
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Assets

Cash and investments
Restricted cash and investments
Accounts receivable
Taxes receivable, net
Due from other funds
Prepaid items
Inventories

Total assets

Liabilities

Accounts payable
Accrued expenditures
Due to other governments
Due to other funds
Unearned revenue - other

Total liabilities

Deferred inflows of resources

Deferred property tax revenue
Unavailable revenue-delinquent property taxes
Unavailable revenue-grants

Total deferred inflows of resources

Fund balances (deficits)

Nonspendable
Restricted
Committed
Assigned
Unassigned

Total fund balances (deficits)

Total liabilities, deferred inflows of resources
and fund balance

Arapahoe County, Colorado
Reconciliation of the Balance Sheet of Governmental Funds
To the Statement of Net Position
December 31, 2019

Amounts reported for governmental activities in the Statement of Net Position (page C-1) are different because

Total fund balances - governmental funds (page C-5)	\$ 186,504,966
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	810,517,018
The deferred charge on refunding of bonds is not an available resource and, therefore, is not reported in the funds.	763,958
The deferred pension outflow is not an available resource and, therefore, is not reported in the funds.	156,713,874
The deferred pension inflows are not an available to pay for current period, and therefore, not reported in the funds	(10,192,393)
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	734,065
Internal service funds are used by management to charge the cost of insurance and other services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position.	40,029,104
Long-term liabilities, including bonds payable, certificates of participation notes payable, capital leases, landfill post closure cost payable, compensated absences, net pension liability and accrued interest, are not due and payable in the current period and, therefore, are not reported in the funds	(512,655,031)
Net position of governmental activities	\$ <u><u>672,415,561</u></u>

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



Arapahoe County, Colorado
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the Year Ended December 31, 2019

	General	Social Services	Open Spaces Sales Tax	Other Governmental
Revenues				
Taxes				
Property taxes	\$ 113,664,943	\$ 13,871,601	\$ -	\$ 36,528,041
Sales tax	-	-	30,334,481	-
Other taxes	9,781,777	1,192,993	-	2,196,137
Licenses and permits	6,975,180	-	-	1,163,995
Intergovernmental	3,718,831	49,153,330	-	39,741,295
Charges for services	52,857,665	38,360	524,405	2,463,301
Fines and forfeitures	424,752	-	-	371,267
Investment earnings	8,948,904	-	885,348	538,042
Interfund revenues and rentals	4,268,830	-	-	18,120
Developer contributions	-	-	-	606,560
Build America Bonds credit	-	-	-	1,088,299
Miscellaneous	3,992,250	832,772	221,547	927,478
Total revenue	204,633,132	65,089,056	31,965,781	85,642,535
Expenditures				
Current				
General government	68,030,486	-	-	407,682
Public safety	87,817,295	-	-	11,137,952
Judicial services	15,627,068	-	-	72,696
Health and welfare	10,877,043	62,865,148	-	31,273,222
Highways and streets	-	-	-	18,913,639
Water and wastewater	-	-	-	111,096
Culture and recreation	-	-	30,238,622	1,438,481
Total current	182,351,892	62,865,148	30,238,622	63,354,768
Capital				
General government	702,519	-	-	1,579,999
Public safety	250,878	-	-	4,818,933
Health and welfare	95,515	292,785	-	803,047
Highways and streets	-	-	-	1,947,478
Culture and recreation	-	-	3,939,254	90,090
Total capital	1,048,912	292,785	3,939,254	9,239,547
Debt				
Principal	-	-	-	8,043,776
Interest	-	-	-	7,298,167
Cost of issuance	-	-	-	495,836
Debt administration fees	-	-	-	3,550
Total debt service	-	-	-	15,841,329
Total expenditures	183,400,804	63,157,933	34,177,876	88,435,644
Excess (deficiency) of revenues over (under) expenditures	21,232,328	1,931,123	(2,212,095)	(2,793,109)
Other financing sources (uses)				
Transfers in	262,692	-	376,603	17,138,814
Transfers out	(13,653,710)	(56,711)	(36,400)	(6,745,060)
Payment to bond agent	-	-	-	(56,251,695)
Refunding bonds issued	-	-	-	53,120,000
Premium (discount) on bonds	-	-	-	3,638,178
Total other financing sources (uses)	(13,391,018)	(56,711)	340,203	10,900,237
Net change in fund balance	7,841,310	1,874,412	(1,871,892)	8,107,128
Fund balance - beginning	61,462,688	9,864,442	42,861,689	56,365,189
Fund balance - ending	\$ 69,303,998	\$ 11,738,854	\$ 40,989,797	\$ 64,472,317

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

Arapahoe County, Colorado
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the Year Ended December 31, 2019

Total Governmental		
		Revenues
\$ 164,064,585		Taxes
30,334,481		Property taxes
13,170,907		Sales tax
8,139,175		Other taxes
92,613,456		Licenses and permits
55,883,731		Intergovernmental
796,019		Charges for services
10,372,294		Fines and forfeitures
4,286,950		Investment earnings
606,560		Interfund revenues and rentals
1,088,299		Developer contributions
5,974,047		Build America Bonds credit
		Miscellaneous
<u>387,330,504</u>		Total revenue
		Expenditures
		Current
68,438,168		General government
98,955,247		Public safety
15,699,764		Judicial services
105,015,413		Health and welfare
18,913,639		Highways and streets
111,096		Water and wastewater
31,677,103		Culture and recreation
<u>338,810,430</u>		Total current
		Capital
2,282,518		General government
5,069,811		Public safety
1,191,347		Health and welfare
1,947,478		Highways and streets
4,029,344		Culture and recreation
<u>14,520,498</u>		Total capital
		Debt
8,043,776		Principal
7,298,167		Interest
495,836		Cost of issuance
3,550		Debt administration fees
<u>15,841,329</u>		Total debt service
<u>369,172,257</u>		Total expenditures
		Excess (deficiency) of revenues over (under) expenditures
<u>18,158,247</u>		
		Other financing sources (uses)
17,778,109		Transfers in
(20,491,881)		Transfers out
(56,251,695)		Payment to bond agent
53,120,000		Refunding bonds issued
3,638,178		Premium (discount) on bonds
<u>(2,207,289)</u>		Total other financing sources (uses)
15,950,958		Net change in fund balance
170,554,008		Fund balance - beginning
<u>\$ 186,504,966</u>		Fund balance - ending

Arapahoe 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, 2019

Amounts reported for governmental activities in the Statement of Activities (page C-3) are different because:

Net Change in Fund Balances - total governmental funds (page C-9)	\$ 15,950,958
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.	(9,211,474)
The net effect of various miscellaneous transactions involving the valuation of donated assets is to increase net position.	1,638,249
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	734,065
The repayment of the principal of long-term debt consumes the current financial resources of governmental funds, however, there is no effect on net position.	64,118,774
Proceeds from borrowing increase the financial resources of the governmental funds but are not revenues to the government-wide financial statements.	(53,120,000)
Governmental funds report the effect of premiums, discounts, and deferred loss on refunding when debt is first issued, whereas these amounts are amortized in the Statement of Activities.	(3,097,813)
Some revenues reported in the governmental funds have been reported in the Statement of Activities in prior periods.	(415,336)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	(44,291,925)
The internal service funds are used by management to charge the costs of insurance and other services to individual funds. The net expense of certain activities of internal service funds is reported with governmental activities.	<u>2,445,148</u>
Change in net position of governmental activities	<u><u>\$ (25,249,354)</u></u>

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



Arapahoe County, Colorado
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2019

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
Revenues				
Taxes				
Property taxes	\$ 112,964,384	\$ 112,964,384	\$ 113,664,943	\$ 700,559
Other taxes	8,500,000	8,500,000	9,781,777	1,281,777
Licenses and permits	6,818,535	6,818,535	6,975,180	156,645
Intergovernmental	2,625,518	3,377,708	3,717,331	339,623
Charges for services	47,252,339	50,746,086	52,857,665	2,111,579
Fines and forfeitures	757,901	768,901	424,752	(344,149)
Investment earnings	3,400,000	3,400,000	8,948,904	5,548,904
Interfund revenues and rentals	4,259,524	4,259,524	4,268,830	9,306
Miscellaneous	3,100,884	3,264,833	3,992,250	727,417
Total revenue	189,679,085	194,099,971	204,631,632	10,531,661
Expenditures				
Current				
General government				
Administrative services	6,029,427	6,122,450	5,060,582	1,061,868
Assessor's Office	5,539,067	5,539,067	5,457,023	82,044
Board of County Commissioners	1,142,901	1,142,901	1,122,808	20,093
Clerk and Recorder's Office	11,130,368	11,350,474	10,241,155	1,109,319
Communication Services Department	2,368,917	2,425,026	2,054,199	370,827
County Attorney	2,970,479	2,920,597	2,907,007	13,590
Facilities and Fleet Management	9,347,674	9,393,333	9,306,958	86,375
Finance	3,520,612	3,579,341	3,366,559	212,782
Human Resources	2,277,141	2,407,197	2,331,002	76,195
Information Technology	14,620,842	14,800,696	13,624,317	1,176,379
Office of Performance Management	441,723	459,723	372,248	87,475
Open Spaces & Intergovernmental Relations	44,862	44,862	43,496	1,366
Public Works and Development	8,523,881	9,106,134	8,316,070	790,064
Treasurer's Office	2,274,607	2,274,607	2,019,860	254,747
Total general government	70,232,501	71,566,408	66,223,284	5,343,124
Public safety	85,015,659	88,267,148	87,817,295	449,853
Judicial services	15,353,006	15,765,256	15,627,068	138,188
Health and welfare	10,738,218	10,821,006	10,651,277	169,729
Total current	181,339,384	186,419,818	180,318,924	6,100,894
Capital				
General government	2,700	2,700	673,737	(671,037)
Public safety	2,671	269,387	250,878	18,509
Health and welfare	-	100,000	95,515	4,485
Total capital	5,371	372,087	1,020,130	(648,043)
Total expenditures	181,344,755	186,791,905	181,339,054	5,452,851
Excess (deficiency) of				
expenditures	8,334,330	7,308,066	23,292,578	15,984,512
Other financing sources (uses)				
Transfers in	26,486	262,692	262,692	-
Transfers out	(14,890,957)	(15,731,710)	(15,731,710)	-
Total other financing sources (uses)	(14,864,471)	(15,469,018)	(15,469,018)	-
Net change in fund balance	(6,530,141)	(8,160,952)	7,823,560	15,984,512
Fund balance - beginning	43,225,862	43,225,862	43,225,862	-
Fund balance - ending	\$ 36,695,721	\$ 35,064,910	\$ 51,049,422	\$ 15,984,512

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

Arapahoe County, Colorado
Social Services
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2019

	Budgeted Amounts			Variance
	Original	Final	Actual	with Final Budget
Revenues				
Taxes				
Property taxes	\$ 13,787,365	\$ 13,787,365	\$ 13,871,601	\$ 84,236
Other taxes	950,000	950,000	1,192,993	242,993
Intergovernmental	45,957,783	50,026,757	49,153,330	(873,427)
Charges for services	20,000	20,000	38,360	18,360
Miscellaneous	731,314	1,011,514	832,772	(178,742)
Total revenue	61,446,462	65,795,636	65,089,056	(706,580)
Expenditures				
Current				
Health and welfare	61,733,859	63,553,793	62,865,148	688,645
Capital				
Health and welfare	-	3,567,147	292,785	3,274,362
Total expenditures	61,733,859	67,120,940	63,157,933	3,963,007
Excess (deficiency) of revenues over (under) expenditures	(287,397)	(1,325,304)	1,931,123	3,256,427
Other financing sources (uses)				
Transfers out	(37,200)	(77,200)	(56,711)	20,489
Total other financing sources (uses)	(37,200)	(77,200)	(56,711)	20,489
Net change in fund balance	(324,597)	(1,402,504)	1,874,412	3,276,916
Fund balance - beginning	9,864,442	9,864,442	9,864,442	-
Fund balance - ending	\$ 9,539,845	\$ 8,461,938	\$ 11,738,854	\$ 3,276,916

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

Arapahoe County, Colorado
Open Spaces Sales Tax
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2019

	Budgeted Amounts			Variance
	Original	Final	Actual	with Final Budget
Revenues				
Sales tax	\$ 27,973,600	\$ 27,973,600	\$ 30,334,481	\$ 2,360,881
Charges for services	403,000	403,000	524,405	121,405
Investment earnings	450,000	450,000	885,348	435,348
Miscellaneous	150,300	241,209	221,547	(19,662)
Total revenue	<u>28,976,900</u>	<u>29,067,809</u>	<u>31,965,781</u>	<u>2,897,972</u>
Expenditures				
Current				
Culture and recreation	25,975,500	65,093,556	30,238,622	34,854,934
Capital				
Culture and recreation	3,000,000	7,176,145	3,939,254	3,236,891
Total expenditures	<u>28,975,500</u>	<u>72,269,701</u>	<u>34,177,876</u>	<u>38,091,825</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,400</u>	<u>(43,201,892)</u>	<u>(2,212,095)</u>	<u>40,989,797</u>
Other financing sources (uses)				
Transfers in	-	376,603	376,603	-
Transfers out	(1,400)	(36,400)	(36,400)	-
Total other financing sources (uses)	<u>(1,400)</u>	<u>340,203</u>	<u>340,203</u>	<u>-</u>
Net change in fund balance	-	(42,861,689)	(1,871,892)	40,989,797
Fund balance - beginning	42,861,689	42,861,689	42,861,689	-
Fund balance - ending	<u>\$ 42,861,689</u>	<u>\$ -</u>	<u>\$ 40,989,797</u>	<u>\$ 40,989,797</u>

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

**Arapahoe County Government
Statement of Net Position
Proprietary Funds
December 31, 2019**

	Governmental Activities Internal Service Funds
Assets	
Current assets	
Cash and investments	\$ 29,793,820
Accounts receivable	138,651
Deposit	200,000
Inventory	438,634
Total current assets	<u>30,571,105</u>
Noncurrent assets	
Capital assets	
Buildings and improvements	17,628
Vehicles and equipment	40,339,499
Computer systems	6,595,986
Furniture and office equipment	37,233
Less: accumulated depreciation	<u>(33,706,243)</u>
Total noncurrent assets (net of accum. dep.)	<u>13,284,103</u>
Total assets	<u>43,855,208</u>
Liabilities	
Current liabilities	
Accounts payable	359,104
Estimated claims payable	1,087,000
Noncurrent claims payable	<u>2,380,000</u>
Total liabilities	<u>3,826,104</u>
Net position	
Net investment in capital assets	13,284,103
Unrestricted	<u>26,745,001</u>
Total net position	<u><u>\$ 40,029,104</u></u>

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

Arapahoe County Government
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2019

	Governmental Activities Internal Service Funds
Operating revenues	
Charges for sales and service	\$ 11,217,916
Total operating revenue	<u>11,217,916</u>
Operating expenses	
Cost of sales and services	7,450,160
Administration	217,789
Depreciation	4,802,661
Total operating expenses	<u>12,470,610</u>
Operating income (loss)	<u>(1,252,694)</u>
Nonoperating revenue (expenses)	
Insurance recoveries	24,449
Gain on sale of assets	724,447
Loss on sale of assets	(50,489)
Income before contributions and transfers	<u>(554,287)</u>
Contributions other	285,662
Transfers in	2,930,782
Transfers out	(217,010)
Change in net position	<u>2,445,147</u>
Total net position - beginning	<u>37,583,957</u>
Total net position - ending	<u><u>\$ 40,029,104</u></u>

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

Arapahoe County, Colorado
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2019

	Governmental Activities Internal Service Funds
Cash flows from operating activities	
Cash received for interfund services provided	\$ 11,133,943
Cash payments for services and supplies	(7,476,124)
Net cash provided by operating activities	<u>3,657,819</u>
Cash flows from noncapital financing activities	
Transfers in from other funds	2,930,782
Transfers out to other funds	(217,010)
Net cash provided by non capital financing activities	<u>2,713,772</u>
Cash flows from capital and related financing activities	
Acquisition of property and equipment	(6,611,204)
Proceeds from sale of capital assets	729,445
Insurance Proceeds	24,449
Net cash used for capital and related financing activities	<u>(5,857,310)</u>
Net increase in cash and investments	514,281
Cash and Investments, January 1, 2019	<u>29,279,539</u>
Cash and Investments, December 31, 2019	<u><u>\$ 29,793,820</u></u>
Reconciliation of operating loss to net cash provided by operating activities:	
Operating income (loss)	\$ (1,252,694)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation expense	4,802,661
(Increase) decrease in current assets:	
Accounts receivable	(83,973)
Inventory	6,990
Increase (decrease) in current liabilities:	
Accounts payable	(117,665)
Claims payable	302,500
Total Adjustments	<u>4,910,513</u>
Net cash provided by operating activities	<u><u>\$ 3,657,819</u></u>

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

Arapahoe County, Colorado
Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2019

	Arapahoe County Retirement Trust	Agency Funds Total
Assets		
Cash and investments:	\$ -	\$ 33,636,881
Restricted escrow	-	576,525
Investments:		
Money market funds	7,282,751	-
U.S. Equity securities	105,416,187	-
Real estate investments	69,286,081	-
Fixed income securities	50,212,363	-
Hedge Funds	13,852,206	-
International Equity	65,078,906	-
Private Equity	10,736,058	-
Total cash and investments	<u>321,864,552</u>	<u>34,213,406</u>
Receivables:		
Dividends and interest	-	-
Property taxes	-	991,145,396
Other assets	-	25,331
Total assets	<u>321,864,552</u>	<u>\$ 1,025,384,133</u>
Liabilities		
Accounts payable	112,849	\$ 67,232
Due to other governments	-	12,384,223
Other deposits payable	-	1,005,816,745
Warrants payable	-	7,115,933
Total liabilities	<u>112,849</u>	<u>\$ 1,025,384,133</u>
Net Position		
Net position restricted for pensions	<u>\$ 321,751,703</u>	

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

Arapahoe County, Colorado
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended December 31, 2019

	<u>Arapahoe County Retirement Trust</u>
ADDITIONS	
Contributions:	
Employer	\$ 11,669,706
Plan Members	11,645,850
Total Contributions	<u>23,315,556</u>
Investment Income:	
Net Appreciation in Fair Value of Investments	42,357,720
Interest and Dividends	5,528,373
Total Investment Income	<u>47,886,093</u>
Investment Expenses	<u>(1,765,785)</u>
Net Investment Income	<u>46,120,308</u>
Total Additions	<u>69,435,864</u>
 DEDUCTIONS	
Benefits to Plan Members	26,890,753
Refund of Contributions	4,341,376
Administrative Expenses	500,288
Total Deductions	<u>31,732,417</u>
 Change in Net Position	37,703,447
Net Position - Beginning of Year	<u>284,048,256</u>
Net Position - End of Year	<u><u>\$ 321,751,703</u></u>

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



Arapahoe County, Colorado
Notes to the Financial Statements
December 31, 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of Arapahoe County, Colorado (the County) is presented to assist in understanding the County's financial statements. These accounting policies conform to accounting principles generally accepted in the United States of America (US GAAP) as applied to government units; and have been consistently applied in the preparation of the financial statements. The preparation of the financial statements in conformity with US GAAP 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. The following is a summary of the significant accounting policies of the County.

Financial Reporting Entity

Arapahoe County was incorporated under the laws of the State of Colorado in 1902. The County provides a wide range of services to its residents including public safety, highways and streets, parks and open space, conservation, health and social services, public improvements and general administration. The County is governed by an elected five-member Board of County Commissioners. The Board of County Commissioners serves as the administrative and policy-making body of the County. The primary government of the County includes the activities of six other elected officials – the Assessor, Clerk and Recorder, Coroner, District Attorney, Treasurer, and the Sheriff.

The accompanying financial statements present the financial activities of the County and its component units. The Governmental Accounting Standards Board (GASB) has specified the criteria used in defining the financial reporting entity:

The financial reporting entity consists of the primary government and its component units.

A primary government is any state, general-purpose local or special-purpose government, which meets the following criteria: a) it has a separately elected governing body; b) it is legally separate; and c) it is fiscally independent of other state and local governments. A primary government consists of all the organizations that make up its legal entity. All funds, organizations, institutions, agencies, departments, and offices that are not legally separate are, for financial reporting purposes, part of the primary government.

Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The primary government is financially accountable if it appoints a voting majority of the organization's governing body *and* (1) it is able to impose its will on that organization *or* (2) there is a financial benefit or burden relationship with the primary government. In addition, the primary government may choose to include an organization in the reporting entity that does not meet either of these criteria because the nature and significance of the component unit's relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Blended Component Units

These financial statements present the County (the primary government) and its component units as required by US GAAP. The component units included in the County's reporting entity are reported using the blended and the discretely presented methods as appropriate for each component unit. The blended method reports the financial data of the component unit as part of the primary government. This method is used when any of the following circumstances are met:

- 1) The component unit's governing body is substantively the same as the governing body of the primary government; *and* a) there is a financial benefit or burden relationship between the primary government and the component unit *or* b) management of the primary government has operational responsibility for the component unit.
- 2) The component unit provides services entirely or almost entirely to the primary government.

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
December 31, 2019

3) The component unit's total debt outstanding, including leases, is expected to be repaid entirely or almost entirely with resources of the primary government.

The following entities are included in the financial statements as blended component units based upon meeting the criteria for blending and/or their significant financial and operational relationships to the County:

Arapahoe County Law Enforcement Authority – The Arapahoe County Law Enforcement Authority (ALEA) is a special district that provides law enforcement services in the unincorporated areas of the County. The Board of County Commissioners serves as the Board of the ALEA. The County Sheriff is the Chief Operating Officer. The Arapahoe County Law Enforcement Authority is reported as a Special Revenue Fund.

Arapahoe County Housing Authority – The Arapahoe County Housing Authority (the Authority) supports the improvement of housing conditions and community facilities for low and moderate-income individuals. The Board of County Commissioners serves as the entire board for the Authority. The County has all of the operational responsibilities for the Authority. The Authority is referred to in this Comprehensive Annual Financial Report (CAFR) as the Community Development Fund and is reported as a Special Revenue Fund.

Arapahoe County Recreation District – The Arapahoe County Recreation District (the District) is a special district that provides parks and recreation services in the Southeast part of the urbanized area of the County. The Board of County Commissioners serves as the entire board for the District and therefore makes all decisions controlling the District's activities and finances. The Arapahoe County Recreation District is reported as a Capital Projects Fund.

Arapahoe County Water and Wastewater Public Improvement District - The Arapahoe County Water and Wastewater Public Improvement District (PID) was formed in 2001 to provide capital infrastructure funding for the service district located in the south central part of the County. In November 2001, the taxpayers within the PID voted to authorize the issuance of \$165,000,000 in General Obligation Bonds to finance water and wastewater projects. The Board of County Commissioners maintains control over operations and fiscal matters since they serve as the *ex officio* Board of Directors for the PID. The Arapahoe County Water and Wastewater Public Improvement District is reported as a Capital Projects Fund.

Arapahoe County Building Finance Corporation – The Arapahoe County Building Finance Corporation (ACBFC) is a not-for-profit corporation that issues certificates of participation for funding the construction of facilities that are leased to the County through a lease purchase agreement. The Board of County Commissioners do not hold positions on the board for the ACBFC; however, the Board of County Commissioners appoints all members of the ACBFC board. The Arapahoe County Building Finance Corporation is reported as a Debt Service Fund.

Arapahoe County Retirement Trust Fund – The Arapahoe County Retirement Trust Fund manages the retirement benefits for County employees. The Arapahoe County Retirement Plan (the Plan) is a single employer defined benefit pension plan established by the County to provide pension benefits for its employees. The Plan is administered by a Retirement Board consisting of five members: the incumbent County Treasurer, two County employees elected by plan members, and two registered electors of the County appointed by the Board of County Commissioners. The five-member Retirement Board reviews information about the County's retirement fund and is responsible for assessing the fund's fiscal health. The Plan is considered part of the County's financial reporting entity and is included as a blended component unit. The Arapahoe County Retirement Trust Fund is reported as a Fiduciary Fund.

Discretely Presented Component Units

Discrete component units are reported in separate columns on the government-wide financial statements to emphasize the legal separation between these organizations and the primary government. The following entities are included in the financial statements as discretely presented component units:

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
December 31, 2019

Arapahoe County Airport Authority – The Arapahoe County Public Airport Authority (the Authority) is governed pursuant to the provisions of the Colorado Public Airport Authority Act. The Authority was formed for the statutory purposes of acquiring and improving an airport, air navigational facilities, and related facilities and for financing the cost of such acquisitions and improvements. The Authority operates Centennial Airport, which is located in Arapahoe and Douglas Counties.

The Authority is governed by an eight-member board. The board is comprised of three Arapahoe County Commissioners and two additional members who are appointed by the Commissioners. These five members are the full voting board of the Authority. The Authority also includes three non-voting members who are appointed by the Douglas County Board of County Commissioners.

The interrelationship in certain financing arrangements between the County and the Authority has resulted in a financial benefit/burden relationship. The County is legally obligated to assume the responsibility for payment of these financial arrangements in the event of default by the Authority; therefore, the County is financially accountable for the Authority. The Arapahoe County Airport Authority is included as a discrete component unit within the County's financial reporting entity.

Arapahoe County Water and Wastewater Authority – The Arapahoe County Water and Wastewater Authority (ACWWA) is a political subdivision that was created in 1988 pursuant to an intergovernmental agreement between Arapahoe County and the Arapahoe Water and Sanitation District (the District). ACWWA encompasses approximately 5,200 acres and provides water, wastewater, and storm water services to citizens and businesses within the service area to include Arapahoe County and parts of northern Douglas County. Other areas within ACWWA's service area include the Town of Foxfield and a residential subdivision in northwest Elbert County. In addition, ACWWA provides wholesale wastewater treatment services to the Cottonwood Water and Sanitation District in Douglas County.

On February 6, 2002, the County entered into an intergovernmental agreement with the Arapahoe County Water and Wastewater Public Improvement District (PID). The PID was organized in 2001 pursuant to the provisions of the Colorado Revised Statutes Title 30, Article 20, Part 5 for the purpose of constructing certain public improvements to serve customers within and without its jurisdictional boundaries. The Intergovernmental Agreement (IGA) was amended and restated, in part to have the PID replace the District as a party to the IGA. The PID retains ACWWA as its management agency pursuant to this management agreement. In consideration for ACWWA's commitment to provide management service, the PID agreed to issue general obligations bonds, and certify a mill levy on property within the PID at a level sufficient to make the annual debt service payments as identified in the PID's annual capital plan, thus creating a financial benefit/burden relationship between ACWWA and the PID. ACWWA has no statutory authority to levy any taxes to finance the issuance of general obligation debt or for general operations.

A nine-member Board of Directors appointed by the Arapahoe County Board of Commissioners governs ACWWA. Two of the nine members are Board of County Commissioners. These two Board of County Commissioners appoint seven additional members to the Board, creating the nine-member board.

The Arapahoe County Water and Wastewater Authority is presented as a discrete component unit within the County's financial reporting entity. This component unit is separate and distinct from the Arapahoe County Water and Wastewater Public Improvement District (PID).

E-911 Authority – The Arapahoe County E-911 Emergency Communications Service Authority (E-911 Authority) was formed in 1987 by an Intergovernmental Agreement (IGA) between Arapahoe County and various cities, towns, and fire protection districts within Arapahoe County. The E-911 Authority was formed as a separate legal entity to fund the purchase and maintenance of the E-911 network for emergency communication service. The E-911 Authority includes all of Arapahoe County, with the exception of the City of Aurora. The E-911 Authority covers approximately 712 square miles and serves over 288,000 citizens.

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
December 31, 2019

The E-911 Authority is governed by Colorado statutes and the IGA. The Board of Directors for the E-911 Authority are appointed to two-year terms by the Arapahoe County Board of County Commissioners pursuant to the IGA. The Board of Directors is comprised of five members: two representatives of the law enforcement community, two representatives from the fire rescue community and one at-large member.

The County provides accounting and treasury services for the E-911 Authority although the E-911 Authority publishes its own budget. The E-911 Authority is included as a discretely presented component unit within the County's financial reporting entity.

Complete financial reports are prepared for these component units with the exception of E-911 Authority. All financial information for these entities may be obtained at the following locations.

Arapahoe County Airport Authority
7800 S. Peoria St.
Englewood, CO 80112
www.centennialairport.com

Arapahoe County Water and Wastewater Authority
13031 E. Caley Avenue
Centennial, CO 80111
www.acwwa.org

E-911 Authority
5334 S. Prince St.
Littleton, CO 80120-1136

Government-wide and Fund Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the County's finances as a whole. These financial statements report information on all of the non-fiduciary activities of the primary government and its component units. The primary government is reported separately from certain legally separate component units for which the primary government is financially accountable. The statements included in the government-wide financial statements are:

The **Statement of Net Position** – The Statement of Net Position presents information related to assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the net of all four categories being reported as the County's net position.

The **Statement of Activities** – The Statement of Activities presents information demonstrating the change in net position during the current fiscal year. The Statement of Activities reflects both the direct expenses and net cost of each function of the County's governmental activities. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include charges paid by the recipient for the goods or services offered by the program, grants, and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues of the County, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each government function is self-financing or draws from the general revenues of the County.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are taxes and other charges between the functions of the government, which have not been eliminated. Elimination of these charges would distort the direct costs and program revenues reported for the various functions.

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
December 31, 2019

Separate government-wide and fund financial statements are presented, however, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds. 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.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. The fiduciary funds use the accrual basis of accounting, but have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grant awards and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County's internal service funds are charges to the entity for services which include: postage, oil and gas, vehicles and insurance, and funding for the replacement of movable capital assets. Operating expenses include administrative expenses, cost of sales and services, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Governmental Funds – Governmental funds are used to account for the County's governmental activities. Governmental fund financial statements are presented using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when susceptible to accrual (i.e., when they are both measurable and available). Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Most grant reimbursements, property taxes, franchise taxes, permits, licenses, and interest associated with the current fiscal year are considered to be susceptible to accrual and have been recognized as revenues of the current fiscal year.

Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, unmatured interest on general long-term debt is recognized when due, and expenditures related to compensated absences and claims and judgments are recognized when the obligations have matured (i.e., expected to be liquidated with expendable available financial resources). Capital asset acquisitions are reported as expenditures in governmental funds.

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 that are properly accounted for in another fund.

The **Social Services Fund** is a special revenue fund that administers human services programs under state and federal regulations. This fund accounts for the financial and protective services provided to children, families, and elderly and disabled adults. The Social Services Fund is funded primarily with local property tax as well as funds from other state and federal sources.

The **Open Spaces Sales Tax Fund** is a special revenue fund which accounts for the revenues received from the 0.25% sales and use tax originally approved by the voters in 2003 for the acquisition, development, and maintenance of open space, trails, and parks. In 2011, the voters approved the extension of the program to 2023. Several grants have been obtained for specific purposes in addition to monies contributed on joint projects by other entities. These monies are restricted by grant documents and contracts to be used solely for these projects.

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
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Additionally, the County reports the following fund types:

The **Internal Service Funds** account for operations that provide services to other departments or agencies of the County on a cost-reimbursement basis. The internal service funds provide services for postage, oil and gas, vehicles, and funding for the replacement of movable capital assets. Self-insurance programs for employee benefits, property, and liability are also accounted for in these funds.

The **Fiduciary Funds** are used to account for resources held for the benefit of outside parties, including other governments. 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 fiduciary funds reported by the County include the Retirement Trust Fund and Agency Funds.

The **Retirement Trust Fund** (the Plan) is a sponsored, single employer defined benefit plan. All permanent, full-time employees of the County are required to become members of the plan.

The **Agency Funds** are custodial in nature and are used to account for assets that the County holds for others in an agency capacity (e.g., taxes collected by the Clerk and Recorder for the benefit of other governments). The Public Trustee's agency fund collects fees pertaining to foreclosures and deeds of trust. The Inmate Sentencing Fund holds funds on behalf of inmates.

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, Net Position or Fund Balances

Cash

All cash within the County reporting entity is deposited with the County Treasurer, with the exception of: cash held for third parties in fiduciary funds, cash held by paying agents in the internal service funds, and cash held by certain discrete and blended component units. For the purpose of the cash flows statement, cash includes cash-on-hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

The County maintains pooled cash and investments for all funds. Negative cash balances have been reclassified as interfund payables.

Investments

Investments primarily consist of U.S. Treasury and agency obligations, corporate debt securities, and approved money market funds, all recorded at fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Investments for which market quotations are not readily available are valued at their fair values as determined by the custodian under the direction of the plan with the assistance of a valuation service.

Property Taxes

Property taxes are not due and payable until after the assessment year has ended, and are not included in the budget or statement of revenues, expenditures, and fund balance of the assessment year. Property taxes are initially recorded as deferred inflows of resources in the year they are levied and measurable. These deferred property tax inflows of resources are recorded as revenue in the year they are collected.

Property taxes are levied on or before December 15th of each year and attach as an enforceable lien on the property on January 1 of the subsequent year. Taxes are payable in full on April 30th or in two installments on February 28th and June 17th. The County bills and collects its own property taxes and the taxes for various other entities. Tax collection and distribution to the various taxing entities is done by the 10th of every month following the month of collection by the Treasurer.

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
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Receivables/Payables

All trade and property tax receivables are shown net of an allowance for uncollectible. Property taxes receivable is shown net of an allowance for uncollectible of 1%.

Balances that originate from current lending/borrowing arrangements between funds are referred to as "due to/from other funds." Advances are non-current lending/borrowing between funds. Advances between funds, as reported in the fund financial statements, are shown as nonspendable fund balance in applicable County funds to indicate that they are not available for appropriation and are not expendable available financial resources.

Accounts payable are generally recorded when the obligation is incurred. Debt service and claims and judgments are recorded when they become due.

Inventories and Prepaid Items

Inventories of certain items are valued at cost using a weighted average method. The costs of inventories in all other governmental funds are recorded as expenditures when purchased rather than when consumed.

Items recorded as prepaid items in both the government-wide and fund financial statements include certain payments to vendors that reflect costs applicable to future accounting periods.

Capital Assets

Capital assets, which include land, buildings and improvements, furniture and equipment, construction in progress, and infrastructure assets (i.e., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets, other than infrastructure, are defined by the government as assets with an initial individual cost of \$5,000 or more. Such assets are recorded at historical cost. As the government constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. In the case of donations, the government values these capital assets at the acquisition value of the item at the date of its donation.

Capital assets of the primary government, as well as the component units, are depreciated using the straight-line method of depreciation over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>	<u>Assets</u>	<u>Years</u>
Bridges	75	Traffic Signals	30
Storm Drains	75	Land Improvements	25
Roads	40	Leasehold Improvements	20
Buildings and Improvements	40	Furniture and Equipment	20
Wells, Water and Sewer Mains	30	Vehicles	4-5
Treatment Plants	30		

Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused vacation and sick leave benefits up to certain limits. There is also a policy whereby the County pays the employees, upon termination, for their allowed accumulated leave. Therefore, there is a liability on the government-wide financial statements for this unpaid accumulated leave. When the amount is actually paid upon termination, the expenditure is recorded within the governmental fund. The County also has contractual employment agreements with certain department heads. Some of these contracts contain separation agreements with compensation due at the conclusion of the relationship.

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
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Deferred Outflows/Inflows 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 has two items that qualify for reporting in this category. The first item that qualifies is the deferred charge on refunding of bonds reported in the government-wide Statement of Net Position. 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. Deferred pension outflows is the other item that is being presented as a deferred outflow of resources; see Note 14 for the deferred outflows of resources related to pensions.

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 inflows 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 has two types of items that qualify for the reporting in this category. One is for property tax revenue which is considered a deferred inflow of resources in the year the taxes are levied and measurable and are recognized as an inflow of resources in the period they are collected. Deferred pension inflows is the other item that is being presented as a deferred inflow of resources; see Note 14 for the deferred inflows of resources related to pensions.

Some items are considered deferred inflows of resources under the modified accrual basis of accounting and are only reported in the governmental funds. One item that qualifies for reporting in this category is the item *unavailable revenue*. The County reports unavailable revenue from several sources: grants and delinquent property taxes. These amounts are recognized as an inflow of resources in the period the revenue becomes available.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position. Long-term debt premiums and discounts are amortized over the term of the long-term debt. Long-term debt payable is reported net of the applicable unamortized premiums or discounts. Long-term debt issuance costs are reported as an expense when incurred.

In the fund financial statements, the face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs are reported as debt service expenditures.

Fund Balance

In the fund financial statements, governmental funds report fund balance based on the extent to which the County is bound to honor constraints on the specific purpose for which funds can be spent. Fund balance classifications are based on the requirements of GASB Statement No. 54. Classifications are nonspendable, restricted, committed, assigned, and unassigned. Restricted amounts are not available for appropriation because they are legally restricted by an outside party for a specific purpose. Committed funds are funds reserved for a specific purpose by the Board of County Commissioners; funds cannot be committed or uncommitted without formal action - Board Resolution - by the Board. Assigned funds are assigned by the Board of County Commissioners for a specific purpose. Unassigned is a residual classification within the General Fund. The General Fund should be the only fund that reports a positive unassigned fund balance. For further details on the various fund balance classifications, refer to Note 18.

If both restricted and unrestricted amounts of fund balance are available for use when expenditure is incurred, it is County policy to use restricted amounts first and then unrestricted resources as they are needed. Unrestricted fund balance will be used in the following order: committed, assigned and unassigned.

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
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The Board of County Commissioners has a formal fund balance reserve policy. This policy is adopted through resolution each year for the purpose of maintaining a satisfactory level of unappropriated fund balance reserves in order to insure a continued strong financial position within the County and to conform to the requirements of the Taxpayer's Bill of Rights (TABOR). For this financial report, the amount of the Board reserves that pertains to TABOR has been separated from the total and is considered Restricted as per the definition above. The remaining amount does not meet the GASB Statement No. 54 requirements of a stabilization agreement. Instead, it is considered to be a minimum fund balance policy. Per GASB Statement No. 54, these amounts are required to be reported as part of Unassigned Fund Balance in the General Fund and Assigned Fund Balance in any other funds. The amounts approved by the Board Policy, excluding the TABOR portion, and included in Fund Balance are as follows:

General Fund	\$ 21,874,615
Social Services	2,298,961
Arapahoe Law Enforcement Authority	1,509,632
Road & Bridge	2,570,616

Net Position

The County reports restricted net position when constraints placed on resources are (a) externally imposed by creditors, grantors, contributors, laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the government to assess, levy, charge or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation.

Net investment in capital assets is a portion of net position that represents the County's net investment in its capital assets. The portion of net position that is categorized as unrestricted has not been classified as either net investment in capital assets or restricted net position.

Deficit Fund Balance

The following funds had deficit fund balances at December 31, 2019: Community Development Fund (\$6,594), Grants Fund (\$379,190) and the Homeland Security Fund (\$354,485). The revenue to offset a portion of the deficits is currently reported as deferred inflows of resources because it is unavailable but will be recognized as earned revenue as soon as the funds are collected. The remaining balance of any deficits will be covered by other funding sources.

Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Encumbrance Accounting

The County uses encumbrance accounting as an extension of its budgetary scheme. Encumbrances are recorded when a purchase order or contract is issued. They are reduced when the related expenditure/expense is made. Encumbrances lapse at year-end but may be re-established in the subsequent year if the budget related to the encumbrance is approved by the Board of County Commissioners to be re-appropriated to the subsequent year or if the subsequent year's budget is adequate to cover the amount of the rolled over encumbrance. The County does not restrict any fund balance for encumbrances unless those amounts are restricted for a specific purpose under GASB Statement No. 54 – Fund Balance Reporting and Governmental Fund Type Definitions.

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
December 31, 2019

NOTE 2: RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide Statement of Net Position.

The governmental fund Balance Sheet includes a reconciliation between fund balance – total governmental funds and net position – governmental activities as reported in the government-wide Statement of Net Position. One element of that reconciliation explains that “long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.” The details of this (\$512,655,031) are as follows:

General Obligation Bonds Payable	\$ (128,740,000)
Less: Net Bond Discount/(Premium)	(4,730,845)
Certificates of Participation Payable	(8,335,000)
Less: Premium on Certificate of Participation	(594,412)
Note Payable	(3,859,703)
Less: Premium on Note Payable	(31,182)
Capital Leases Payable	(12,701,498)
Landfill - Post Closure Costs Payable	(5,915,302)
Compensated Absences	(12,269,102)
Total Long Term Debt	<u>(177,177,044)</u>
Accrued Interest Payable	(453,329)
Net Pension Liability	(334,464,398)
Social Services Advance from State	<u>(560,260)</u>
Net adjustment to reduce fund balance - total governmental funds	
to arrive at net position - governmental activities	<u>\$ (512,655,031)</u>

Another element of that reconciliation states, “other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.” The details of this \$734,065 are as follows:

Receivables:	
Delinquent Property Taxes	\$ 9,426
Grants	<u>724,639</u>
Net adjustment to increase total governmental funds	
to arrive at net position - governmental activities	<u>\$ 734,065</u>

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
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B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide Statement of Activities.

The governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances includes a reconciliation between net changes in fund balances - total governmental funds and changes in net position of governmental activities as reported in the government-wide Statement of Activities. One element of that reconciliation explains that "governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense." The details of this (\$9,211,474) difference are as follows:

Capital Outlay	\$ 14,520,497
Depreciation Expense	<u>(23,731,971)</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	 <u>\$ (9,211,474)</u>

Another element of that reconciliation states that "revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds." The details of this \$734,065 difference are as follows:

Grants	\$ 724,639
Delinquent Property Taxes	<u>9,426</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities.	 <u>\$ 734,065</u>

Another element of that reconciliation states that "some revenues reported in the governmental funds have been reported in the Statement of Activities in prior periods." The details of this (\$415,336) difference are as follows:

Unavailable Revenue	\$ <u>(415,336)</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities.	 <u>\$ (415,336)</u>

Another element of that reconciliation states that "some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds." The details of this (\$44,291,925) difference are as follows:

Compensated Absences Expense	\$ (1,715,862)
Pension Expense	(53,534,702)
Employer Contributions	11,669,706
Accrued Interest	290,811
Landfill Expense	<u>(1,001,878)</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities.	 <u>\$ (44,291,925)</u>

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
December 31, 2019

NOTE 3: LEGAL COMPLIANCE - BUDGETS

Budgets for the General, Special Revenue, Debt Service, and Capital Projects Funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America (US GAAP) with the exception of the differences for the General Fund as described in Note 19.

The budgets for the proprietary funds are not adopted on a basis consistent with accounting principles generally accepted in the United States of America (US GAAP), as capital outlay and debt service are budgeted as expenditures and bond proceeds, contributed capital and equity transfers are budgeted as revenues.

Arapahoe County utilizes the encumbrance method of recording commitments related to unperformed contracts for goods and services during the year. Due to the County's integrated accounting and budgetary control system, appropriations are considered to lapse at year-end. Related amounts are re-appropriated in the following year.

On or before August 15th of each year, elected officers, directors and department heads submit revenue estimates and expenditure requests to the Budget Manager, the official charged with organizing an overall County budget for submission to the Board of County Commissioners. On or before August 25th of each year, the County Assessor submits the current total assessed valuations for all taxing entities in the County and the factors needed to compute the statutory property tax revenue limits. The Budget Manager then submits a balanced budget to the Board on or before October 15th.

The Board of County Commissioners posts and publishes notice that the budget has been received and is open for inspection by the public and notice of the date of the scheduled public hearing at which any elector of the County may register an objection to the proposed budget. The budget must be adopted by December 15th of each year.

All property tax mill levies must be certified by the Board of County Commissioners on or before December 22nd of each year. Prior to the beginning of the next fiscal year, the Board of County Commissioners enacts an appropriating resolution to approve the total budget and departmental expenditures. Expenditures for each fund may not legally exceed budgeted expenditures at the individual fund level. By County policy, expenditures in the General Fund cannot exceed the appropriated departmental level. Neither the Board of County Commissioners nor any County officers can expend money for any of the purposes set out in the appropriation resolution in excess of the amount appropriated. The Budget Manager may transfer budget amounts between line items as long as the total budget for the fund or General Fund department is not exceeded. Any revisions to the total appropriation of any fund must be approved by a supplemental appropriation resolution by the Board of County Commissioners. A few supplemental appropriation resolutions were enacted and filed with the Division of Local Government, State of Colorado. Supplemental appropriations for the current year have been approved by the Board of County Commissioners in the following year.

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Notes to the Financial Statements (Continued)
December 31, 2019

NOTE 4: CASH, DEPOSITS, INVESTMENTS, AND RESTRICTED ASSETS

A summary of Cash and Investments for the Primary Government and Fiduciary Funds (excluding the Retirement Trust Fund – see Note 14) and discretely presented component units are as follows:

	Primary Government	Discrete Component Units	Agency Funds	Total Reporting Entity
Cash and Investments	\$ 178,533,941	\$ 48,815,597	\$ 33,636,881	\$ 260,986,419
Restricted Cash and Investments	49,093,769	19,513,268	576,525	69,183,562
Total Cash and Investments	\$ 227,627,710	\$ 68,328,865	\$ 34,213,406	\$ 330,169,981
Total Cash Deposits (including CD's)				\$ 54,045,671
Total Investments				276,124,309
Total Cash Deposits and Investments				\$ 330,169,981

Restricted Cash and Investments are recorded for the following purposes:

	Primary Government	Discrete Component Units	Agency Funds	Total Reporting Entity
Debt Reserves	\$ -	\$ 553,453	\$ -	\$ 553,453
Debt Proceeds	-	-	-	-
Capital Projects	-	4,331,767	-	4,331,767
Legal/Contractual Obligations	49,093,769	14,628,048	-	63,721,817
Public Trustee Statutory Reserve	-	-	576,525	576,525
Total Restricted Cash and Investments	\$ 49,093,769	\$ 19,513,268	\$ 576,525	\$ 69,183,562

Deposits

Colorado State Statutes, specifically the Public Deposit Protection Act (PDPA) of 1989, require all public monies to be deposited in financial institutions that have been designated as eligible public depositories. Eligible public depositories must pledge eligible collateral for any amounts in excess of the required Federal Deposit Insurance Corporation (FDIC) amount, as promulgated by the Colorado Division of Banking, having a market value in excess of 102% of the aggregate uninsured public deposits. At December 31, 2019, the County's carrying amount of cash deposits was \$29,089,418. Of the County's bank balances totaling \$32,812,385, \$1,346,108 was covered by FDIC and \$31,466,277 was collateralized under PDPA. The component units' carrying amount of deposits with banks was \$24,956,253 and the bank balance was \$25,022,050.

Investments

Significant portions of cash in the discretely presented component units and the agency funds are pooled with primary government cash and then invested in the most advantageous manner to the reporting entity as a whole. It is not possible to determine how much discretely presented component unit cash was invested in a certain way. Therefore, this investment section is presented for the entire reporting entity, including the Agency Funds.

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
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Authorized Investments

The County has adopted a formal investment policy that limits the County's investments to investments within the confines of the Colorado Revised Statutes, sections: 30-10-708, 11-10.5-101, 24-75-601, 24-75-603 & 24-75-702. Investments authorized under these statutes include:

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

As of December 31, 2019, the County had the following investments:

Investment Type	Investment Maturities		
	Less than 1 Year	1-5 Years	Total
Primary Government and Agency Funds:			
U.S. Agency Securities:			
Federal Farm Credit Bank	\$ 15,032,050	\$ 12,457,780	\$ 27,489,830
Federal Home Loan Bank	-	50,950,940	50,950,940
Federal Home Loan Mortgage Corporation	10,005,250	6,100,915	16,106,165
Federal National Mortgage Association	5,001,700	18,686,120	23,687,820
Local Government Investment Pools	51,128,051	-	51,128,051
Corporate Bonds	5,025,600	6,388,730	11,414,330
Money Market Funds	8,000,000	-	8,000,000
U.S. Treasury Obligations	4,998,850	38,975,685	43,974,535
U.S. Govt Money Market Funds	26	-	26
Total Primary Government and Agency Funds	\$ 99,191,527	\$ 133,560,170	\$ 232,751,697
Component Units:			
Local Government Investment Pools	\$ 43,372,612	\$ -	\$ 43,372,612
U.S. Agency Securities:	-	-	-
Treasury Money Market	-	-	-
Total Component Units	\$ 43,372,612	\$ -	\$ 43,372,612
Total Investments	\$ 142,564,139	\$ 133,560,170	\$ 276,124,309

As of December 31, 2019, the County had invested in local government investment pools which include the Colorado Local Government Liquid Asset Trust (COLOTRUST) and the Colorado Surplus Asset Fund Trust (CSAFE). The local government investment pools are investment vehicles which were established for local government entities in Colorado to pool surplus funds. Both pools are similar to money market funds, with each share valued at \$1.00.

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
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COLOTRUST offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both portfolios may invest in U.S. Treasury securities, Federal Instrumentality Securities, Agency Securities, Collateralized Bank Deposits, Repurchase Agreements, and Tri-Party Repurchase Agreements. COLOTRUST PLUS+ may also invest in Commercial Paper that, at the time of purchase, is rated in its highest rating category by one or more nationally recognized statistical rating organizations that regularly rate such obligations, and highly rated corporate bonds. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal mechanisms of the pooled funds. The custodian's internal records identify the investments owned by each pool investor. The investment pools are routinely monitored by the Colorado Division of Securities with regard to operations and investments. As of December 31, 2019, the County, including component units, had \$42,861,916 invested in COLOTRUST.

As of December 31, 2019, the County, including component units, had \$51,638,747 invested in the Colorado Surplus Asset Fund Trust (CSAFE). CSAFE is an investment vehicle established for local government entities in Colorado to pool surplus funds. The Colorado Division of Securities administers and enforces the requirements creating and operating CSAFE. Investments in the external investment pool are shown at amortized cost for financial reporting purposes. CSAFE is rated AAAM by Standard and Poor's. Investments of CSAFE are limited to those allowed by State statutes. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodian's internal records identify the investments owned by participating governments.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. Credit risk is measured by the assignment of a rating by a nationally recognized statistical rating organization including Standard & Poor's (S&P), Moody's Investor Service (Moody's) and Fitch Ratings (Fitch). Currently, the County has no formal credit risk policy. The following table displays the ratings for the County's investments at December 31, 2019:

Investment Type	S&P AAAm	S&P AAA	S&P AA+	S&P AA-	S&P N/A	A	Total
Primary Govt and Agency Funds:							
U.S. Agency Securities:							
Federal Farm Credit Bank	\$ -	\$ -	\$ 27,489,830	\$ -	\$ -	\$ -	\$ 27,489,830
Federal Home Loan Bank	-	-	50,950,940	-	-	-	50,950,940
Federal Home Loan Mortgage Corporation	-	-	16,106,165	-	-	-	16,106,165
Federal National Mortgage Association	-	-	23,687,820	-	-	-	23,687,820
Local Government Investment Pools	51,102,751	25,300	-	-	-	-	51,128,051
Corporate Bonds	-	5,322,950	-	5,025,600	-	1,065,780	11,414,330
Money Market Funds	8,000,000	-	-	-	-	-	8,000,000
U.S. Treasury Obligations	-	-	-	-	43,974,535	-	43,974,535
U.S. Govt Money Market Funds	26	-	-	-	-	-	26
Total Primary Govt and Agency Funds	\$ 59,102,777	\$ 5,348,250	\$ 118,234,755	\$ 5,025,600	\$ 43,974,535	\$ 1,065,780	\$ 232,751,697
Component Units:							
Local Government Investment Pools	\$ 43,372,612	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 43,372,612
U.S. Agency Securities:							
Treasury Money Market	-	-	-	-	-	-	-
Total Component Units	\$ 43,372,612	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 43,372,612
Total Investments	\$ 102,475,389	\$ 5,348,250	\$ 118,234,755	\$ 5,025,600	\$ 43,974,535	\$ 1,065,780	\$ 276,124,309

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Notes to the Financial Statements (Continued)
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Custodial Credit Risk

For an investment, 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 safekeeping bank must meet the following requirements under the County's investment policy: the purchase and sale of securities and repurchase agreements shall be settled on a delivery versus payment basis, ownership of all securities shall be perfected in the name of the County Treasurer, and sufficient evidence to title shall be consistent with modern investment, banking and commercial practices. At December 31, 2019, all of the County's investments are held in the name of the County.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment instrument, the greater the sensitivity of its fair value to changes in market interest rates. The County's investment policy maintains that the portfolio is to remain sufficiently liquid to meet all cash requirements that may be reasonably anticipated. One of the ways the County manages its exposure to interest rate risk is by laddering maturities evenly to provide continuous cash flow and liquidity needed for operations. In accordance with its investment policy, the County's investments are limited to maturities not exceeding five years from the date of trade settlement.

Concentration Risk

Concentration risk is the risk of loss attributed to the magnitude of the County's investments in a single issuer. The County's investment policy states that the County shall diversify its investments to avoid incurring unreasonable risks inherent in over-investment in specific instruments, individual financial institutions or maturities. The County seeks diversification to reduce overall portfolio risk while attaining market rates of return to enable the County to meet its anticipated cash requirements. Investments in any one issuer (other than mutual funds and external investment pools) that represent 5% or more of the County's total investments are as follows:

Investment Type	Fair Value	Percent of Investment Portfolio
Federal Home Loan Mortgage Corporation	\$ 16,106,165	7%
Federal Farm Credit Bank	27,489,830	12%
Federal National Mortgage Association	23,687,820	10%
Federal Home Loan Bank	50,950,940	22%
Treasury Note	43,974,535	19%

As of December 31, 2019, the component units had no investment in one issuer (other than mutual funds and external investment pools) that represents 5% or more of total investments.

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an Investment. All of the County's investments, including its holdings in foreign corporate bonds, are denominated in U.S. currency and, therefore, not subject to foreign currency risk.

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
December 31, 2019

Fair Value

The County 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 for identical assets; Level 2 inputs are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted process; Level 3 inputs are significant unobservable inputs. The County has the following fair value measurements as of December 31, 2019.

Investment	12/31/2019	Level 1	Level 2
U.S. Agency Securities	\$ 118,234,755	\$ -	\$ 118,234,755
U.S. Treasury Obligations	43,974,535	43,974,535	-
Corporate Bonds	11,414,330	-	11,414,330
	<u>173,623,620</u>	<u>\$ 43,974,535</u>	<u>\$ 129,649,085</u>

Amortized Cost:

Local Government Investment Pools	51,102,751
U.S. Govt Money Market Funds	26
Money Market Funds	8,000,000
	<u>59,102,777</u>

Net Asset Value (NAV)

Local Government Investment Pools	25,300
	<u>\$ 232,751,697</u>

NOTE 5: INTERFUND RECEIVABLE AND PAYABLE BALANCES AND TRANSFERS

Interfund receivable and payable balances arise due to short-term cash flow needs in certain non-major governmental funds. At December 31, 2019, the balances are as follows:

	Due To	Due From
General Fund	\$ 657,661	\$ -
Non-Major Governmental Funds	-	657,661
Total	<u>\$ 657,661</u>	<u>\$ 657,661</u>

During 2019, the County transferred monies among various funds with the principal being to support the ongoing operations of the receiving fund. The transfers between funds as of December 31, 2019 are as follows:

	Transfers In	Transfers Out
General Fund	\$ 262,692	\$ 13,653,710
Social Services Fund	-	56,711
Open Spaces Sales Tax Fund	376,603	36,400
Internal Service Funds	2,930,782	217,010
Non-Major Governmental Funds	17,138,814	6,745,060
Total	<u>\$ 20,708,891</u>	<u>\$ 20,708,891</u>

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
December 31, 2019

NOTE 6: CAPITAL ASSETS

Primary Government

The capital asset activity for the Arapahoe County primary government as of December 31, 2019 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Transfers</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities:					
Capital Assets Not Being Depreciated:					
Land	\$ 45,221,497	\$ 936,435	\$ -	\$ -	\$ 46,157,932
Easements	4,322,860	-	-	-	4,322,860
Right of Ways	309,993,260	49,520	-	-	310,042,780
Water Rights	51,616,042	-	-	-	51,616,042
Construction in Progress	5,730,689	5,362,033	(5,224,314)	-	5,868,408
Total Capital Assets Not Being Depreciated	<u>416,884,348</u>	<u>6,347,988</u>	<u>(5,224,314)</u>	<u>-</u>	<u>418,008,022</u>
Capital Assets Being Depreciated:					
Land Improvements	26,006,438	2,322,556	765,961	-	29,094,955
Buildings	333,932,230	2,082,588	1,297,662	-	337,312,480
Furniture and Equipment	73,683,851	9,208,267	2,540,386	(3,811,929)	81,620,575
Infrastructure	356,475,213	3,094,212	620,305	-	360,189,730
Total Capital Assets Being Depreciated	<u>790,097,732</u>	<u>16,707,623</u>	<u>5,224,314</u>	<u>(3,811,929)</u>	<u>808,217,740</u>
Less Accumulated Depreciation:					
Land Improvements	(6,785,444)	(1,334,049)	-	-	(8,119,493)
Buildings	(160,951,190)	(10,803,922)	-	-	(171,755,112)
Furniture and Equipment	(49,264,908)	(7,882,860)	-	3,756,443	(53,391,325)
Infrastructure	(160,644,910)	(8,513,801)	-	-	(169,158,711)
Total Accumulated Depreciation	<u>(377,646,452)</u>	<u>(28,534,632)</u>	<u>-</u>	<u>3,756,443</u>	<u>(402,424,641)</u>
Total Capital Assets Being Depreciated, Net	<u>412,451,280</u>	<u>(11,827,009)</u>	<u>5,224,314</u>	<u>(55,486)</u>	<u>405,793,099</u>
Total Primary Government Capital Assets, Net	<u>\$ 829,335,628</u>	<u>\$ (5,479,021)</u>	<u>\$ -</u>	<u>\$ (55,486)</u>	<u>\$ 823,801,121</u>

Depreciation expense charged to functions/programs of the primary government during the year ended December 31, 2019 as follows:

Governmental Activities

General Government	\$ 8,074,492
Public Safety	6,223,293
Judicial Services	129,097
Health and Welfare	1,161,579
Highways and Streets	8,128,775
Water and Wastewater	3,449,989
Culture and Recreation	1,367,407
Total Governmental Activities Depreciation Expense	<u>\$ 28,534,632</u>

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
December 31, 2019

Discretely presented component units

Capital asset activity for the E-911 Authority for the year ended December 31, 2019 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets Being Depreciated:				
Furniture and Equipment	\$ 4,540,201	\$ -	\$ (3,019,949)	\$ 1,520,252
Total Capital Assets Being Depreciated	4,540,201	-	(3,019,949)	1,520,252
Less Accumulated Depreciation:				
Furniture and Equipment	(3,759,433)	(283,916)	3,019,949	(1,023,400)
Total Accumulated Depreciation	(3,759,433)	(283,916)	3,019,949	(1,023,400)
Total E-911 Capital Assets, Net	<u>\$ 780,768</u>	<u>\$ (283,916)</u>	<u>\$ -</u>	<u>\$ 496,852</u>

Capital asset activity for the Arapahoe County Public Airport Authority for the year ended December 31, 2019 was as follows:

	Beginning Balance	Increases	Transfers	Decreases	Ending Balance
Capital Assets Not Being Depreciated:					
Land	\$ 26,789,696	\$ -	-	\$ (4,635,007)	\$ 22,154,689
Construction in Progress	1,064,658	2,083,918	(345,903)	-	2,802,673
Total Capital Assets Not Being Depreciated	<u>27,854,354</u>	<u>2,083,918</u>	<u>(345,903)</u>	<u>(4,635,007)</u>	<u>24,957,362</u>
Capital Assets Being Depreciated:					
Site Improvements	1,014,026	-	-	-	1,014,026
Buildings and Improvements	18,076,850	89,454	-	(152,829)	18,013,475
Runways, Taxiways and Ramps	59,355,326	-	345,903	-	59,701,229
Furniture and Equipment	9,009,309	220,140	-	(326,743)	8,902,706
Total Capital Assets Being Depreciated	<u>87,455,511</u>	<u>309,594</u>	<u>345,903</u>	<u>(479,572)</u>	<u>87,631,436</u>
Less Accumulated Depreciation:					
Site Improvements	(668,748)	(25,416)	-	-	(694,164)
Buildings and Improvements	(15,744,664)	(355,540)	-	147,704	(15,952,500)
Runways, Taxiways and Ramps	(34,216,506)	(3,981,556)	-	-	(38,198,062)
Furniture and Equipment	(6,433,210)	(707,216)	-	326,743	(6,813,683)
Total Accumulated Depreciation	<u>(57,063,128)</u>	<u>(5,069,728)</u>	<u>-</u>	<u>474,447</u>	<u>(61,658,409)</u>
Total Capital Assets Being Depreciated, Net	<u>30,392,383</u>	<u>(4,760,134)</u>	<u>345,903</u>	<u>(5,125)</u>	<u>25,973,027</u>
Total Airport Authority Capital Assets, Net	<u>\$ 58,246,737</u>	<u>\$ (2,676,216)</u>	<u>\$ -</u>	<u>\$ (4,640,132)</u>	<u>\$ 50,930,389</u>

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
December 31, 2019

Capital Asset Activity for the Arapahoe County Water and Wastewater Authority for the year ended December 31, 2019 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets Not Being Depreciated:				
Land	\$ 2,063,196	\$ 1,054	\$ -	\$ 2,064,250
Water Rights	89,293,405	-	-	89,293,405
Construction in Progress	7,639,645	18,834,014	7,607,776	18,865,883
Total Capital Assets Not Being Depreciated	98,996,246	18,835,068	7,607,776	110,223,538
Capital Assets Being Depreciated:				
Water System	56,447,888	7,977,040	31,572	64,393,356
Sewer System	16,370,367	125,464	-	16,495,831
Water rights	40,956,833	-	3,140,248	37,816,585
Buildings, Equipments, and Projects	3,924,376	-	-	3,924,376
Total Capital Assets Being Depreciated	117,699,464	8,102,504	3,171,820	122,630,148
Less Accumulated Depreciation:				
Water System	(19,451,250)	(1,715,910)	-	(21,167,160)
Sewer System	(12,115,617)	(782,049)	-	(12,897,666)
Water Right Depletion	(1,955,593)	(145,810)	149,989	(1,951,414)
Buildings, Equipments, and Projects	(3,507,009)	(56,579)	-	(3,563,588)
Total Accumulated Depreciation	(37,029,469)	(2,700,348)	149,989	(39,579,828)
Total Capital Assets Being Depreciated, Net	80,669,995	5,402,156	3,021,831	83,050,320
Total Arapahoe County Water and Wastewater Authority Capital Assets, Net	\$ 179,666,241	\$ 24,237,224	\$ 10,629,607	\$ 193,273,858

NOTE 7: DEFERRED INFLOWS OF RESOURCES – UNAVAILABLE REVENUE

Under both the accrual and modified accrual basis of accounting, revenue may be recognized only when earned. Therefore, the government-wide Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time.

Under the modified accrual basis of accounting, it is not enough that revenue has been earned if it is to be recognized in the current period. Revenue must also be susceptible to accrual (i.e., measurable and available to finance expenditures of the current period). Governmental funds report deferred inflows of resources in connection with receivables for revenues not considered available to liquidate liabilities of the current period. The County considers revenues available if they are collected within 60 days after year-end. At December 31, 2019, items considered unavailable to finance expenditures of the current fiscal period totaled \$734,065.

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
December 31, 2019

NOTE 8: CAPITAL COMMITMENTS

The County has contractual commitments for capital construction projects, capital asset purchase contracts, information technology and communication services, professional services, rent and other services as of December 31, 2019. These encumbrances are re-appropriated against the subsequent year's budget. The amount of these commitments re-appropriated at year end was:

Fund	Amount
General Fund	\$ 2,644,189
Social Services	249,706
Open Spaces Sales Tax	41,012,690
Nonmajor Governmental	<u>44,517,848</u>
Total Governmental Funds	<u>88,424,433</u>
Central Services	3,950,814
Self-Insurance Liability Fund	18,144
Total Internal Service Funds	<u>3,968,958</u>
Grand Total	<u><u>\$ 92,393,391</u></u>

Developers contribute funds to the County to help pay for County infrastructure costs related to their developments. The contributions are recorded as revenue in the capital project funds. These infrastructure projects are typically completed after the contributions are received and recorded as revenue. The probability that the County will ultimately fail to complete a project for which a developer has contributed funds is remote and does not justify the recording of a liability in the financial statements. During 2019, \$606,560 was contributed to the County by developers and is recorded as revenue for which development improvement projects must be completed by the County in the future.

NOTE 9: DEFERRED COMPENSATION PLANS

The County offers its employees an opportunity to participate voluntarily in a deferred compensation plan. This plan, created in accordance with Internal Revenue Code Section 457, is maintained by a third-party administrator, International City Management Association Retirement Corporation (ICMA-RC). The plan permits employees to defer a portion of their salary until future years. In 2019, employees could voluntarily elect to have amounts withheld from their compensation up to age of 50 to \$19,000 per year and above the age of 50 to \$25,000 per year. The amounts withheld are deposited to each participant's account, according to each participant's investment direction, making the plan funded. The deferred compensation balance is not available to employees until termination, retirement, death, or an unforeseeable emergency.

In accordance with GASB Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*, the County established trusts to hold the assets of the plans and modified the documents to state that the plan is "held in trust for the exclusive benefit of participants and their beneficiaries." As such, the plans' assets are not the property and right of the County, and therefore, are not reflected in the government-wide financial statements of the County.

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
December 31, 2019

NOTE 10: CHANGES IN LONG-TERM LIABILITIES

Long-term liability activity for the year ended December 31, 2019 is as follows:

Governmental Activities	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
General obligation bonds payable - Direct Borrowings and Direct Placements					
ACWWA PID 2009 A&B Bonds	\$ 56,075,000	\$ -	\$ 56,075,000	\$ -	\$ -
ACWWA PID 2012 Refunding Bonds	52,110,000	-	1,840,000	50,270,000	2,065,000
ACWWA PID 2015 Refunding Bonds	25,475,000	-	125,000	25,350,000	130,000
ACWWA PID 2019 Refunding Bonds	-	53,120,000	-	53,120,000	785,000
2009 Series Discount A&B Bonds	(79,012)	-	(79,012)	-	-
2012 Series Premium	995,798	-	111,601	884,197	107,564
2015 Refunding Premium	431,035	-	214,482	216,553	215,070
2019 Refunding Premium	-	3,638,178	8,084	3,630,094	898,245
Total Bonds Payable	135,007,822	56,758,178	58,295,156	133,470,844	4,200,879
Notes payable - Direct Borrowings and Direct Placements					
ACWWA PID - 2006	5,048,997	-	1,189,294	3,859,703	1,211,320
Premiums/Discounts	49,432	-	18,250	31,182	14,671
Total Notes Payable	5,098,429	-	1,207,544	3,890,885	1,225,991
Certificates of participation payable - Direct Borrowings and Direct Placements					
2015 Refunding of 2006 COP	12,205,000	-	3,870,000	8,335,000	4,055,000
Premiums/Discounts	993,045	-	398,633	594,412	399,726
Total Certificates of Participation Payable	13,198,045	-	4,268,633	8,929,412	4,454,726
Capital leases:					
Parkland	1,608,485	-	169,323	1,439,162	171,600
Lima Ridge	6,901,172	-	443,861	6,457,311	464,252
Fairgrounds Expansion Project	5,211,320	-	406,296	4,805,024	418,600
Total Capital Leases	13,720,977	-	1,019,480	12,701,498	1,054,452
Landfill - Post closure costs payable	4,913,424	1,170,899	169,021	5,915,302	200,725
Compensated absences	10,553,240	14,035,273	12,319,411	12,269,102	1,275,153
Total Long-term Liabilities	\$ 182,491,937	\$ 71,964,350	\$ 77,279,245	\$ 177,177,043	\$ 12,411,928

The Arapahoe County Water and Wastewater Public Improvement District (PID) Bonds are paid out of a Capital Projects Fund. All other General Long-Term Debt (except compensated absences) is paid for out of the Debt Service Funds. The County will liquidate compensated absences in the General, Social Services, Arapahoe Law Enforcement Authority District, Arapahoe/Douglas Works, Road & Bridge, Sheriff's Commissary, Housing and Community Development, Grant and Open Spaces Sales Tax Funds, Homeland Security, and Recreational District.

Arapahoe County government has Outstanding General Obligation Bonds, Notes Payable, and Certificates of Participation from direct borrowings and direct placements related to governmental activities totaling \$140,934,703. The primary source of revenues for repayment of direct borrowings and direct placements of debt are the ad valorem taxes levied against property within the County and District.

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
December 31, 2019

Governmental Activities (Direct Borrowings and Direct Placements)

	Bonds		Notes Payable		Certificates of Participation		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 2,980,000	\$ 4,129,295	\$ 1,211,320	\$ 193,842	\$ 4,055,000	\$ 315,375	\$ 8,246,320	\$ 4,638,512
2021	3,090,000	4,087,925	1,288,404	112,088	4,280,000	107,000	8,658,404	4,307,013
2022	3,285,000	3,980,025	1,359,979	20,121			4,644,979	4,000,146
2023	4,840,000	3,867,475					4,840,000	3,867,475
2024	5,065,000	3,704,263					5,065,000	3,704,263
2025-2029	29,075,000	15,776,081					29,075,000	15,776,081
2030-2034	36,125,000	10,414,044					36,125,000	10,414,044
2035-2039	44,280,000	4,011,556					44,280,000	4,011,556
	<u>\$ 128,740,000</u>	<u>\$ 49,970,664</u>	<u>\$ 3,859,703</u>	<u>\$ 326,051</u>	<u>\$ 8,335,000</u>	<u>\$ 422,375</u>	<u>\$ 140,934,703</u>	<u>\$ 50,719,090</u>

Regarding terms specified in debt agreements related to significant (1) events of default with finance-related consequences, (2) termination events with finance-related consequences, and (3) subjective acceleration clauses, the following points are noted for Bonds, Notes Payable, and Certificates of Participation:

- In each Bond, there are no provisions for acceleration of maturity of the principal of the Bonds in the event of a default in the payment of the principal or interest on the Bonds. Consequently, remedies available to the owners of the Bonds may have to be enforced from year to year. Upon an event of default under the Bond Resolutions are in many respects dependent upon judicial actions which are often subject to discretion and delay under existing constitutional and statutory law and judicial decisions, including specifically the United State Bankruptcy Code. The various legal opinions to be delivered concurrently with the delivery of the Bonds will be qualified as to enforceability of the various legal instruments by limitations imposed by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally and by equitable principles, whether considered at law or in equity (related to direct borrowing/direct placement for governmental activities).
- For Notes Payable, whenever an event of default the Authority shall have the right to take or to direct the Trustee to take any action permitted or required pursuant to the Loan Agreement and to take whatever other action at law or in equity may appear necessary or desirable to collect the amounts then due and thereafter to become due hereunder or to enforce the performance and observance of any duty, covenant, obligation or agreement.
- For Certificates of Participation (COP), if the Lease is not renewed because Event of Non-appropriation has occurred or is terminated because an Event of Default has occurred, the County is required to vacate or surrender possession of the Leased Property (a) by the end of the forty-fifth day of the fiscal year in respect of which an Event of Non-appropriation occurs; or (b) within 30 days after notice by the Trustee, in the case of an Event of Default. The County may also terminate the Lease as a result of certain events such as damage, destruction and condemnation.

The County has no lines of credit.

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
December 31, 2019

Bonds

Arapahoe County Water and Wastewater Public Improvement District Series 2012 Refunding Bonds

On September 27, 2012, the Arapahoe County Water & Wastewater Public Improvement District issued General Obligation Refunding Bonds in the amount of \$59,020,000 to refund the Arapahoe County Water & Wastewater Public Improvement District 2002 Series A & B Bonds. The fixed interest rates of these bonds range from 2.25% to 4.00%.

The refunding of the Arapahoe County Water & Wastewater Public Improvement District 2002 Series A & B Bonds resulted in a deferred outflow of resources of \$557,217 as of December 31, 2019 and amortized over the life of the new (refunding) debt. Future debt payments are as follows:

Date	Principal	Interest	Total
2020	\$ 2,065,000	\$ 1,470,625	\$ 3,535,625
2021	2,330,000	1,388,025	3,718,025
2022	2,585,000	1,318,125	3,903,125
2023	2,865,000	1,240,575	4,105,575
2024	3,130,000	1,176,113	4,306,113
2025-2029	20,410,000	4,456,375	24,866,375
2030-2032	16,885,000	1,039,050	17,924,050
Total	<u>\$ 50,270,000</u>	<u>\$ 12,088,888</u>	<u>\$ 62,358,888</u>

Arapahoe County Water and Wastewater Public Improvement District General Obligation Refunding Bonds, Series 2015

On June 23, 2015, the Arapahoe County Water & Wastewater Public Improvement District issued General Obligation Refunding Bonds, Series 2015 in the amount of \$25,930,000 with fixed interest rates ranging from 2% to 5%.

The refunding of the Arapahoe County Water & Wastewater Public Improvement District Series 2005 Bonds resulted in a deferred outflow of resources of \$30,161 as of December 31, 2019 and amortized over the life of the new (refunding) debt. Future debt payments are as follows:

Date	Principal	Interest	Total
2020	\$ 130,000	\$ 1,006,056	\$ 1,136,056
2021	135,000	999,556	1,134,556
2022	135,000	992,806	1,127,806
2023	1,380,000	986,056	2,366,056
2024	1,320,000	917,056	2,237,056
2025-2029	3,870,000	3,868,238	7,738,238
2030-2034	12,460,000	3,227,200	15,687,200
2035	5,920,000	207,200	6,127,200
Total	<u>\$ 25,350,000</u>	<u>\$ 12,204,168</u>	<u>\$ 37,554,168</u>

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
December 31, 2019

Arapahoe County Water and Wastewater Public Improvement District (ACWW PID) General Obligation Refunding Bonds, Series 2019

On December 19, 2019, ACWW PID issued \$53,120,000 of General Obligation Refunding Bonds, Series 2019, with interest rates ranging from 2.125% to 5.00% to refund the outstanding Refunding Bonds, Series 2009 A & B Bonds. As a result, the Series 2009 A & B bonds are considered to be defeased, and the related liability for the Series 2009 A & B bonds has been removed from the County's liabilities. The purpose of this refunding was to reduce its total debt service payments over the term of the bonds by \$19,983,768 and to realize an economic gain of \$13,732,342.

The current refunding of the ACWW PID Series 2009 A & B Bonds resulted in a deferred outflow resources of \$68,088 as of December 31, 2019 that is required by GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, to be amortized over the life of the new debt. Future debt payments are as follows:

Date	Principal	Interest	Total
2020	\$ 785,000	\$ 1,652,614	\$ 2,437,614
2021	625,000	1,700,343	2,325,343
2022	565,000	1,669,094	2,234,094
2023	595,000	1,640,844	2,235,844
2024	615,000	1,611,094	2,226,094
2025-2029	4,795,000	7,451,469	12,246,469
2030-2034	6,780,000	6,147,794	12,927,794
2035	38,360,000	3,804,356	42,164,356
Total	\$ 53,120,000	\$ 25,677,608	\$ 78,797,608

Notes Payable

Arapahoe County Water and Wastewater Public Improvement District 2006 Colorado Water Resources and Power Development Authority Drinking Water Fund Long-term Note Payable

The Arapahoe County Water and Wastewater Public Improvement District entered into a long-term note payable with the Colorado Water Resources and Power Development Authority on November 1, 2006. This long-term note payable financed a joint water purification project being constructed with the Cottonwood Water and Sanitation District, including production wells, a pumping station and transmission pipelines. The note was for \$16,049,975 with an average interest rate of 4.075%. Future debt payments are as follows:

Date	Principal	Interest	Total
2020	\$ 1,211,320	\$ 193,842	\$ 1,405,162
2021	1,288,404	112,088	1,400,492
2022	1,359,979	20,121	1,380,100
Total	\$ 3,859,703	\$ 326,051	\$ 4,185,754

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
December 31, 2019

Certificates of Participation

All Certificates of Participation are paid from a debt service fund.

2015 COP Refunding

On December 9, 2015, the County issued Refunding Certificates of Participation, Series 2015 in the amount of \$23,010,000 with fixed interest rates ranging from 2% to 5%.

The refunding of the Certificate of Participation Series 2006 resulted in a deferred outflow of resources loss of \$108,429 as of December 31, 2019 and amortized over the life of the new (refunding) debt. Future debt payments are as follows:

Date	Principal	Interest	Total
2020	\$ 4,055,000	\$ 315,375	\$ 4,370,375
2021	4,280,000	107,000	4,387,000
Total	<u>\$ 8,335,000</u>	<u>\$ 422,375</u>	<u>\$ 8,757,375</u>

Capital Leases

The following leases qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of future minimum lease payments as of the inception date.

Parkland Lease Purchase - Zions First National Bank

The County entered into a lease purchase agreement with Zions First National Bank on November 15, 2007. The lease financed the purchase of park and open space land in the Dove Valley subdivision adjacent to the Arapahoe Community Park.

The gross assets acquired under the lease were \$2,600,000. This is a land purchase and not subject to depreciation.

Payments of \$169,323 including principal and interest accruing at 2.370%, are due semi-annually.

The future minimum lease obligations and the net present value of these minimum lease payments are as follows:

Date	Principal	Interest	Total
2020	\$ 171,600	\$ 20,494	\$ 192,094
2021	173,907	17,963	191,870
2022	176,245	15,398	191,643
2023	178,614	12,799	191,413
2024	181,016	10,164	191,180
2025-2027	557,780	14,771	572,551
Total	<u>\$ 1,439,162</u>	<u>\$ 91,589</u>	<u>\$ 1,530,751</u>

Lima Ridge Lease Purchase

The County entered into a lease agreement with Banc of America Public Capital Corp. on May 19, 2011. The lease financed the purchase of the Lima Ridge Professional Center located at 6924 South Lima Street, Centennial, Colorado.

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Notes to the Financial Statements (Continued)
December 31, 2019

The gross assets purchased with the lease proceeds is \$9,650,000. The accumulated depreciation is \$3,856,037 with a net book value of \$5,793,963. The depreciation expense was \$463,370 for the year ended December 31, 2019.

Payments including principal and interest accrue at 4.5% and are due in monthly installments from May 2011 through December 2030.

The future minimum lease obligations and the net present value of these minimum lease payments are as follows:

Date	Principal	Interest	Total
2020	\$ 464,252	\$ 281,081	\$ 745,333
2021	485,580	259,754	745,334
2022	507,887	237,446	745,332
2023	531,219	214,114	745,333
2024	555,623	189,710	745,333
2025-2029	3,185,271	541,396	3,726,667
2030	727,479	17,855	745,334
Total	\$ 6,457,311	\$ 1,741,356	\$ 8,198,667

Fairgrounds Expansion Project Lease Purchase

On August 12, 2014, the County entered into a lease agreement with JPMorgan Chase Bank, N.A., to finance the expansion of the west side of the County Fairgrounds exhibition hall and to construct an outdoor horse arena for equestrian and livestock events.

The total lease purchase was \$9,443,393, of which \$2,722,849 was used to refinance the lease for the District Attorney's Office Building. The remaining \$6,720,544 is being used to finance the Fairgrounds Expansion Project.

The gross assets purchased in 2014 with the lease proceeds is \$6,649,786. The accumulated depreciation is \$706,617 with a net book value of \$6,420,285. The depreciation expense was \$229,501 for the year ended December 31, 2019.

Semi-annual payments are due for the period August 2014 through August 2029. The average interest rate is 2.84% per annum.

The future minimum lease obligations and the net present value of these minimum lease payments are as follows:

Date	Principal	Interest	Total
2020	\$ 418,600	\$ 141,300	\$ 559,900
2021	431,276	128,624	559,900
2022	444,336	115,564	559,900
2023	457,792	102,108	559,900
2024	471,655	88,245	559,900
2025-2029	2,581,365	218,136	2,799,501
Total	\$ 4,805,024	\$ 793,977	\$ 5,599,001

Landfill – Post-Closure Costs

The County previously owned and operated a landfill. This landfill was closed in 1987 and is no longer in operation. The County shares remedial action expenses with Waste Management Inc. with the County responsible for 75%. Each year, Waste Management bills the County when actual costs have been determined. The County's cost for 2018 was \$269,377 (paid in 2019) and \$169,021 for 2019 (paid in 2020). When the landfill was closed in 1987, the State

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
December 31, 2019

Department of Public Health and Environment placed the landfill on a 30-year monitoring program. After 30 years, provided all testing was satisfactory, the County would no longer be liable for ongoing monitoring costs. During 2017, the original 30-year monitoring program ended, and the State Department of Public Health and Environment re-evaluated the landfill and placed the landfill on another 30-year monitoring program. Therefore, the best estimate of liability is \$5,915,302 as of December 31, 2019, with \$200,725 being payable within one year. However, the actual post-closure costs may be higher or lower due to inflation/deflation and changes in technology or in applicable laws and regulations. This amount is recorded as a long-term liability, due within one year, on the government-wide financial statements as of December 31, 2019.

NOTE 11: DISCRETELY PRESENTED COMPONENT UNIT DEBT

Details of the debt for each of the component units can be found in their individual financial statements. Following is a discussion of the debt that is particularly relevant to the relationship between the component unit and the Primary Government.

Arapahoe County Public Airport Authority

Long-term liability activity for the year ended December 31, 2019, is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Notes Payable	\$ 8,000,000	\$ -	\$ 714,070	\$ 7,285,930	\$ 731,922
Total Long-term Liabilities	<u>\$ 8,000,000</u>	<u>-</u>	<u>\$ 714,070</u>	<u>\$ 7,285,930</u>	<u>\$ 731,922</u>

Note Payable

In 2018, the Authority obtained a loan in the amount of \$8,000,000 in order to finance construction of an aviation community and administrative facility. The loan bears interest at the rate of 2.5% on the unpaid balance, compounded annually. The Authority is making 10 annual installments in the amount of \$714,070. The loan is secured with loan proceeds from financing a building. The outstanding balance as of December 31, 2019 is \$7,285,930.

Commitments and Contingencies - Rental Agreements

The Authority has operating rental agreements with fixed base operators and subleases for rental of land and buildings owned by the Authority. These agreements stipulate that upon termination, title of any leasehold improvements will pass to the Authority. The following is an estimate, by year, of minimum future rental revenue under these agreements:

Year	Amount
2020	\$ 2,356,250
2021	2,371,401
2022	2,353,755
2023	2,382,725
2024	2,412,735
Thereafter	143,201,109
	<u>\$ 155,077,975</u>

Revenues under these leases amounted to \$2,613,417 during 2019. Included in this amount are a percentage of revenue fees associated with these leases.

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
December 31, 2019

The Authority has entered into lease agreements with the FAA to lease approximately 2,100 square feet of the Authority's tower and approximately 2,300 square feet of the Authority's administrative office building. The tower lease had an expiration date of July 9, 2006 and the FAA did not exercise the option to purchase the tower. The tower lease was renegotiated in 2006 at an amount equivalent to the tower repairs and maintenance and expired September 30, 2015. The lease extension is currently in negotiation. The office space lease expires September 30, 2020. Rental income under these leases amounted to \$146,725 during 2019. The earning stream from this agreement is included in the amounts disclosed above.

Arapahoe County Water and Wastewater Authority (ACWWA)

ACWWA's long-term liabilities consisted of the following for the year ended December 31, 2019:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Series 2009A Revenue Bonds	\$ 84,670,000	\$ -	\$ 84,670,000	\$ -	\$ -
Series 2012 Revenue Bonds	4,465,000	-	1,080,000	3,385,000	1,105,000
Series 2016 Revenue Bonds	14,930,000	-	420,000	14,510,000	435,000
2016 Bond Premium	1,871,022	-	125,430	1,745,592	-
Series 2017 Revenue Bonds	12,685,000	-	145,000	12,540,000	130,000
2017 Bond Premium	1,126,238	-	75,502	1,050,736	-
Series 2019 Revenue Bonds	-	71,485,000	-	71,485,000	1,635,000
2019 Bond Premium	-	11,733,135	48,888	11,684,247	-
Total Bonds Payable	119,747,260	83,218,135	86,564,820	116,400,575	3,305,000
Compensated Absences	349,346	347,968	312,970	384,344	325,729
Total Long-term Liabilities	<u>\$ 120,096,606</u>	<u>\$ 83,566,103</u>	<u>\$ 86,877,790</u>	<u>\$ 116,784,919</u>	<u>\$ 3,630,729</u>

Series 2009A Revenue Bonds

On December 8, 2009, ACWWA issued \$91,545,000 in Taxable Water and Wastewater Revenue Direct Pay Build America Bonds (BAB) with interest rates ranging from 3.61% to 6.68%. The revenue refunding and improvement bonds are due in annual principal and interest installments of \$5,516,894 to \$15,804,642 until December 2039. ACWWA is eligible to receive a 35% interest subsidy credit on its interest payments for these bonds subject to Section 6431 of the Internal Revenue Code. To receive BAB credits, ACWWA must file a form 8038-CP between 45 and 90 days prior to the corresponding interest payment date. Such credits, if received by ACWWA, are required under the bond resolution to be deposited to the Build America Bond Interest account of the Build America Bond Fund. There is no assurance, however, that ACWWA will receive all or any of the BAB credits which it expects to receive. ACWWA will be required to pay interest on the 2009A bonds regardless of whether BAB payments are received or not. ACWWA received interest subsidies in the amount of \$1,795,107 during 2019. In accordance with the Trust Indenture, as of December 31, 2018, \$7,121,420 was held in reserves. The 2009A revenue bonds were refunded during 2019, and the reserve requirement was eliminated.

Series 2012 Revenue Refunding Loan

On October 18, 2012, ACWWA refunded the Series 2009B Revenue Bonds and entered into a loan agreement with Colorado State Bank and Trust, dated October 18, 2012, in the amount of \$5,525,000. Principal and interest payments are due June 1 and December 1 in varying amounts through December 1, 2022, with a fixed interest rate of 2.16%. In accordance with the Trust Indenture, as of December 31, 2019, \$553,453 was held in reserves.

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Notes to the Financial Statements (Continued)
December 31, 2019

Series 2016 Revenue Refunding Bonds

On October 4, 2016, ACWWA issued \$16,475,000 of Revenue Refunding Bonds, Series 2016, with interest rates ranging from 2.00% to 4.00% to refund the outstanding Refunding Bonds, Series 2006. As a result, the 2006 bonds have been removed from ACWWA's liabilities. The purpose of this refunding was to reduce its total debt service payments over the next six years by \$3,392,816 and to realize an economic gain of \$3,040,287. Principal and interest are due June 1 and December 1 in varying amounts through December 1, 2033.

Series 2017 Revenue Refunding Bonds

On August 22, 2017, ACWWA issued \$12,720,000 of Revenue Refunding Bonds, Series 2017, with interest rates ranging from 2.00% to 4.00% to refund the outstanding Refunding Bonds, Series 2007. As a result, the 2007 refunding bonds are considered to be defeased, and the related liabilities for the Series 2007 bonds have been removed from ACWWA's liabilities. The purpose of this refunding was to reduce its total debt service payments over the term of the bonds by \$2,440,100 and to realize an economic gain of \$2,345,844. Principal and interest are due June 1 and December 1 in varying amounts through December 1, 2033.

Series 2019 Revenue Refunding Bonds

On October 22, 2019, ACWWA issued \$71,485,000 of Revenue Refunding Bonds, Series 2019, with interest rates ranging from 4.00% to 5.00% to refund the outstanding Refunding Bonds, Series 2009A. As a result, the 2009A revenue bonds are considered to be defeased, and the related liability for the Series 2009A bonds has been removed from ACWWA's liabilities. The purpose of this refunding was to reduce its total debt service payments over the term of the bonds by \$15,451,417 and to realize an economic gain of \$12,497,890. Principal and interest payments are due June 1 and December 1 in varying amounts through December 1, 2039.

Pledged Revenue and Debt Coverage Requirements

Over the years, ACWWA has issued revenue bonds with certain pledged revenues as collateral, certain debt coverage requirements, and various covenants in which ACWWA's management believes that ACWWA is in compliance.

ACWWA's long-term liabilities will mature as follows:

Date	Principal	Interest	Total
2020	3,305,000	4,197,399	7,502,399
2021	3,460,000	4,042,048	7,502,048
2022	4,155,000	3,911,440	8,066,440
2023	3,755,000	3,752,700	7,507,700
2024	3,930,000	3,583,300	7,513,300
2025-2029	22,355,000	15,188,600	37,543,600
2030-2034	27,570,000	9,981,550	37,551,550
2035-2039	33,390,000	4,118,000	37,508,000
Total	<u>\$ 101,920,000</u>	<u>\$ 48,775,037</u>	<u>\$ 150,695,037</u>

NOTE 12: OPERATING LEASES

The County leases office facilities under non-cancelable operating leases. The following is a summary of the County's future obligations for operating leases:

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Notes to the Financial Statements (Continued)
December 31, 2019

City Center Market Place	
2020	180,818
2021	189,037
2022	197,256
2023	205,475
2024	213,694
2025	221,913
2026	230,132
	<u>\$ 1,438,325</u>

Rent expense for 2019 was \$170,544.

NOTE 13: SELF-INSURANCE PLANS

Self-Insurance Liability Plan - In 1982, Arapahoe County established a self-insurance plan to provide liability and property coverage for County assets and operations. The plan is administered by the County. When appropriate, the County utilizes third-party consultants and attorneys to handle bodily injury claims and certain other claims. Excess insurance is maintained that limits the County's liability to certain levels depending on the nature of the claim. The Plan is not part of a public entity risk pool. The estimated liability claims were determined by an actuarial analysis of current claims and an estimate of incurred but not reported (IBNR) claims at December 31, 2018. This plan is an internal service fund.

Self-Insurance Worker's Compensation Plan – In 1990, the County established a self-insurance plan to pay losses from worker's compensation claims. The County administers the plan; however, the County utilizes third-party consultants, attorneys and service providers in the administration of the plan. Excess insurance coverage is maintained to limit the loss of any individual claim. The plan assesses other funds for estimates of current claims based on historical claims. The Plan is not part of a public entity risk pool. The estimated claim liability at December 31, 2018 was determined by an actuarial analysis. The actuarial analysis includes estimated costs of known claims and estimates of incurred but not reported (IBNR) claims. This plan is an internal service fund.

Self-Insurance Dental Plan - This fund was originally established on January 1, 1986, and included both medical and dental plans. A decision was made in 1991 to discontinue the County plan for medical insurance effective January 1,

1992. The County continued the self-insured dental plan. The County's Human Resource Department administers the Self-Insurance Dental Plan; however, the County utilizes a third-party consultant to assist with administering the Plan. Dental claims, as well as administrative costs, are paid directly out of this fund, which is funded by contributions made by the County and its employees. All claims are reviewed and approved for payment by Delta Dental, in accordance with their administrative services agreement with the County. The County's plan is fully self-insured with the County assuming all liability risks. The Plan is not part of a public entity risk pool. The estimated claim liability at December 31, 2018 was determined by an actuarial analysis. The actuarial analysis includes estimated costs of known claims and estimates of incurred but not reported (IBNR) claims. This plan is an internal service fund.

The County employs a full-time Risk Manager to oversee all aspects of the County's insurance needs and to assess the County's potential liabilities. The following table displays the change in the balances of the claims liabilities:

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Notes to the Financial Statements (Continued)
December 31, 2019

	Liability	Worker's Comp	Dental	Total
Unpaid Claims, January 1, 2018	\$ 1,097,000	\$ 2,170,000	\$ 55,800	\$ 3,322,800
Incurred Claims (including IBNR)	648,021	988,226	1,463,169	3,099,416
Claim Payments	(301,021)	(1,503,226)	(1,453,469)	(3,257,716)
Unpaid Claims, December 31, 2018	1,444,000	1,655,000	65,500	3,164,500
Incurred Claims (including IBNR)	757,130	2,245,372	1,456,785	4,459,287
Claim Payments	(971,130)	(1,730,372)	(1,455,285)	(4,156,787)
Unpaid Claims, December 31, 2019	<u>\$ 1,230,000</u>	<u>\$ 2,170,000</u>	<u>\$ 67,000</u>	<u>\$ 3,467,000</u>
Claims Expected to be Paid in 2020	\$ 370,000	\$ 650,000	\$ 67,000	\$ 1,087,000
Claims Expected to be Paid after 2020	<u>860,000</u>	<u>1,520,000</u>	<u>-</u>	<u>2,380,000</u>
Unpaid Claims, December 31, 2019	<u>\$ 1,230,000</u>	<u>\$ 2,170,000</u>	<u>\$ 67,000</u>	<u>\$ 3,467,000</u>

Unpaid claim estimates do not include non-incremental claim adjustment expenses. Claims have not exceeded the County's insurance coverage for the previous three years.

NOTE 14: RETIREMENT PLAN

Plan Description

The Arapahoe County Retirement Plan (the Plan) is a single employer-defined benefit pension plan established by the Arapahoe County Board of County Commissioners to provide pension benefits for its employees. The Plan is administered by the Arapahoe County Retirement Board, which consists of five people: the Arapahoe County Treasurer, two Plan members elected by the Plan members, and two Arapahoe County citizens appointed by the Board of County Commissioners.

The Plan provides retirement benefits for employees. Substantially all of the general employees of the County are covered under the Plan. The benefits are determined by the Retirement Plan Board. The Plan has three tiers of benefits, based on when an employee was hired. The minimum age for retirement with full benefits has increased from 52 under Tier 1 to 60 under Tier 3. This minimum age applies if you meet certain age and years of service requirements. Tier 1 employees must meet the Rule of 75, Tier 2 the Rule of 80 and Tier 3 the Rule of 85. The benefit multiplier has decreased from 2.5% per number of years of service in Tier 1 to 2.0% per number of years of service in Tier 3. Beginning January 1, 2014 all employees in all Tiers earn future benefits based on a multiplier of 1.85%. This does not change any benefits previously earned through December 31, 2013.

Plan members in Tiers 1 and 2 who terminate employment receive refunds of contributions to the Plan. Contributions made to the Plan prior to January 1, 2014 are refunded per this schedule.

Completed years of Service	Percent of accumulated contributions at termination or date of application for refund, if later
Fewer than 5	100%
5 - 9	125%
10 - 14	150%
15 or more	200%

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Notes to the Financial Statements (Continued)
December 31, 2019

Any contributions made to the Plan after December 31, 2013 are only refunded at 100% plus interest. Alternatively, members who terminate employment prior to retirement can elect to receive a deferred retirement benefit equal to the vested portion of benefits earned to the date of termination. Vesting is as follows:

Completed years of credited services	Percentage of earned benefits vested
Less than 4	0%
4	60%
5	70%
6	80%
7	90%
8 or more	100%

For elected officials who are not re-elected or re-employed at the end of their term, earned benefits are 100% vested.

Employees who are hired, appointed or elected on or after July 1, 2010 (Tier 3), who terminate their employment prior to retirement, can elect to receive their contributions and the interest earned on their contributions only. They are not eligible to receive any county contribution or interest earned on county contributions.

Alternatively, members who terminate employment prior to retirement can elect to receive a deferred retirement benefit equal to the vested portion of benefits earned to the date of termination. Vesting is as follows:

Completed years of credited services	Percentage of earned benefits vested
Less than 8	0%
8 or more	100%

Benefit provision changes are made by the Arapahoe County Retirement Board, which was established under the authority of Colorado Revised Statutes 24-54-107.

The Plan issues a complete stand-alone set of financial statements that meet all the reporting requirements of US GAAP. These financial statements are publicly available and may be obtained at: Arapahoe County Retirement Plan, 6984 S. Lima Street, Suite B, Centennial, Colorado 80111 or at the following web address: <http://acgret.org>.

Plan Summary of Significant Accounting Policies

The financial statements of the Plan are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. The government's contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. The Plan's investments are reported at fair value. Securities traded on national or international exchanges are valued at the last reported sales price at current exchange rates. Investments that do not have an established market value are reported at estimated fair value. The fair values of real estate and alternative investments (hedge fund of funds, private equity) are based on independent appraisals of properties owned and valuation of assets in the various investment funds. As a result, unrealized gains and losses are recognized in the financial statements at the time of market fluctuation. Investment income is recognized as earned. Gains and losses on sales and exchanges of securities are recognized on the transaction date.

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Notes to the Financial Statements (Continued)
December 31, 2019

Employees Covered by Benefit Terms

At December 31, 2019, the following employees were covered by the benefit terms:

Retirees and beneficiaries	1,048
Inactive, Nonretired members	252
Active employees	<u>2,078</u>
	<u>3,378</u>

Contributions

The contribution requirements of plan members are established by the Retirement Board in agreement with the Board of County Commissioners, which established the employer contribution. The employer must at least match the contribution of the employee. Effective January 1, 2019, the contribution rate for employee/employer contributions was 8.50%. Pension liabilities are generally liquidated through the same funds where the payroll expenditures are recorded. Funds with contributions during 2019 were the General Fund, Social Services, Open Spaces Sales Tax, Law Enforcement Authority, Arapahoe/Douglas Works!, Road and Bridge, Sheriff Commissary, Community Development, Grant, Homeland Security Grant, and Arapahoe County Recreation District Funds. During 2019, the County made contributions totaling \$11,669,706.

Net Pension Liability

The County has elected a measurement date for the current year-end as of the prior year-end. Therefore, the net pension liability as of December 31, 2019 was measured as of December 31, 2018. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of January 1, 2019.

Actuarial Assumptions

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, open
Remaining amortization period	20 years
Asset valuation method	5-year smoothed market
Inflation	2.50%
Salary increase	Age-based: 3.40% to 6.75%
Investment rate of return	7.25%
Retirement age	Age-based with consideration for eligibility for Special Early Retirement

Mortality rates use the Combined RP-2014 tables adjusted backward to 2006 with MP-2014 White Collar and Blue-Collar adjustment projected with Scale MP-2016 and the RP-2014 Disabled Mortality Table.

Assumptions shown above are for January 1, 2019 (used to determine 2019 Actuarial Determined Contribution).

Single Discount Rate

A Single discount rate of 5.60% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7.25% and a municipal bond rate of 3.71%. The projection of cash flows used to determine this single discount rate assumed that Plan member contributions will

be made at the current scheduled contribution rate and employer contributions will be made at rates equal to the difference between actuarially determined contributions rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make future benefit payments through the year 2050. Therefore, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through the year 2050 and the municipal bond rate was applied to all benefit payments after that date.

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Notes to the Financial Statements (Continued)
December 31, 2019

Investments

All investment information disclosed in the Plan's financial statements, including investments held at December 31, 2019 and net appreciation in fair value of investments, interest, dividends for the years ended December 31, 2019, was obtained or derived from information supplied to the plan administrator and certified as complete and accurate by U.S. Bank, the trustee of the Plan.

	<u>December 31, 2019</u>
Total Investments	\$ 321,864,552
Net Appreciation (Depreciation) in Fair Value of Investments	42,357,720
Interest and Dividend Income	5,528,373

The Retirement Board of the Plan has sole discretion over the investments of the Plan within the guidelines established by state statutes. The Plan contracts with investment managers to manage substantially all of the Plan's investments. U.S Bank holds the Plan's investments under a trust agreement with the Plan.

Interest Rate Risk - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Interest rate risk exposure is dictated by each manager's agreement. Each portfolio is managed in accordance with investment guidelines as stated in the Plan's investment policy. As of December 31, 2019, the Plan held the following fixed income investments:

	<u>December 31, 2019</u>
Western Core Plus Asset Management	
Core Plus Bond Fund - IS Shares	
Balance	\$ 24,790,768
Modified Duration (in Years)	7.0
JP Morgan	
Core Bond Fund	
Balance	\$ 25,421,595
Modified Duration (in Years)	7.7

Investments in money market funds in the Operating Account of \$7,282,751 at December 31, 2019 are available for withdrawal daily.

Custodial Credit Risk - Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the Plan will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Plan has no formal policy for custodial credit risk. Certain externally managed pools participate in security lending transactions, repurchase agreements and over-the-counter transactions. These transactions may indirectly subject the Plan to the risk of loss due to nonperformance by the counterparty to the agreement.

Credit Risk - Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation to the Plan. Credit risk exposure is managed in accordance with investment guidelines as stated in the formal investment policy adopted by the plan. As per Section 24-54-112 of the Colorado Revised Statutes (C.R.S.), the Plan assets will be invested using the "Colorado Uniform Prudent Investor Act" found in the provisions of Part 3 of Article 1 of Title 15, C.R.S. The Plan assets shall be invested and managed as a prudent investor would, by considering the purposes, terms, distribution requirements and other circumstances. In satisfying this standard, all fiduciaries shall exercise reasonable care, skill and caution. Investment decisions should be evaluated within the context of the entire portfolio, rather than on an individual investment basis, and as part of an overall investment strategy having risk and return objectives reasonably suited to the Plan's purpose. The Plan does not own any derivative investments.

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Notes to the Financial Statements (Continued)
December 31, 2019

The following is a summary of the Plan's fixed income investments at December 31, 2018 with average credit ratings based on Standard & Poor's rating scale:

	<u>December 31, 2019</u>
Western Core Asset Management	
Core Plus Bond Fund - IS Shares	
Fair Value	\$ 24,790,768
Average Rating of Underlying Investments	AA
JP Morgan	
Core Bond Fund	
Fair Value	\$ 25,421,595
Average Rating of Underlying Investments	AA-
US Bank Money Market	
Fair Value	\$ 7,282,751
Average Rating of Underlying Investments	not rated

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 does not have a policy that addresses limitations on the amount that can be invested in any one issuer. There is no formal policy for concentration of credit risk for the international equity and real estate investment managers.

The following presents investments that represent five percent or more of the Plan's investments as of December 31, 2019:

	<u>2019</u>
Vanguard Institutional Index	\$ 73,481,338
CBRE	30,590,717
Vanguard Total International Stock Index Fund	29,979,444
JP Morgan Chase	25,421,595
Western CORE Plus	24,790,768
New Perspective Fund/Euro-Pacific Growth Funds	17,741,736
Dodge & Cox Global Stock Fund	17,357,726
Parametric	16,160,163

Foreign Currency Risk - Foreign currency risk is defined as any deposits or investments that are denominated in foreign currencies, which bear a potential risk of loss arising from changes in currency exchange rates. The Plan

has no direct holdings which give rise to foreign currency risk. However, some of the externally managed funds have investments which are denominated in foreign currencies.

Liquidity Risk - Certain investments, such as those in the hedge fund of funds, and real estate funds may have limited transferability and restrictions on when investments may be redeemed.

Off Balance Sheet Risk - Through its holdings in externally managed investment pools, the Plan's money managers have entered into various contracts which contain off balance sheet risk. These include future contracts, short sales, hedging and arbitrage transactions, option contracts, swap options and various swap contracts.

Rates of Returns - Certain investments contractually include specific investment returns to classes of investors which may not approximate the ownership percentages of these investments and may affect the timing and amount of investment returns of the plan.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected return, net of pension plan investment expense and inflation) are developed for each major asset class. These real rates of return 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 by adding expected inflation. For each major asset class that is included in the pension plan's target asset

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
December 31, 2019

allocation as of January 1, 2019, recent best estimates as supplied by the investment consultant are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Geometric Real Rate of Return
Developed Markets Equity	40.0%	5.76%
Private Equity - Real Estate	15.0%	5.07%
Emerging Markets Equity	10.0%	8.33%
Low Volatility Strategies	10.0%	2.33%
Fixed Rate Debt - Investment Grade	7.5%	0.75%
Floating Rate Debt	5.0%	2.71%
Private Credit	5.0%	3.95%
Private Equity	5.0%	9.87%
Fixed Rate Debt - High Yield	2.5%	3.57%
	100.0%	

Sensitivity of Net Pension Liability to the Single Discount Rate Assumption

The following presents the County's net pension liability, calculated using a single discount rate of 5.60%, as well as what the County's net pension liability would be if it were calculated using the discount rate that is one percentage point lower (4.60%) or one percentage point higher (6.60%) than the current rate:

1% Decrease 4.60%	Current Discount Rate 5.60%	1% Increase 6.60%
\$ 420,416,009	\$ 334,464,400	\$ 264,614,737

Pension Plan Fiduciary Net Position

Detailed information about the Plan's fiduciary net position is available in the separately issued Plan financial report discussed above.

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
December 31, 2019

Changes in Net Pension Liability

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at December 31, 2018	\$ 482,144,798	\$ 305,058,768	\$ 177,086,030
Changes for the year:			
Service cost	13,374,426	-	13,374,426
Interest on total pension liability	34,381,543	-	34,381,543
Changes on benefit terms	-	-	-
Difference between expected and actual experience of the Total Pension Liability	9,440,968	-	9,440,968
Changes of assumptions	108,378,573	-	108,378,573
Benefit payments, including refunds of employee contributions	(29,207,652)	(29,207,652)	-
Employer contributions	-	10,442,318	(10,442,318)
Member contributions	-	10,436,036	(10,436,036)
Net investment income	-	(12,287,634)	12,287,634
Administrative expenses	-	(393,580)	393,580
Net changes	<u>136,367,858</u>	<u>(21,010,512)</u>	<u>157,378,370</u>
Balances at December 31, 2019	<u>\$ 618,512,656</u>	<u>\$ 284,048,256</u>	<u>\$ 334,464,400</u>

For the year ended December 31, 2019, the County recognized pension expense of \$53,534,702. At December 31, 2019, the County reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 10,202,611	\$ 1,038,129
Changes in assumptions	103,050,764	-
Net difference between projected and actual earnings	31,790,793	9,154,264
Contributions made subsequent to measurement date	11,669,706	-
Total	<u>\$ 156,713,874</u>	<u>\$ 10,192,393</u>

The \$11,669,706 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2019. The other 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,	Total
2020	\$ 36,397,886
2021	30,159,391
2022	29,892,066
2023	30,684,322
2024	7,718,110
	<u>\$ 134,851,775</u>

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
December 31, 2019

NOTE 15: CONTINGENCIES

The County is currently named in numerous lawsuits. In the opinion of the County Attorney, none of the current litigation is expected to result in a material liability or have a material impact on the County's financial position. The excess insurance coverage available in the self-insurance liability plan also limits potential liability for the County.

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the state government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the County expects such amounts, if any, to be immaterial.

NOTE 16: TAX SPENDING AND DEBT LIMITATIONS

The 1992 amendment to Article X, Section 20 of the State Constitution, the Taxpayer's Bill of Rights (TABOR), limits the revenue raising and spending abilities of the State and local governments. It prohibits any increase in the mill levy without a vote of the citizens, requires any revenue collected in excess of the fiscal year spending limit to be refunded in the following year, and requires the establishment of an "emergency reserve" equal to 3% of fiscal year expenditures.

The County's financial activity provides the basis for calculation of the limitations, which is adjusted for allowable increases tied to inflation and local growth of assessed value of new construction.

The Amendment excludes enterprises from its provisions. Enterprises are defined as government-owned businesses that are authorized to issue their own revenue bonds and that receive less than 10% of their annual revenue from all state and local governments combined. The County is of the opinion that the following component units are enterprises

and, therefore, qualify for this exclusion: Arapahoe County Water & Wastewater Authority, Arapahoe County Public Airport Authority, and the Arapahoe County E-911 Authority.

Additionally, the Employee Flexible Benefit Fund, Self-Insurance Dental Plan, Conservation Trust Fund, Retirement Trust Fund, and the Treasurer's Agency Fund have been excluded from the compliance calculation. These funds have been excluded from the compliance calculation since these funds exist for the employees' benefit, have been excluded from the calculation by the Amendment, and/or have been excluded by a Colorado Supreme Court decision.

Fiscal year spending is defined by the TABOR Amendment as "all district expenditures and reserve increases except, as to both, those for refunds made in the current or next fiscal year or those from gifts, federal funds, collections for another government, pension contributions by employees, and pension fund earnings, reserve transfers or expenditures, damage awards or property sales." In effect, it has been generally interpreted that fiscal year spending is non-exempt revenue. Calculations have been made that show that the County and the non-exempt component units have not exceeded the fiscal year limits imposed by the Amendment.

The Amendment requires, with certain exceptions, voter approval prior to imposing new taxes, increasing tax rates, increasing a mill levy above that for the prior year, extending an expiring tax, or implementing a tax policy change directly causing a net tax revenue gain to any local government. The County levied 16.973 mills as the base mill levy in 1997, but permanently reduced it to 15.821 mills in 1998.

The Law Enforcement Authority levied 4.982 mills and the Recreation District levied .735 mills in 2019.

Emergency reserves at or in excess of three percent of calculated fiscal year spending have been established and presented as a restriction of fund balance for the County and for the non-exempt component units. The Board of County Commissioners designates another 8.0% of the current year's initial adopted operational budget for emergency purposes.

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
December 31, 2019

Based upon Arapahoe County's interpretation of the above Amendment, the County believes it falls within the TABOR limits for 2019.

NOTE 17: CONDUIT DEBT

The Colorado County and Municipality Development Revenue Bond Act, Article 3, Title 29 of Colorado Revised Statutes, 1973, authorizes municipalities to finance one or more projects to promote industry, trade or other economic activity to further the economic health of the County. The Act further authorizes the County to enter into financial agreements with others to provide revenue to pay the bonds authorized and issued and to secure the payment of such bonds.

Periodically, under the above Act, the County issues industrial revenue bonds, single-family mortgage revenue bonds, multi-family mortgage revenue bonds, construction loan revenue bonds and special obligation revenue bonds to provide financial assistance to private-sector entities for the acquisition and construction of private, industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. The County is not obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of December 31, 2019, the aggregate principal amount payable for the bonds is \$49,704,351.

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
December 31, 2019

NOTE 18: NONSPENDABLE, RESTRICTED, AND UNRESTRICTED FUND BALANCE

Nonspendable, restricted, committed, and assigned fund balances of the governmental funds consist of the following:

	Major Special Revenue Funds				
	General Fund	Social Services	Open Spaces Sales Tax	Other Governmental	Total
Fund Balances					
Nonspendable:					
Inventory	\$ 1,936	\$ -	\$ -	\$ 70,093	\$ 72,029
Prepaid expenditures	16,173	6,785	-	1,207	24,165
Total Nonspendable	<u>18,109</u>	<u>6,785</u>	<u>-</u>	<u>71,300</u>	<u>96,194</u>
Restricted for:					
Emergencies (TABOR)	7,871,927	-	-	543,248	8,415,175
Parks, Recreation & Open Space	480,741	-	-	1,434,358	1,915,099
Fairgrounds Expansion	-	-	-	-	-
Developer Contributions	-	-	-	15,015	15,015
Debt Service	-	-	-	-	-
Park Development	-	-	-	1,228,943	1,228,943
Law Enforcement	-	-	-	7,043,201	7,043,201
Electronic Filing Technology	-	-	-	610,029	610,029
Transportation Projects	-	-	-	5,297,707	5,297,707
Open Space, Parks and Trails	-	-	40,989,797	-	40,989,797
Water Projects - Debt Service	-	-	-	-	-
Total Restricted	<u>8,352,668</u>	<u>-</u>	<u>40,989,797</u>	<u>16,172,501</u>	<u>65,514,966</u>
Committed to:					
Emergencies	-	-	-	603,469	603,469
Capital Projects/Replacements	-	-	-	7,207,591	7,207,591
Highways & Streets	-	-	-	32,536,422	32,536,422
Radio Telecommunication	-	-	-	318,763	318,763
Water Projects	-	-	-	2,665,180	2,665,180
Total Committed	<u>-</u>	<u>-</u>	<u>-</u>	<u>43,331,425</u>	<u>43,331,425</u>
Assigned to:					
Contracted Services	514,561	-	-	-	514,561
Parks and Recreation	-	-	-	1,634,081	1,634,081
Debt Service	-	-	-	2,236,080	2,236,080
Facilities and Fleet Maintenance	15,629	-	-	-	15,629
Health and Welfare Programs	-	10,301,266	-	375,376	10,676,642
Information Technology Projects	30,955	-	-	-	30,955
Law Enforcement	1,223,702	-	-	1,114,492	2,338,194
Public Works Projects	759,342	-	-	-	759,342
Recording	100,000	-	-	-	100,000
Subsequent Year Expenditures	8,866,848	1,430,803	-	347,424	10,645,075
Total Assigned	<u>11,511,037</u>	<u>11,732,069</u>	<u>-</u>	<u>5,707,453</u>	<u>28,950,559</u>
Unassigned	<u>49,422,184</u>	<u>-</u>	<u>-</u>	<u>(810,362)</u>	<u>48,611,822</u>
Total Fund Balance	<u>\$ 69,303,998</u>	<u>\$ 11,738,854</u>	<u>\$ 40,989,797</u>	<u>\$ 64,472,317</u>	<u>\$ 186,504,966</u>

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
December 31, 2019

NOTE 19: EXPLANATION OF DIFFERENCES BETWEEN REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES (USES) FOR THE GENERAL FUND BUDGETARY COMPARISON SCHEDULE AND THE GENERAL FUND AS REPORTED IN THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

As part of the County's implementation of GASB Statement No. 54 (see Note 1, Fund Equity), certain special revenue funds reported in the years prior to December 31, 2011 no longer qualify as special revenue funds, and have been combined with the General Fund for reporting purposes. In accordance with GASB Statement No. 41, Budgetary Comparison Schedules – Perspective Differences, the activity of such funds is not included in the General Fund budgetary comparison schedule. The following is a reconciliation of the General Fund budgetary comparison schedule to the General Fund as reported in the Statement of Revenues, Expenditures and Changes in Fund Balance for the year ended December 31, 2019:

Expenditures

Actual amounts "expenditures" from the General Fund budgetary comparison schedule \$ 181,339,054

Adjustments:

The County reports expenditures of the Building Maintenance Fund as part of the General Fund for reporting purposes, in the Statement of Revenues, Expenditures and Changes in Fund Balance.

2,061,750

Total General Fund expenditures as reported in the Statement of Revenues, Expenditures, and Changes in Fund Balance

\$ 183,400,804

Other financing sources (uses)

Actual amounts "other financing sources (uses)" from the General Fund budgetary comparison schedule

\$ (15,469,018)

Adjustments:

The County reports other financing sources (uses) of the Building Maintenance Fund as part of the General Fund for reporting purposes, in the Statement of Revenues, Expenditures and Changes in Fund Balance.

2,078,000

Total General Fund other financing sources (uses) as reported in the Statement of Revenues, Expenditures, and Changes in Fund Balance

\$ (13,391,018)

Arapahoe County, Colorado
Notes to the Financial Statements (Continued)
December 31, 2019

NOTE 20: TAX ABATEMENTS

Arapahoe County enters into personal property tax abatements with local businesses with authority under Colorado Revised Statute Sec. 30-11-123. Under the Statute, the County may negotiate an incentive payment or credit with any taxpayer who establishes a new business facility within the County to stimulate economic development. This payment or credit may not exceed the amount of personal property taxes levied by the County and is contingent upon appropriated funding in the annual budget. In the event of default by the taxpayer, the maximum amount recoverable by the County is the amount of incentive payments paid to the taxpayer under the agreement.

For fiscal year ended December 31, 2019, the County abated personal property taxes totaling \$96,704 under this program, including the following agreements that each exceeded 10 percent of the total amount abated:

- Company A, LLC: A 100 percent rebate of the personal property taxes paid to the County, for five years beginning with the 2015 tax year, for an expansion which constitutes a business facility located in Greenwood Village, CO. Because taxes are abated after the qualifying steps have been taken, there are no provisions for recapturing abated taxes. The rebated amount to Company A, LLC during fiscal year 2019 totaled \$15,136.
- Company B, Inc.: A 100 percent rebate of the personal property taxes paid to the County, for 10 years beginning with the 2016 tax year, for an expansion which constitutes a new businesses facility located in Centennial, CO. Also, a 100 percent rebate of the personal property taxes paid to the County, for 10 years beginning with the 2018 tax year, for a new business facility located in Centennial, CO. The only provision for recapturing the abated taxes is in the event of a default. The rebated amount to Arrow Electronics for both agreements during fiscal year 2019 totaled \$58,858.

NOTE 21: SUBSEQUENT EVENTS

Subsequent to year end, the World Health Organization declared the spread of Coronavirus Disease (COVID-19) a worldwide pandemic. The COVID-19 pandemic is having significant effects on global markets, supply chains, businesses, and communities. Specific to the County, COVID-19 may impact various parts of its 2020 operations and financial results including, but not limited to, increased costs for emergency preparedness and decreases in sales tax revenues. Management believes the County is taking appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as these events occurred subsequent to year end and are still developing.

During the period from January 1, 2020 through June 23, 2020, both domestic and international equity markets have experienced significant declines. These losses are not reflected in the financial statements as of and for the year ended December 31, 2019 as these events occurred subsequent to year end and are still developing.



Arapahoe County, Colorado
Schedule of Changes in the Net Pension Liability and Related Ratios
Required Supplementary Information
Fiscal Years 2010 - 2019

Measurement Date	2019 1/1/2019	2018 1/1/2018	2017 1/1/2017	2016 1/1/2016	2015 1/1/2015	2014	2013	2012	2011	2010
Total pension liability										
Service cost	\$ 13,374,426	\$ 11,895,316	\$ 11,551,817	\$ 10,966,993	\$ 10,186,256	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	34,381,543	32,588,637	31,505,044	29,854,357	27,803,874	-	-	-	-	-
Effect of plan changes	-	-	-	-	-	-	-	-	-	-
Effect of changes of experience	9,440,968	578,291	(2,292,612)	6,279,309	3,758,718	-	-	-	-	-
Effect of changes of assumptions	108,378,573	22,230,845	-	-	8,605,204	-	-	-	-	-
Benefit payments	(25,146,993)	(23,818,184)	(22,421,338)	(21,311,701)	(19,218,734)	-	-	-	-	-
Refunds	(4,060,659)	(3,613,409)	(3,123,281)	(3,911,473)	(2,367,372)	-	-	-	-	-
Net change in pension liability	136,367,858	39,861,496	15,219,630	21,877,485	28,767,946	-	-	-	-	-
Total pension liability-beginning	482,144,798	442,283,301	427,063,671	405,186,186	376,418,240	-	-	-	-	-
Total pension liability-ending (a)	<u>\$ 618,512,656</u>	<u>\$ 482,144,797</u>	<u>\$ 442,283,301</u>	<u>\$ 427,063,671</u>	<u>\$ 405,186,186</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Plan fiduciary net position										
Employer contributions	\$ 10,442,318	\$ 9,660,642	\$ 9,298,210	\$ 8,749,813	\$ 8,451,497	\$ -	\$ -	\$ -	\$ -	\$ -
Member contributions	10,436,036	9,670,411	9,288,083	8,738,077	8,444,077	-	-	-	-	-
Net investment income	(12,287,634)	35,237,379	20,473,577	(2,242,209)	18,236,018	-	-	-	-	-
Benefit payments	(25,146,993)	(23,818,184)	(22,421,338)	(21,311,701)	(19,218,734)	-	-	-	-	-
Refunds	(4,060,659)	(3,613,409)	(3,123,281)	(3,911,473)	(2,367,372)	-	-	-	-	-
Administrative expense	(393,580)	(373,368)	(396,050)	(334,662)	(493,482)	-	-	-	-	-
Net change in plan fiduciary net position	(21,010,512)	26,763,471	13,119,201	(10,312,155)	13,052,004	-	-	-	-	-
Plan fiduciary net position-beginning	305,058,768	278,295,297	265,176,096	275,488,251	262,436,247	-	-	-	-	-
Plan fiduciary net position-ending (b)	<u>\$ 284,048,256</u>	<u>\$ 305,058,768</u>	<u>\$ 278,295,297</u>	<u>\$ 265,176,096</u>	<u>\$ 275,488,251</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net pension liability-ending (a)-(b)	<u>\$ 334,464,400</u>	<u>\$ 177,086,029</u>	<u>\$ 163,988,004</u>	<u>\$ 161,887,575</u>	<u>\$ 129,697,935</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Plan fiduciary net position as a percentage of the total pension liability	45.92%	63.27%	62.92%	62.09%	67.99%	-	-	-	-	-
Covered payroll	\$ 126,497,406	\$ 121,286,909	\$ 116,636,709	\$ 109,225,963	\$ 105,550,963	-	-	-	-	-
Net pension liability as a percentage of covered payroll	264.40%	146.01%	140.60%	148.21%	122.88%	-	-	-	-	-

Notes to schedule:

This schedule is intended to show 10 years of information. Additional years will be added as they become available.

Arapahoe County, Colorado
Schedule of Pension Contributions
Required Supplementary Information
2010 - 2019

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Actuarially determined contribution	\$ 17,545,850	\$ 16,096,665	\$ 13,238,956	\$ 13,283,879	\$ 12,267,139	\$ 10,875,990	\$ 13,572,119	\$ 11,807,180	\$ 10,684,309	\$ 9,822,089
Contributions in relation to the actuarially determined contribution	11,669,706	10,442,318	9,660,642	9,298,210	8,749,814	8,451,497	7,723,973	7,430,087	6,890,012	6,995,753
Contribution deficiency (excess)	<u>\$ 5,876,144</u>	<u>\$ 5,654,347</u>	<u>\$ 3,578,314</u>	<u>\$ 3,985,669</u>	<u>\$ 3,517,325</u>	<u>\$ 2,424,493</u>	<u>\$ 5,848,146</u>	<u>\$ 4,377,093</u>	<u>\$ 3,794,297</u>	<u>\$ 2,826,336</u>
Covered payroll	\$ 137,010,000	\$ 126,497,406	\$ 121,286,909	\$ 116,636,709	\$ 109,225,963	\$ 105,550,963	\$ 102,793,733	\$ 98,907,187	\$ 98,238,914	\$ 100,823,143
Contributions as a percentage of covered payroll	8.52%	8.25%	7.97%	7.97%	8.01%	8.01%	7.51%	7.51%	7.01%	6.94%

Notes to schedule:

Valuation date:

Actuarially determined contribution rates are calculated as of January 1.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, open
Remaining amortization period	20 years
Asset valuation method	5-year smoothed market
Inflation	2.50%
Salary increases	Age-based: 3.40% to 6.75%
Investment rate of return	7.25%
Retirement age	Age-based with consideration for eligibility for special early retirement
Mortality	Healthy: RP-2014 Tables adjusted backward to 2006 with MP-2014; White Collar/Blue Collar Adjustment projected with MP-2016 Disabled: RP-2014 Disabled Mortality Table adjusted backward with MP-2014; projected with Scale MP-2016

Arapahoe County, Colorado
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2019

	Special Revenue	Capital Projects	Debt Service	Total
Assets				
Cash and investments	\$ 19,432,149	\$ 45,115,999	\$ 2,241,296	\$ 66,789,444
Accounts receivable	5,260,640	215,752	-	5,476,392
Taxes receivable, net	25,668,538	13,470,410	-	39,138,948
Prepaid items	1,207	-	-	1,207
Inventories	70,093	-	-	70,093
Total assets	<u>\$ 50,432,627</u>	<u>\$ 58,802,161</u>	<u>\$ 2,241,296</u>	<u>\$ 111,476,084</u>
Liabilities				
Accounts payable	\$ 1,502,201	\$ 929,924	\$ -	\$ 2,432,125
Accrued expenditures	860,978	26,263	-	887,241
Due to other governments	50	-	-	50
Due to other funds	657,661	-	-	657,661
Unearned revenue - other	3,275,293	-	-	3,275,293
Total liabilities	<u>6,296,183</u>	<u>956,187</u>	<u>-</u>	<u>7,252,370</u>
Deferred inflows of resources				
Deferred property tax revenue	25,668,538	13,470,410	-	39,138,948
Unavailable revenue-grants	504,096	108,353	-	612,449
Total deferred inflows of resources	<u>26,172,634</u>	<u>13,578,763</u>	<u>-</u>	<u>39,751,397</u>
Fund balances (deficits)				
Nonspendable	71,300	-	-	71,300
Restricted	15,827,407	345,094	-	16,172,501
Committed	922,228	42,409,197	-	43,331,425
Assigned	1,953,237	1,512,920	2,241,296	5,707,453
Unassigned	(810,362)	-	-	(810,362)
Total fund balances (deficits)	<u>17,963,810</u>	<u>44,267,211</u>	<u>2,241,296</u>	<u>64,472,317</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 50,432,627</u>	<u>\$ 58,802,161</u>	<u>\$ 2,241,296</u>	<u>\$ 111,476,084</u>

Arapahoe County, Colorado
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended December 31, 2019

	Special Revenue	Capital Projects	Debt Service	Total
Revenues				
Taxes				
Property taxes	\$ 23,079,886	\$ 13,448,155	\$ -	\$ 36,528,041
Other taxes	1,089,728	1,106,409	-	2,196,137
Licenses and permits	367,069	796,926	-	1,163,995
Intergovernmental	33,179,837	6,561,458	-	39,741,295
Charges for services	2,420,405	42,896	-	2,463,301
Fines and forfeitures	371,267	-	-	371,267
Investment earnings	220,250	181,774	136,018	538,042
Interfund revenues and rentals	18,120	-	-	18,120
Developer contributions	-	606,560	-	606,560
Build America Bonds credit	-	1,088,299	-	1,088,299
Miscellaneous	906,329	21,149	-	927,478
Total revenue	61,652,891	23,853,626	136,018	85,642,535
Expenditures				
Current				
General government	281,097	126,585	-	407,682
Public safety	10,608,323	529,629	-	11,137,952
Judicial services	-	72,696	-	72,696
Health and welfare	31,273,222	-	-	31,273,222
Highways and streets	15,967,863	2,945,776	-	18,913,639
Water and wastewater	-	111,096	-	111,096
Culture and recreation	576,914	861,567	-	1,438,481
Total current	58,707,419	4,647,349	-	63,354,768
Capital				
General government	-	1,579,999	-	1,579,999
Public safety	-	4,818,933	-	4,818,933
Health and welfare	-	803,047	-	803,047
Highways and streets	-	1,947,478	-	1,947,478
Culture and recreation	-	90,090	-	90,090
Total capital	-	9,239,547	-	9,239,547
Debt				
Principal	-	3,154,295	4,889,481	8,043,776
Interest	-	6,311,820	986,347	7,298,167
Cost of issuance	-	495,836	-	495,836
Debt administration fees	-	1,050	2,500	3,550
Total debt service	-	9,963,001	5,878,328	15,841,329
Total expenditures	58,707,419	23,849,897	5,878,328	88,435,644
Excess (deficiency) of revenues over (under) expenditures	2,945,472	3,729	(5,742,310)	(2,793,109)
Other financing sources (uses)				
Transfers in	66,875	11,191,293	5,880,646	17,138,814
Transfers out	(1,189,545)	(5,555,515)	-	(6,745,060)
Payment to bond agent	-	(56,251,695)	-	(56,251,695)
Refunding bonds issued	-	53,120,000	-	53,120,000
Premium (discount) on bonds	-	3,638,178	-	3,638,178
Total other financing sources (uses)	(1,122,670)	6,142,261	5,880,646	10,900,237
Net change in fund balance	1,822,802	6,145,990	138,336	8,107,128
Fund balance - beginning	16,141,008	38,121,221	2,102,960	56,365,189
Fund balance - ending	\$ 17,963,810	\$ 44,267,211	\$ 2,241,296	\$ 64,472,317



NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenue sources that are restricted, committed, or assigned to expenditures for particular purposes. The County's Nonmajor Special Revenue Funds include the following:

Electronic Filing Technology Fund – This fund, which began on September 1, 2002, is used to account for a surcharge on recording fees to be used by the Clerk and Recorder to acquire technology to accept electronic filings.

Cash-in-Lieu Fund – This fund is used to account for monies received in lieu of land to be dedicated for parks and other public purposes. Pursuant to Colorado State Statute (Section 30-28-133(4), C.R.S.) and Arapahoe County subdivision regulations, each land subdivider must provide to the County a minimum of 10% of the total gross acreage of the subdivision or a sum of money equal to a minimum of 10% of the current market value of the total zoned (but unimproved) land; or a combination of land or money equal to the total 10% requirement. All funds are limited to use for public improvements.

Law Enforcement Authority Fund – This fund is used to account for the operations of law enforcement services in the unincorporated area of Arapahoe County. Most of the financing is provided by property tax revenue.

Arapahoe/Douglas Works! Fund – This fund is used by the Arapahoe/Douglas Works! Division of the Community Resources Department. The revenue in this fund originates as Federal funds, with the State acting as a pass-through agency. The Federal funds sources include the Workforce Investment Act (WIA), Temporary Assistance to Needy Families program, the Wagner Peyser Act and the Employment First Act. The purpose of this fund is to provide services to adults and youth wishing to enter the labor market. Services include basic and occupational skill assessments, workshops, tuition reimbursement for training, bus passes, career counseling and job placement. Arapahoe/Douglas Works! also partners with community based organizations, educational institutions and the business community to act as a bridge between job seekers and employers.

Road and Bridge Fund – Required by Colorado state law, this fund accounts for the design, construction, and maintenance of transportation infrastructure within the County. Revenues for this fund are primarily from property tax, highway user tax, and specific ownership tax, with use restrictions imposed by state statute.

Conservation Trust Fund – This fund accounts for revenue received from State lottery proceeds to be used for conservation programs, including the acquisition, development, and maintenance of parks and other public recreational facilities within the County. Lottery funds disbursed to counties on a per capita basis.

Contingent Fund – This fund is used to account for the expenditure of monies set aside for emergencies. These funds can be authorized only for (1) an act of God; (2) use against public enemies; or (3) something “which could not have been reasonably foreseen at the time of adoption of the budget”. The expenditure resolution must be adopted by a 2/3 vote of the governing body and must clearly be an “emergency” use of the funds. Colorado counties are authorized by state law (Section 30-25-107 C.R.S.) to maintain a contingency fund.

Communications Network Replacement Fund – This fund was established in 1994 by an intergovernmental agreement with the City of Greenwood Village. The purpose of the fund is to provide funding for a future replacement of the County Radio Communication System.

Sheriff Commissary Fund – This fund includes the Detention Facility's commissary operations, the inmate industries program, and the ADMIT (Arapahoe Diverts the Mentally Ill for Treatment) program. The fund's revenue is generated from commissary sales such as fees for barber services, telephone charges, and inmate industry operations. The fund's expenditures are primarily related to inmate services such as counseling, educational and rehabilitation programs, and library services.

NONMAJOR GOVERNMENTAL FUNDS (continued)

Community Development Fund – This fund is used to account for the Community Development Block Grant. The grant is used to improve housing conditions for low/moderate-income people.

Forfeited Property Fund – This fund is used to account for funds received from drug-related seizures, forfeitures and restitution. State law restricts spending in this fund to law enforcement activities.

Developmental Disabilities Fund – This fund is used to account for revenues derived from a 1.000 mill levy approved by the voters to be used in providing services for residents with developmental disabilities in Arapahoe County.

Grants Fund – This fund is used to account for revenues and expenditures of programs funded by federal, state, and/or local grant awards.

Homeland Security Grant Fund – This fund is used to account for the receipt and disbursement of grant funds distributed through the State of Colorado.

Fair Fund - This fund is to account for funds collected and disbursed for the operation of the Arapahoe County Fair.

Arapahoe County, Colorado
Combining Balance Sheet
Nonmajor Special Revenue
December 31, 2019

	Nonmajor Special Revenue			
	Electronic Filing	Cash-In-Lieu	Law Enforc. Authority	Arapahoe/Doug. Works!
Assets				
Cash and investments	\$ 648,953	\$ 1,228,943	\$ 7,485,676	\$ -
Accounts receivable	2,237	-	58,734	1,260,776
Taxes receivable, net	-	-	8,005,437	-
Prepaid items	-	-	-	743
Inventories	-	-	-	-
Total assets	<u>\$ 651,190</u>	<u>\$ 1,228,943</u>	<u>\$ 15,549,847</u>	<u>\$ 1,261,519</u>
Liabilities				
Accounts payable	\$ 41,161	\$ -	\$ 13,357	\$ 154,763
Accrued expenditures	-	-	318,668	262,554
Due to other governments	-	-	50	-
Due to other funds	-	-	-	244,104
Unearned revenue - other	-	-	-	202,479
Total liabilities	<u>41,161</u>	<u>-</u>	<u>332,075</u>	<u>863,900</u>
Deferred inflows of resources				
Deferred property tax revenue	-	-	8,005,437	-
Unavailable revenue-grants	-	-	-	21,500
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>8,005,437</u>	<u>21,500</u>
Fund balances (deficits)				
Nonspendable	-	-	-	743
Restricted	610,029	1,228,943	6,986,444	-
Committed	-	-	-	-
Assigned	-	-	225,891	375,376
Unassigned	-	-	-	-
Total fund balances (deficits)	<u>610,029</u>	<u>1,228,943</u>	<u>7,212,335</u>	<u>376,119</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 651,190</u>	<u>\$ 1,228,943</u>	<u>\$ 15,549,847</u>	<u>\$ 1,261,519</u>

Arapahoe County, Colorado
Combining Balance Sheet
Nonmajor Special Revenue (continued)
December 31, 2019

Nonmajor Special Revenue			
Road and Bridge	Conservation Trust	Contingent	Comm. Network Replacement
\$ 5,517,741	\$ 1,434,358	\$ 603,465	\$ 306,313
543,895	-	-	15,775
5,681,681	-	-	-
464	-	-	-
-	-	-	-
<u>\$ 11,743,781</u>	<u>\$ 1,434,358</u>	<u>\$ 603,465</u>	<u>\$ 322,088</u>
\$ 604,713	\$ -	\$ -	\$ 3,325
159,214	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>763,927</u>	<u>-</u>	<u>-</u>	<u>3,325</u>
5,681,681	-	-	-
-	-	-	-
<u>5,681,681</u>	<u>-</u>	<u>-</u>	<u>-</u>
464	-	-	-
5,297,709	1,434,358	-	-
-	-	603,465	318,763
-	-	-	-
-	-	-	-
<u>5,298,173</u>	<u>1,434,358</u>	<u>603,465</u>	<u>318,763</u>
<u>\$ 11,743,781</u>	<u>\$ 1,434,358</u>	<u>\$ 603,465</u>	<u>\$ 322,088</u>

Assets

Cash and investments
Accounts receivable
Taxes receivable, net
Prepaid items
Inventories

Total assets

Liabilities

Accounts payable
Accrued expenditures
Due to other governments
Due to other funds
Unearned revenue - other

Total liabilities

Deferred inflows of resources

Deferred property tax revenue
Unavailable revenue-grants

Total deferred inflows of resources

Fund balances (deficits)

Nonspendable
Restricted
Committed
Assigned
Unassigned

Total fund balances (deficits)

Total liabilities, deferred inflows of resources
and fund balance

Arapahoe County, Colorado
Combining Balance Sheet
Nonmajor Special Revenue (continued)
December 31, 2019

	Nonmajor Special Revenue			
	Sheriff's Commissary	Community Development	Forfeited Property	Developmental Disabilities
Assets				
Cash and investments	\$ 1,151,184	\$ 665,431	\$ 269,924	\$ -
Accounts receivable	136,997	110,756	-	1,404
Taxes receivable, net	-	-	-	11,981,420
Prepaid items	-	-	-	-
Inventories	-	-	-	-
Total assets	<u>\$ 1,288,181</u>	<u>\$ 776,187</u>	<u>\$ 269,924</u>	<u>\$ 11,982,824</u>
Liabilities				
Accounts payable	\$ 33,439	\$ 188,374	\$ -	\$ -
Accrued expenditures	23,933	9,660	-	-
Due to other governments	-	-	-	-
Due to other funds	-	-	-	1,404
Unearned revenue - other	-	584,747	-	-
Total liabilities	<u>57,372</u>	<u>782,781</u>	<u>-</u>	<u>1,404</u>
Deferred inflows of resources				
Deferred property tax revenue	-	-	-	11,981,420
Unavailable revenue-grants	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,981,420</u>
Fund balances (deficits)				
Nonspendable	-	-	-	-
Restricted	-	-	269,924	-
Committed	-	-	-	-
Assigned	1,230,809	-	-	-
Unassigned	-	(6,594)	-	-
Total fund balances (deficits)	<u>1,230,809</u>	<u>(6,594)</u>	<u>269,924</u>	<u>-</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 1,288,181</u>	<u>\$ 776,187</u>	<u>\$ 269,924</u>	<u>\$ 11,982,824</u>

Arapahoe County, Colorado
Combining Balance Sheet
Nonmajor Special Revenue (continued)
December 31, 2019

Nonmajor Special Revenue			
Grants	Homeland Security Grant	Fair	Total
\$ -	\$ -	\$ 120,161	\$ 19,432,149
2,774,581	354,485	1,000	5,260,640
-	-	-	25,668,538
-	-	-	1,207
70,093	-	-	70,093
<u>\$ 2,844,674</u>	<u>\$ 354,485</u>	<u>\$ 121,161</u>	<u>\$ 50,432,627</u>
\$ 415,122	\$ 47,947	\$ -	\$ 1,502,201
79,114	7,835	-	860,978
-	-	-	50
114,052	298,101	-	657,661
2,487,465	602	-	3,275,293
<u>3,095,753</u>	<u>354,485</u>	<u>-</u>	<u>6,296,183</u>
-	-	-	25,668,538
128,111	354,485	-	504,096
<u>128,111</u>	<u>354,485</u>	<u>-</u>	<u>26,172,634</u>
70,093	-	-	71,300
-	-	-	15,827,407
-	-	-	922,228
-	-	121,161	1,953,237
(449,283)	(354,485)	-	(810,362)
<u>(379,190)</u>	<u>(354,485)</u>	<u>121,161</u>	<u>17,963,810</u>
<u>\$ 2,844,674</u>	<u>\$ 354,485</u>	<u>\$ 121,161</u>	<u>\$ 50,432,627</u>

Assets

Cash and investments
Accounts receivable
Taxes receivable, net
Prepaid items
Inventories

Total assets

Liabilities

Accounts payable
Accrued expenditures
Due to other governments
Due to other funds
Unearned revenue - other

Total liabilities

Deferred inflows of resources

Deferred property tax revenue
Unavailable revenue-grants

Total deferred inflows of resources

Fund balances (deficits)

Nonspendable
Restricted
Committed
Assigned
Unassigned

Total fund balances (deficits)

Total liabilities, deferred inflows of resources
and fund balance

Arapahoe County, Colorado
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2019

	Nonmajor Special Revenue			
	Electronic Filing	Cash-In-Lieu	Law Enforc. Authority	Arapahoe/Doug. Works!
Revenues				
Taxes				
Property taxes	\$ -	\$ -	\$ 6,857,231	\$ -
Other taxes	-	-	591,268	-
Licenses and permits	-	-	-	-
Intergovernmental	-	-	25,207	9,297,205
Charges for services	137,766	99,809	164,352	106,360
Fines and forfeitures	-	-	252,694	-
Investment earnings	-	-	190,222	-
Interfund revenues and rentals	-	-	-	18,120
Miscellaneous	-	-	19	341,812
Total revenue	<u>137,766</u>	<u>99,809</u>	<u>8,080,993</u>	<u>9,763,497</u>
Expenditures				
Current				
General government	144,799	-	-	-
Public safety	-	-	8,386,264	-
Health and welfare	-	-	-	9,208,744
Highways and streets	-	-	-	-
Culture and recreation	-	-	-	-
Total current	<u>144,799</u>	<u>-</u>	<u>8,386,264</u>	<u>9,208,744</u>
 Total expenditures	<u>144,799</u>	<u>-</u>	<u>8,386,264</u>	<u>9,208,744</u>
 Excess (deficiency) of revenues over (under) expenditures	<u>(7,033)</u>	<u>99,809</u>	<u>(305,271)</u>	<u>554,753</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	(29,725)	(4,000)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(29,725)</u>	<u>(4,000)</u>
 Net change in fund balance	(7,033)	99,809	(334,996)	550,753
Fund balance - beginning	617,062	1,129,134	7,547,331	(174,634)
Fund balance - ending	<u>\$ 610,029</u>	<u>\$ 1,228,943</u>	<u>\$ 7,212,335</u>	<u>\$ 376,119</u>

Arapahoe County, Colorado
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Special Revenue Funds (continued)
For the Year Ended December 31, 2019

Nonmajor Special Revenue				
Road and Bridge	Conservation Trust	Contingent	Comm. Network Replacement	
				Revenues
				Taxes
\$ 5,805,116	\$ -	\$ -	\$ -	Property taxes
498,460	-	-	-	Other taxes
367,069	-	-	-	Licenses and permits
10,890,987	773,048	-	42,875	Intergovernmental
-	-	-	-	Charges for services
-	-	-	-	Fines and forfeitures
-	25,328	-	-	Investment earnings
-	-	-	-	Interfund revenues and rentals
17,277	-	-	-	Miscellaneous
17,578,909	798,376	-	42,875	Total revenue
				Expenditures
				Current
-	-	-	110,699	General government
-	-	-	-	Public safety
-	-	-	-	Health and welfare
15,967,863	-	-	-	Highways and streets
-	-	-	-	Culture and recreation
15,967,863	-	-	110,699	Total current
15,967,863	-	-	110,699	Total expenditures
1,611,046	798,376	-	(67,824)	Excess (deficiency) of revenues over (under) expenditures
-	-	-	28,175	Other financing sources (uses)
(473,265)	(559,900)	-	-	Transfers in
(473,265)	(559,900)	-	28,175	Transfers out
				Total other financing sources (uses)
1,137,781	238,476	-	(39,649)	Net change in fund balance
4,160,392	1,195,882	603,465	358,412	Fund balance - beginning
\$ 5,298,173	\$ 1,434,358	\$ 603,465	\$ 318,763	Fund balance - ending

Arapahoe County, Colorado
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Special Revenue Funds (continued)
For the Year Ended December 31, 2019

	Nonmajor Special Revenue			
	Sheriff's Commissary	Community Development	Forfeited Property	Developmental Disabilities
Revenues				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ 10,417,539
Other taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	-	1,199,271	-	683
Charges for services	1,249,356	-	-	-
Fines and forfeitures	8,961	-	109,612	-
Investment earnings	-	-	4,700	-
Interfund revenues and rentals	-	-	-	-
Miscellaneous	34,202	455,038	-	-
Total revenue	1,292,519	1,654,309	114,312	10,418,222
Expenditures				
Current				
General government	-	-	-	-
Public safety	1,118,695	-	-	-
Health and welfare	-	1,684,309	-	10,418,222
Highways and streets	-	-	-	-
Culture and recreation	-	-	-	-
Total current	1,118,695	1,684,309	-	10,418,222
Total expenditures	1,118,695	1,684,309	-	10,418,222
Excess (deficiency) of revenues over (under) expenditures	173,824	(30,000)	114,312	-
Other financing sources (uses)				
Transfers in	-	30,000	-	-
Transfers out	(300)	-	-	-
Total other financing sources (uses)	(300)	30,000	-	-
Net change in fund balance	173,524	-	114,312	-
Fund balance - beginning	1,057,285	(6,594)	155,612	-
Fund balance - ending	\$ 1,230,809	\$ (6,594)	\$ 269,924	\$ -

Arapahoe County, Colorado
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Special Revenue Funds (continued)
For the Year Ended December 31, 2019

Nonmajor Special Revenue				
Grant	Homeland Security Grant	Fair	Total	
\$ -	\$ -	\$ -	\$ 23,079,886	Revenues
-	-	-	1,089,728	Taxes
-	-	-	367,069	Property taxes
10,441,663	508,898	-	33,179,837	Other taxes
36,538	-	626,224	2,420,405	Licenses and permits
-	-	-	371,267	Intergovernmental
-	-	-	220,250	Charges for services
-	-	-	18,120	Fines and forfeitures
57,981	-	-	906,329	Investment earnings
10,536,182	508,898	626,224	61,652,891	Interfund revenues and rentals
				Miscellaneous
				Total revenue
-	-	25,599	281,097	Expenditures
469,356	634,008	-	10,608,323	Current
9,961,947	-	-	31,273,222	General government
-	-	-	15,967,863	Public safety
-	-	576,914	576,914	Health and welfare
10,431,303	634,008	602,513	58,707,419	Highways and streets
				Culture and recreation
				Total current
10,431,303	634,008	602,513	58,707,419	Total expenditures
104,879	(125,110)	23,711	2,945,472	Excess (deficiency) of revenues over (under) expenditures
-	-	8,700	66,875	Other financing sources (uses)
(122,355)	-	-	(1,189,545)	Transfers in
(122,355)	-	8,700	(1,122,670)	Transfers out
				Total other financing sources (uses)
(17,476)	(125,110)	32,411	1,822,802	Net change in fund balance
(361,714)	(229,375)	88,750	16,141,008	Fund balance - beginning
\$ (379,190)	\$ (354,485)	\$ 121,161	\$ 17,963,810	Fund balance - ending

NONMAJOR GOVERNMENTAL FUNDS

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for financial resources collected and used for the acquisition or construction of major capital facilities. The County's Capital Project Funds include the following:

Capital Expenditure Fund – This fund is used to account for the purchase and/or construction of major capital projects. Capital projects include, but are not limited to such items as; major office remodeling, handicap improvements, building rehabilitation, roadway construction, communication systems construction, and the purchase of property. The County entered into a capital lease with JPMorgan Chase Bank, N.A., on August 12, 2014 for the expansion of the County fairgrounds. The lease agreement is in the amount of \$6,720,544 and matures in 2029.

Infrastructure Fund – This fund is used to track construction costs of individual road, highway, and drainage projects. Revenues in this fund include; interest earnings, developer contributions, transportation improvement fees, local, state, and federal matching funds, as well as unmatched County funds. Expenditures for this fund include all county transportation, highway, road, bridges, and drainage infrastructure projects.

Arapahoe County Recreation District Fund – This fund is used to account for recreational facilities within a district located in the Southeast part of the urbanized area of Arapahoe County. These facilities include the Arapahoe County Community Park, the Cheyenne Arapaho Park, Welch Park, Cherry Creek Ecological Park, and various trails within the District. The District is located between I-25 and Smoky Hill Road and between I-225 and the Arapahoe-Douglas County Line. Property taxes paid by property owners that reside within the District and specific ownership tax revenues provide for day-to-day operating and maintenance costs.

Arapahoe County Water and Wastewater Public Improvement District (PID) Fund – The Arapahoe County Water and Wastewater Public Improvement District (PID) was formed in 2001 to construct various water and sewer facilities and to refinance the debt of the Arapahoe Water and Sanitation District. Property tax revenue for the PID is used to pay the scheduled debt service on the outstanding bonds and debt issued by the District.



Arapahoe County, Colorado
Combining Balance Sheet
Nonmajor Capital Projects
December 31, 2019

	Nonmajor Capital Projects			
	Capital Expenditure	Infrastructure	Arap. County Rec. District	Arap. County Water and Wastewater PID
Assets				
Cash and investments	\$ 7,285,615	\$ 33,312,732	\$ 1,621,865	\$ 2,895,787
Accounts receivable	27,625	113,153	13,631	61,343
Taxes receivable, net	4,465,022	-	1,009,690	7,995,698
Total assets	<u>\$ 11,778,262</u>	<u>\$ 33,425,885</u>	<u>\$ 2,645,186</u>	<u>\$ 10,952,828</u>
Liabilities				
Accounts payable	\$ 105,648	\$ 766,093	\$ 55,010	\$ 3,173
Accrued expenditures	-	-	26,263	-
Total liabilities	<u>105,648</u>	<u>766,093</u>	<u>81,273</u>	<u>3,173</u>
Deferred inflows of resources				
Deferred property tax revenue	4,465,022	-	1,009,690	7,995,698
Unavailable revenue-grants	-	108,353	-	-
Total deferred inflows of resources	<u>4,465,022</u>	<u>108,353</u>	<u>1,009,690</u>	<u>7,995,698</u>
Fund balances (deficits)				
Restricted	-	15,015	41,303	288,776
Committed	7,207,592	32,536,424	-	2,665,181
Assigned	-	-	1,512,920	-
Total fund balances (deficits)	<u>7,207,592</u>	<u>32,551,439</u>	<u>1,554,223</u>	<u>2,953,957</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 11,778,262</u>	<u>\$ 33,425,885</u>	<u>\$ 2,645,186</u>	<u>\$ 10,952,828</u>

**Arapahoe County, Colorado
Combining Balance Sheet
Nonmajor Capital Projects (continued)
December 31, 2019**

Total	
\$	45,115,999
	215,752
	13,470,410
\$	58,802,161
\$	929,924
	26,263
	956,187
	13,470,410
	108,353
	13,578,763
	345,094
	42,409,197
	1,512,920
	44,267,211
\$	58,802,161

Assets

Cash and investments
Accounts receivable
Taxes receivable, net

Total assets

Liabilities

Accounts payable
Accrued expenditures

Total liabilities

Deferred inflows of resources

Deferred property tax revenue
Unavailable revenue-grants

Total deferred inflows of resources

Fund balances (deficits)

Restricted
Committed
Assigned

Total fund balances (deficits)

Total liabilities, deferred inflows of resources
and fund balance

Arapahoe County, Colorado
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Capital Projects
For the Year Ended December 31, 2019

	Nonmajor Capital Projects			
	Capital Expenditure	Infrastructure	Arap. County Rec. District	Arap. County Water and Wastewater PID
Revenues				
Taxes				
Property taxes	\$ 4,561,182	\$ -	\$ 979,946	\$ 7,907,027
Other taxes	391,654	-	84,206	630,549
Licenses and permits	-	796,926	-	-
Intergovernmental	-	6,347,928	213,530	-
Charges for services	-	-	42,896	-
Investment earnings	-	139,860	41,914	-
Developer contributions	-	606,560	-	-
Build America Bonds credit	-	-	-	1,088,299
Miscellaneous	-	-	21,149	-
Total revenue	4,952,836	7,891,274	1,383,641	9,625,875
Expenditures				
Current				
General government	126,585	-	-	-
Public safety	529,629	-	-	-
Judicial services	72,696	-	-	-
Highways and streets	-	2,945,776	-	-
Water and wastewater	-	-	-	111,096
Culture and recreation	-	-	861,567	-
Total current	728,910	2,945,776	861,567	111,096
Capital				
General government	1,579,999	-	-	-
Public safety	4,818,933	-	-	-
Health and welfare	803,047	-	-	-
Highways and streets	209,464	1,738,014	-	-
Culture and recreation	-	-	90,090	-
Total capital	7,411,443	1,738,014	90,090	-
Debt				
Principal	-	-	-	3,154,295
Interest	-	-	-	6,311,820
Cost of issuance	-	-	-	495,836
Debt administration fees	-	-	-	1,050
Total debt service	-	-	-	9,963,001
Total expenditures	8,140,353	4,683,790	951,657	10,074,097
Excess (deficiency) of revenues over (under) expenditures	(3,187,517)	3,207,484	431,984	(448,222)
Other financing sources (uses)				
Transfers in	6,221,293	4,970,000	-	-
Transfers out	(4,970,000)	-	(585,515)	-
Payment to bond agent	-	-	-	(56,251,695)
Refunding bonds issued	-	-	-	53,120,000
Premium (discount) on bonds	-	-	-	3,638,178
Total other financing sources (uses)	1,251,293	4,970,000	(585,515)	506,483
Net change in fund balance	(1,936,224)	8,177,484	(153,531)	58,261
Fund balance - beginning	9,143,816	24,373,955	1,707,754	2,895,696
Fund balance - ending	\$ 7,207,592	\$ 32,551,439	\$ 1,554,223	\$ 2,953,957

Arapahoe County, Colorado
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Capital Projects (continued)
For the Year Ended December 31, 2019

Total		
\$	13,448,155	Revenues
	1,106,409	Taxes
	796,926	Property taxes
	6,561,458	Other taxes
	42,896	Licenses and permits
	181,774	Intergovernmental
	606,560	Charges for services
	1,088,299	Investment earnings
	21,149	Developer contributions
		Build America Bonds credit
		Miscellaneous
		Total revenue
	23,853,626	
	126,585	Expenditures
	529,629	Current
	72,696	General government
	2,945,776	Public safety
	111,096	Judicial services
	861,567	Highways and streets
		Water and wastewater
	4,647,349	Culture and recreation
		Total current
	1,579,999	Capital
	4,818,933	General government
	803,047	Public safety
	1,947,478	Health and welfare
	90,090	Highways and streets
		Culture and recreation
	9,239,547	Total capital
	3,154,295	Debt
	6,311,820	Principal
	495,836	Interest
	1,050	Cost of issuance
		Debt administration fees
	9,963,001	Total debt service
	23,849,897	Total expenditures
	3,729	Excess (deficiency) of revenues over (under) expenditures
	11,191,293	Other financing sources (uses)
	(5,555,515)	Transfers in
	(56,251,695)	Transfers out
	53,120,000	Payment to bond agent
	3,638,178	Refunding bonds issued
		Premium (discount) on bonds
	6,142,261	Total other financing sources (uses)
	6,145,990	Net change in fund balance
	38,121,221	Fund balance - beginning
\$	44,267,211	Fund balance - ending

NONMAJOR GOVERNMENTAL FUNDS

DEBT SERVICE FUNDS

Debt Service Funds are used for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds. The County's Debt Service Funds include the following:

Equipment Lease Purchase Fund – This fund is used to account for capital lease purchases. In 2019, the following leases were accounted for in this fund:

1. Fairgrounds Expansion Lease purchase agreement through JPMorgan Chase Bank, N.A. in the amount of \$6,720,544 was entered into in 2014 and maturing in 2029.
2. Parkland lease purchase agreement with Zion National Bank in the amount of \$2,600,000 was entered into in November 2007 and matures in 2027.
3. Lima Ridge lease purchase agreement with the Banc of America Public Capital Corp. in the amount of \$9,650,000 entered into in 2011 and matures in 2030.

The Arapahoe County Building Finance Corporation Debt Service Fund – This fund is used to account for the transactions related to the funding of the construction of facilities that are leased to Arapahoe County Government. The Arapahoe County Building Finance Corporation (ACBFC) owns the CentrePoint Plaza Building, the Sheriff/Coroner Administration Building, and the Arapahoe County Justice Center. The ACBFC leases these facilities to the County pursuant to the terms of Certificates of Participation issued by the Corporation.



Arapahoe County, Colorado
Combining Balance Sheet
Nonmajor Debt Service
December 31, 2019

	Nonmajor Debt Service		
	Lease Purchase	Arap. County Building Finance Corp.	Total
Assets			
Cash and investments	\$ 181,214	\$ 2,060,082	\$ 2,241,296
Total assets	<u>\$ 181,214</u>	<u>\$ 2,060,082</u>	<u>\$ 2,241,296</u>
Liabilities			
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances (deficits)			
Assigned	181,214	2,060,082	2,241,296
Total fund balances (deficits)	<u>181,214</u>	<u>2,060,082</u>	<u>2,241,296</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 181,214</u>	<u>\$ 2,060,082</u>	<u>\$ 2,241,296</u>

Arapahoe County, Colorado
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Debt Service
For the Year Ended December 31, 2019

	Nonmajor Debt Service		
	Lease Purchase	Arap. County Building Finance Corp.	Total
Revenues			
Investment earnings	\$ 1,365	\$ 134,653	\$ 136,018
Total revenue	1,365	134,653	136,018
Expenditures			
Debt			
Principal	4,889,481	-	4,889,481
Interest	986,347	-	986,347
Debt administration fees	2,500	-	2,500
Total debt service	5,878,328	-	5,878,328
Total expenditures	5,878,328	-	5,878,328
Excess (deficiency) of revenues over (under) expenditures	(5,876,963)	134,653	(5,742,310)
Other financing sources (uses)			
Transfers in	5,880,646	-	5,880,646
Total other financing sources (uses)	5,880,646	-	5,880,646
Net change in fund balance	3,683	134,653	138,336
Fund balance - beginning	177,531	1,925,429	2,102,960
Fund balance - ending	\$ 181,214	\$ 2,060,082	\$ 2,241,296

Arapahoe County, Colorado
Electronic Filing Technology
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2019

	Budgeted Amounts			Variance
	Original	Final	Actual	with Final Budget
Revenues				
Charges for services	\$ 132,099	\$ 132,099	\$ 137,766	\$ 5,667
Total revenue	<u>132,099</u>	<u>132,099</u>	<u>137,766</u>	<u>5,667</u>
Expenditures				
Current				
General government	-	123,082	144,799	(21,717)
Capital				
General government	132,099	626,079	-	626,079
Total expenditures	<u>132,099</u>	<u>749,161</u>	<u>144,799</u>	<u>604,362</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(617,062)</u>	<u>(7,033)</u>	<u>610,029</u>
Fund balance - beginning	617,062	617,062	617,062	-
Fund balance - ending	<u>\$ 617,062</u>	<u>\$ -</u>	<u>\$ 610,029</u>	<u>\$ 610,029</u>

Arapahoe County, Colorado
Cash-In-Lieu
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2019

	Budgeted Amounts			Variance
	Original	Final	Actual	with Final Budget
Revenues				
Charges for services	\$ -	\$ -	\$ 99,809	\$ 99,809
Total revenue	-	-	99,809	99,809
Expenditures				
Current				
General government	-	1,129,134	-	1,129,134
Total expenditures	-	1,129,134	-	1,129,134
Excess (deficiency) of revenues over (under) expenditures	-	(1,129,134)	99,809	1,228,943
Fund balance - beginning	1,129,134	1,129,134	1,129,134	-
Fund balance - ending	\$ 1,129,134	\$ -	\$ 1,228,943	\$ 1,228,943

Arapahoe County, Colorado
Law Enforcement Authority District
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2019

	Budgeted Amounts			Variance
	Original	Final	Actual	with Final Budget
Revenues				
Taxes				
Property taxes	\$ 6,849,426	\$ 6,849,426	\$ 6,857,231	\$ 7,805
Other taxes	475,000	475,000	591,268	116,268
Intergovernmental	33,800	33,800	25,207	(8,593)
Charges for services	170,915	170,915	164,352	(6,563)
Fines and forfeitures	476,500	476,500	252,694	(223,806)
Investment earnings	-	-	190,222	190,222
Miscellaneous	-	-	19	19
Total revenue	<u>8,005,641</u>	<u>8,005,641</u>	<u>8,080,993</u>	<u>75,352</u>
Expenditures				
Current				
Public safety	8,630,973	8,647,567	8,386,264	261,303
Total expenditures	<u>8,630,973</u>	<u>8,647,567</u>	<u>8,386,264</u>	<u>261,303</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(625,332)</u>	<u>(641,926)</u>	<u>(305,271)</u>	<u>336,655</u>
Other financing sources (uses)				
Transfers out	(29,725)	(29,725)	(29,725)	-
Total other financing sources (uses)	<u>(29,725)</u>	<u>(29,725)</u>	<u>(29,725)</u>	<u>-</u>
Net change in fund balance	<u>(655,057)</u>	<u>(671,651)</u>	<u>(334,996)</u>	<u>336,655</u>
Fund balance - beginning	7,547,331	7,547,331	7,547,331	-
Fund balance - ending	<u>\$ 6,892,274</u>	<u>\$ 6,875,680</u>	<u>\$ 7,212,335</u>	<u>\$ 336,655</u>

Arapahoe County, Colorado
Arapahoe / Douglas Works!
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2019

	Budgeted Amounts			Variance
	Original	Final	Actual	with Final Budget
Revenues				
Intergovernmental	\$ 12,232,097	\$ 12,232,097	\$ 9,297,205	\$ (2,934,892)
Charges for services	70,000	70,000	106,360	36,360
Interfund revenues and rentals	-	-	18,120	18,120
Miscellaneous	26,000	26,000	341,812	315,812
Total revenue	<u>12,328,097</u>	<u>12,328,097</u>	<u>9,763,497</u>	<u>(2,564,600)</u>
Expenditures				
Current				
Health and welfare	<u>12,322,397</u>	<u>12,322,397</u>	<u>9,208,744</u>	<u>3,113,653</u>
Total expenditures	<u>12,322,397</u>	<u>12,322,397</u>	<u>9,208,744</u>	<u>3,113,653</u>
Excess (deficiency) of revenues over (under) expenditures	<u>5,700</u>	<u>5,700</u>	<u>554,753</u>	<u>549,053</u>
Other financing sources (uses)				
Transfers out	<u>(5,700)</u>	<u>(5,700)</u>	<u>(4,000)</u>	<u>1,700</u>
Total other financing sources (uses)	<u>(5,700)</u>	<u>(5,700)</u>	<u>(4,000)</u>	<u>1,700</u>
Net change in fund balance	-	-	550,753	550,753
Fund balance - beginning	<u>(174,634)</u>	<u>(174,634)</u>	<u>(174,634)</u>	<u>-</u>
Fund balance - ending	<u>\$ (174,634)</u>	<u>\$ (174,634)</u>	<u>\$ 376,119</u>	<u>\$ 550,753</u>

Arapahoe County, Colorado
Road and Bridge
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2019

	Budgeted Amounts			Variance
	Original	Final	Actual	with Final Budget
Revenues				
Taxes				
Property taxes	\$ 5,770,497	\$ 5,770,497	\$ 5,805,116	\$ 34,619
Other taxes	406,000	406,000	498,460	92,460
Licenses and permits	337,000	337,000	367,069	30,069
Intergovernmental	9,466,694	9,867,989	10,890,987	1,022,998
Miscellaneous	50,000	50,000	17,277	(32,723)
Total revenue	16,030,191	16,431,486	17,578,909	1,147,423
Expenditures				
Current				
Highways and streets	16,459,824	17,235,533	15,967,863	1,267,670
Total expenditures	16,459,824	17,235,533	15,967,863	1,267,670
Excess (deficiency) of revenues over (under) expenditures	(429,633)	(804,047)	1,611,046	2,415,093
Other financing sources (uses)				
Transfers out	(473,265)	(473,265)	(473,265)	-
Total other financing sources (uses)	(473,265)	(473,265)	(473,265)	-
Net change in fund balance	(902,898)	(1,277,312)	1,137,781	2,415,093
Fund balance - beginning	4,160,392	4,160,392	4,160,392	-
Fund balance - ending	\$ 3,257,494	\$ 2,883,080	\$ 5,298,173	\$ 2,415,093

Arapahoe County, Colorado
Conservation Trust
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2019

	Budgeted Amounts			Variance
	Original	Final	Actual	with Final Budget
Revenues				
Intergovernmental	\$ 675,000	\$ 675,000	\$ 773,048	\$ 98,048
Investment earnings	-	-	25,328	25,328
Total revenue	675,000	675,000	798,376	123,376
Expenditures				
Capital				
Culture and recreation	-	1,195,882	-	1,195,882
Total expenditures	-	1,195,882	-	1,195,882
Excess (deficiency) of revenues over (under) expenditures	675,000	(520,882)	798,376	1,319,258
Other financing sources (uses)				
Transfers out	(559,900)	(559,900)	(559,900)	-
Total other financing sources (uses)	(559,900)	(559,900)	(559,900)	-
Net change in fund balance	115,100	(1,080,782)	238,476	1,319,258
Fund balance - beginning	1,195,882	1,195,882	1,195,882	-
Fund balance - ending	\$ 1,310,982	\$ 115,100	\$ 1,434,358	\$ 1,319,258

Arapahoe County, Colorado
Contingent
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2019

	Budgeted Amounts			Variance
	Original	Final	Actual	with Final Budget
Revenues				
Total revenue	\$ -	\$ -	\$ -	\$ -
Expenditures				
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
Fund balance - beginning	603,465	603,465	603,465	-
Fund balance - ending	\$ 603,465	\$ 603,465	\$ 603,465	\$ -

Arapahoe County, Colorado
Communications Network Replacement
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2019

	Budgeted Amounts			Variance
	Original	Final	Actual	with Final Budget
Revenues				
Intergovernmental	\$ 40,475	\$ 40,475	\$ 42,875	\$ 2,400
Total revenue	40,475	40,475	42,875	2,400
Expenditures				
Current				
General government	68,650	427,062	110,699	316,363
Total expenditures	68,650	427,062	110,699	316,363
Excess (deficiency) of revenues over (under) expenditures	(28,175)	(386,587)	(67,824)	318,763
Other financing sources (uses)				
Transfers in	28,175	28,175	28,175	-
Total other financing sources (uses)	28,175	28,175	28,175	-
Net change in fund balance	-	(358,412)	(39,649)	318,763
Fund balance - beginning	358,412	358,412	358,412	-
Fund balance - ending	\$ 358,412	\$ -	\$ 318,763	\$ 318,763

Arapahoe County, Colorado
Sheriff's Commissary
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2019

	Budgeted Amounts			Variance
	Original	Final	Actual	with Final Budget
Revenues				
Charges for services	\$ 1,138,984	\$ 1,138,984	\$ 1,249,356	\$ 110,372
Fines and forfeitures	16,973	16,973	8,961	(8,012)
Miscellaneous	-	-	34,202	34,202
Total revenue	<u>1,155,957</u>	<u>1,155,957</u>	<u>1,292,519</u>	<u>136,562</u>
Expenditures				
Current				
Public safety	1,350,020	2,212,942	1,118,695	1,094,247
Total expenditures	<u>1,350,020</u>	<u>2,212,942</u>	<u>1,118,695</u>	<u>1,094,247</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(194,063)</u>	<u>(1,056,985)</u>	<u>173,824</u>	<u>1,230,809</u>
Other financing sources (uses)				
Transfers out	(300)	(300)	(300)	-
Total other financing sources (uses)	<u>(300)</u>	<u>(300)</u>	<u>(300)</u>	<u>-</u>
Net change in fund balance	<u>(194,363)</u>	<u>(1,057,285)</u>	<u>173,524</u>	<u>1,230,809</u>
Fund balance - beginning	<u>1,057,285</u>	<u>1,057,285</u>	<u>1,057,285</u>	<u>-</u>
Fund balance - ending	<u>\$ 862,922</u>	<u>\$ -</u>	<u>\$ 1,230,809</u>	<u>\$ 1,230,809</u>

Arapahoe County, Colorado
Community Development
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2019

	Budgeted Amounts			Variance
	Original	Final	Actual	with Final Budget
Revenues				
Intergovernmental	\$ 3,780,089	\$ 3,780,089	\$ 1,199,271	\$ (2,580,818)
Miscellaneous	1,319,546	1,319,546	455,038	(864,508)
Total revenue	5,099,635	5,099,635	1,654,309	(3,445,326)
Expenditures				
Current				
Health and welfare	5,129,235	5,129,235	1,684,309	3,444,926
Total expenditures	5,129,235	5,129,235	1,684,309	3,444,926
Excess (deficiency) of revenues over (under) expenditures	(29,600)	(29,600)	(30,000)	(400)
Other financing sources (uses)				
Transfers in	30,000	30,000	30,000	-
Transfers out	(400)	(400)	-	400
Total other financing sources (uses)	29,600	29,600	30,000	400
Net change in fund balance	-	-	-	-
Fund balance - beginning	(6,594)	(6,594)	(6,594)	-
Fund balance - ending	\$ (6,594)	\$ (6,594)	\$ (6,594)	\$ -

Arapahoe County, Colorado
Forfeited Property
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2019

	Budgeted Amounts			Variance
	Original	Final	Actual	with Final Budget
Revenues				
Fines and forfeitures	\$ -	\$ 62,430	\$ 109,612	\$ 47,181
Investment earnings	-	-	4,700	4,700
Total revenue	-	62,430	114,312	51,882
Expenditures				
Current				
Public safety	-	218,042	-	218,042
Total expenditures	-	218,042	-	218,042
Excess (deficiency) of revenues over (under) expenditures	-	(155,612)	114,312	269,924
Fund balance - beginning	155,612	155,612	155,612	-
Fund balance - ending	\$ 155,612	\$ -	\$ 269,924	\$ 269,924

Arapahoe County, Colorado
Developmental Disabilities
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2019

	Budgeted Amounts			Variance
	Original	Final	Actual	with Final Budget
Revenues				
Taxes				
Property taxes	\$ 10,458,899	\$ 10,458,899	\$ 10,417,539	\$ (41,360)
Intergovernmental	-	-	683	683
Total revenue	<u>10,458,899</u>	<u>10,458,899</u>	<u>10,418,222</u>	<u>(40,677)</u>
Expenditures				
Current				
Health and welfare	<u>10,458,899</u>	<u>10,458,899</u>	<u>10,418,222</u>	<u>40,677</u>
Total expenditures	<u>10,458,899</u>	<u>10,458,899</u>	<u>10,418,222</u>	<u>40,677</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - beginning	-	-	-	-
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Arapahoe County, Colorado
Grants
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2019

	Budgeted Amounts			Variance
	Original	Final	Actual	with Final Budget
Revenues				
Intergovernmental	\$ 11,395,414	\$ 12,039,109	\$ 10,441,663	\$ (1,597,446)
Charges for services	90,000	90,000	36,538	(53,462)
Miscellaneous	150,000	150,000	57,981	(92,019)
Total revenue	<u>11,635,414</u>	<u>12,279,109</u>	<u>10,536,182</u>	<u>(1,742,927)</u>
Expenditures				
Current				
Public safety	533,071	1,055,411	469,356	586,055
Health and welfare	11,019,843	11,019,843	9,961,947	1,057,896
Capital				
Health and welfare	80,000	80,000	-	80,000
Total expenditures	<u>11,632,914</u>	<u>12,155,254</u>	<u>10,431,303</u>	<u>1,723,951</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,500</u>	<u>123,855</u>	<u>104,879</u>	<u>(18,976)</u>
Other financing sources (uses)				
Transfers out	(2,500)	(123,855)	(122,355)	1,500
Total other financing sources (uses)	<u>(2,500)</u>	<u>(123,855)</u>	<u>(122,355)</u>	<u>1,500</u>
Net change in fund balance	-	-	(17,476)	(17,476)
Fund balance - beginning	(361,714)	(361,714)	(361,714)	-
Fund balance - ending	<u><u>\$ (361,714)</u></u>	<u><u>\$ (361,714)</u></u>	<u><u>\$ (379,190)</u></u>	<u><u>\$ (17,476)</u></u>

Arapahoe County, Colorado
Homeland Security Grant
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 505,860	\$ 2,891,632	\$ 508,898	\$ (2,382,734)
Total revenue	<u>505,860</u>	<u>2,891,632</u>	<u>508,898</u>	<u>(2,382,734)</u>
Expenditures				
Current				
Public safety	505,660	2,891,432	634,008	2,257,424
Total expenditures	<u>505,660</u>	<u>2,891,432</u>	<u>634,008</u>	<u>2,257,424</u>
Excess (deficiency) of revenues over (under) expenditures	<u>200</u>	<u>200</u>	<u>(125,110)</u>	<u>(125,310)</u>
Other financing sources (uses)				
Transfers out	(200)	(200)	-	200
Total other financing sources (uses)	<u>(200)</u>	<u>(200)</u>	<u>-</u>	<u>200</u>
Net change in fund balance	-	-	(125,110)	(125,110)
Fund balance - beginning	(229,375)	(229,375)	(229,375)	-
Fund balance - ending	<u>\$ (229,375)</u>	<u>\$ (229,375)</u>	<u>\$ (354,485)</u>	<u>\$ (125,110)</u>

Arapahoe County, Colorado
Fair
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2019

	Budgeted Amounts			Variance
	Original	Final	Actual	with Final Budget
Revenues				
Charges for services	\$ 456,000	\$ 612,700	\$ 626,224	\$ 13,524
Miscellaneous	6,000	6,000	-	(6,000)
Total revenue	462,000	618,700	626,224	7,524
Expenditures				
Current				
General government	25,600	25,600	25,599	1
Culture and recreation	436,400	690,550	576,914	113,636
Total expenditures	462,000	716,150	602,513	113,637
Excess (deficiency) of revenues over (under) expenditures	-	(97,450)	23,711	121,161
Other financing sources (uses)				
Transfers in	-	8,700	8,700	-
Total other financing sources (uses)	-	8,700	8,700	-
Net change in fund balance	-	(88,750)	32,411	121,161
Fund balance - beginning	88,750	88,750	88,750	-
Fund balance - ending	\$ 88,750	\$ -	\$ 121,161	\$ 121,161

Arapahoe County, Colorado
Capital Expenditure
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2019

	Budgeted Amounts			Variance
	Original	Final	Actual	with Final Budget
Revenues				
Taxes				
Property taxes	\$ 4,533,962	\$ 4,533,962	\$ 4,561,182	\$ 27,220
Other taxes	350,000	350,000	391,654	41,654
Total revenue	4,883,962	4,883,962	4,952,836	68,874
Expenditures				
Current				
General government	68,009	90,186	126,585	(36,399)
Public safety	-	1,043,550	529,629	513,921
Judicial services	-	95,092	72,696	22,396
Capital				
General government	1,304,000	4,354,381	1,579,999	2,774,382
Public safety	5,343,075	6,672,443	4,818,933	1,853,510
Judicial services	-	100,000	-	100,000
Health and welfare	-	848,352	803,047	45,305
Highways and streets	1,214,000	1,560,881	209,464	1,351,417
Total expenditures	7,929,084	14,764,885	8,140,353	6,624,532
Excess (deficiency) of revenues over (under) expenditures	(3,045,122)	(9,880,923)	(3,187,517)	6,693,406
Other financing sources (uses)				
Transfers in	6,115,122	6,221,293	6,221,293	-
Transfers out	(4,970,000)	(4,970,000)	(4,970,000)	-
Total other financing sources (uses)	1,145,122	1,251,293	1,251,293	-
Net change in fund balance	(1,900,000)	(8,629,630)	(1,936,224)	6,693,406
Fund balance - beginning	9,143,816	9,143,816	9,143,816	-
Fund balance - ending	\$ 7,243,816	\$ 514,186	\$ 7,207,592	\$ 6,693,406

Arapahoe County, Colorado
Infrastructure
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2019

	Budgeted Amounts			Variance
	Original	Final	Actual	with Final Budget
Revenues				
Licenses and permits	\$ -	\$ 792,776	\$ 796,926	\$ 4,150
Intergovernmental	-	27,612,588	6,347,928	(21,264,660)
Investment earnings	-	-	139,860	139,860
Developer contributions	-	595,786	606,560	10,774
Total revenue	-	29,001,150	7,891,274	(21,109,876)
Expenditures				
Current				
Highways and streets	-	54,187,314	2,945,776	51,241,538
Capital				
Highways and streets	5,620,000	4,157,791	1,738,014	2,419,777
Total expenditures	5,620,000	58,345,105	4,683,790	53,661,315
Excess (deficiency) of revenues over (under) expenditures	(5,620,000)	(29,343,955)	3,207,484	32,551,439
Other financing sources (uses)				
Transfers in	4,970,000	4,970,000	4,970,000	-
Total other financing sources (uses)	4,970,000	4,970,000	4,970,000	-
Net change in fund balance	(650,000)	(24,373,955)	8,177,484	32,551,439
Fund balance - beginning	24,373,955	24,373,955	24,373,955	-
Fund balance - ending	\$ 23,723,955	\$ -	\$ 32,551,439	\$ 32,551,439

Arapahoe County, Colorado
Arapahoe County Recreation District
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2019

	Budgeted Amounts			Variance
	Original	Final	Actual	with Final Budget
Revenues				
Taxes				
Property taxes	\$ 986,024	\$ 986,024	\$ 979,946	\$ (6,078)
Other taxes	54,140	54,140	84,206	30,066
Intergovernmental	153,262	153,262	213,530	60,268
Charges for services	90,179	90,179	42,896	(47,283)
Investment earnings	-	-	41,914	41,914
Miscellaneous	-	21,001	21,149	148
Total revenue	<u>1,283,605</u>	<u>1,304,606</u>	<u>1,383,641</u>	<u>79,035</u>
Expenditures				
Current				
Culture and recreation	1,048,726	1,159,816	861,567	298,249
Capital				
Culture and recreation	5,000	5,000	90,090	(85,090)
Total expenditures	<u>1,053,726</u>	<u>1,164,816</u>	<u>951,657</u>	<u>213,159</u>
Excess (deficiency) of revenues over (under) expenditures	<u>229,879</u>	<u>139,790</u>	<u>431,984</u>	<u>292,194</u>
Other financing sources (uses)				
Transfers out	(190,912)	(585,515)	(585,515)	-
Total other financing sources (uses)	<u>(190,912)</u>	<u>(585,515)</u>	<u>(585,515)</u>	<u>-</u>
Net change in fund balance	<u>38,967</u>	<u>(445,725)</u>	<u>(153,531)</u>	<u>292,194</u>
Fund balance - beginning	<u>1,707,754</u>	<u>1,707,754</u>	<u>1,707,754</u>	<u>-</u>
Fund balance - ending	<u>\$ 1,746,721</u>	<u>\$ 1,262,029</u>	<u>\$ 1,554,223</u>	<u>\$ 292,194</u>

Arapahoe County, Colorado
Arapahoe County Water and Wastewater PID
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2019

	Budgeted Amounts			Variance
	Original	Final	Actual	with Final Budget
Revenues				
Taxes				
Property taxes	\$ 7,839,879	\$ 7,839,879	\$ 7,907,027	\$ 67,148
Other taxes	600,000	600,000	630,549	30,549
Build America Bonds credit	1,077,294	1,077,294	1,088,299	11,005
Total revenue	9,517,173	9,517,173	9,625,875	108,702
Expenditures				
Current				
Water and wastewater	122,298	122,298	111,096	11,202
Debt				
Principal	3,154,295	3,154,295	3,154,295	-
Interest	6,331,161	6,331,161	6,311,820	19,341
Cost of issuance	-	-	495,836	(495,836)
Debt administration fees	2,000	2,000	1,050	950
Total expenditures	9,609,754	9,609,754	10,074,097	(464,343)
Excess (deficiency) of revenues over (under) expenditures	(92,581)	(92,581)	(448,222)	(355,641)
Other financing sources (uses)				
Payment to bond agent	-	(56,758,178)	(56,251,695)	506,483
Debt issued	-	56,758,178	53,120,000	3,638,178
Premium (discount) on bonds	-	-	3,638,178	(3,638,178)
Total other financing sources (uses)	-	-	506,483	506,483
Net change in fund balance	(92,581)	(92,581)	58,261	150,842
Fund balance - beginning	2,895,696	2,895,696	2,895,696	-
Fund balance - ending	\$ 2,803,115	\$ 2,803,115	\$ 2,953,957	\$ 150,842

Arapahoe County, Colorado
Lease Purchase
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2019

	Budgeted Amounts			Variance
	Original	Final	Actual	with Final Budget
Revenues				
Investment earnings	-	-	1,365	1,365
Total revenue	\$ -	\$ -	\$ 1,365	\$ 1,365
Expenditures				
Current				
Health and welfare	4,500	4,500	2,500	2,000
Debt				
Principal	4,896,498	4,896,498	4,889,481	7,017
Interest	963,198	981,198	986,347	(5,149)
Total expenditures	5,864,196	5,882,196	5,878,328	3,868
Excess (deficiency) of revenues over (under) expenditures	(5,864,196)	(5,882,196)	(5,876,963)	5,233
Other financing sources (uses)				
Transfers in	5,862,646	5,880,646	5,880,646	-
Total other financing sources (uses)	5,862,646	5,880,646	5,880,646	-
Net change in fund balance	(1,550)	(1,550)	3,683	5,233
Fund balance - beginning	177,531	177,531	177,531	-
Fund balance - ending	\$ 175,981	\$ 175,981	\$ 181,214	\$ 5,233

Arapahoe County, Colorado
Arapahoe County Building Finance Corporation
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2019

	Budgeted Amounts			Variance
	Original	Final	Actual	with Final Budget
Revenues				
Investment earnings	\$ -	\$ -	\$ 134,653	\$ 134,653
Total revenue	-	-	134,653	134,653
Expenditures				
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	134,653	134,653
Fund balance - beginning	1,925,429	1,925,429	1,925,429	-
Fund balance - ending	\$ 1,925,429	\$ 1,925,429	\$ 2,060,082	\$ 134,653

PROPRIETARY FUNDS

INTERNAL SERVICE FUNDS

Internal Service Funds are a type of proprietary fund used to account for any activity that provides goods and services to other funds, departments, or agencies of the primary government on a cost-reimbursement basis. The County's Internal Service Funds include:

Central Service Fund – This fund provides an internal service function to departments within the County. Services include: office supplies, materials, gas and oil, equipment and vehicles for an intergovernmental fee.

Self Insurance Liability Fund – This fund is used to account for the County's self-insurance program for property, liability, automobile, and the cost of insurance that is maintained in excess of the deductible limit.

Employee Flex Benefit Fund – This fund accounts for the employees' portion of their pre-tax salaries set aside to be used for reimbursement of qualified health or dependent care expenses. The costs are paid for by interest earnings on deposited and forfeited employee contributions.

Worker's Compensation Fund – This fund is used to account for the self-funded program that collects worker compensation monies from appropriate County funds and pays for the worker's compensation losses in lieu of an outside agency.

Self Insurance Dental Fund – This fund is used to account for the County's self-insured employee dental care plan, which is fully funded by premiums charged to employees and employer matching contributions.

Arapahoe County Government
Combining Statement of Net Position
Proprietary Funds
December 31, 2019

	Governmental Activities - Internal Service Funds			
	Central Service	Self Insurance Liability	Employee Flex Benefit	Worker's Compensation
Assets				
Current assets:				
Cash and investments	\$ 23,826,111	\$ 2,205,695	\$ 384,803	\$ 2,874,783
Accounts receivable	138,567	-	-	84
Deposit	-	-	-	200,000
Inventory	438,634	-	-	-
Total current assets	24,403,312	2,205,695	384,803	3,074,867
Noncurrent assets:				
Capital assets:				
Buildings and improvements	17,628	-	-	-
Vehicles and equipment	40,339,499	-	-	-
Computer systems	6,595,986	-	-	-
Furniture and office equipment	37,233	-	-	-
Less: accumulated depreciation	(33,706,243)	-	-	-
Total noncurrent assets (net of accum. dep.)	13,284,103	-	-	-
Total assets	\$ 37,687,415	\$ 2,205,695	\$ 384,803	\$ 3,074,867
Liabilities				
Current liabilities				
Accounts payable	\$ 180,137	\$ 6,956	\$ -	\$ 93,838
Estimated claims payable	-	370,000	-	650,000
Noncurrent claims payable	-	860,000	-	1,520,000
Total liabilities	180,137	1,236,956	-	2,263,838
Net position				
Net investment in capital assets	13,284,103	-	-	-
Unrestricted	24,223,175	968,739	384,803	811,029
Total net position	\$ 37,507,278	\$ 968,739	\$ 384,803	\$ 811,029

**Arapahoe County Government
Combining Statement of Net Position
Proprietary Funds
December 31, 2019**

Self Insurance Dental	Total
\$ 502,428	\$ 29,793,820
-	138,651
-	200,000
-	438,634
502,428	30,571,105
-	17,628
-	40,339,499
-	6,595,986
-	37,233
-	(33,706,243)
-	13,284,103
\$ 502,428	\$ 43,855,208
\$ 78,173	\$ 359,104
67,000	1,087,000
-	2,380,000
145,173	3,826,104
-	13,284,103
357,255	26,745,001
\$ 357,255	\$ 40,029,104

Assets

Current assets:

Cash and investments
Accounts receivable
Deposit
Inventory

Total current assets

Noncurrent assets:

Capital assets:

Buildings and improvements
Vehicles and equipment
Computer systems
Furniture and office equipment
Less: accumulated depreciation

Total noncurrent assets
(net of accum. dep.)

Total assets

Liabilities

Current liabilities

Accounts payable
Estimated claims payable
Noncurrent claims payable

Total liabilities

Net position

Net investment in capital assets
Unrestricted

Total net position

Arapahoe County Government
Combining Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2019

	Governmental Activities - Internal Service Funds			
	Central Service	Self Insurance Liability	Employee Flex Benefit	Worker's Compensation
Operating revenues				
Charges for sales and service	\$ 5,932,904	\$ 1,169,719	\$ 988,223	\$ 1,580,505
Total operating revenue	5,932,904	1,169,719	988,223	1,580,505
Operating expenses				
Cost of sales and services	1,127,674	1,382,000	937,729	2,410,253
Administration	-	168,761	-	49,028
Depreciation	4,802,661	-	-	-
Total operating expenses	5,930,335	1,550,761	937,729	2,459,281
Operating income (loss)	2,569	(381,042)	50,494	(878,776)
Nonoperating revenue (expenses)				
Insurance recoveries	-	24,449	-	-
Gain on sale of assets	724,447	-	-	-
Loss on sale of assets	(50,489)	-	-	-
Income (loss) before contributions and transfers	676,527	(356,593)	50,494	(878,776)
Contributions other	285,662	-	-	-
Transfers in	2,039,284	750,000	28,987	-
Transfers out	(124,221)	(92,789)	-	-
Change in net position	2,877,252	300,618	79,481	(878,776)
Total net position - beginning	34,630,026	668,121	305,322	1,689,805
Total net position - ending	\$ 37,507,278	\$ 968,739	\$ 384,803	\$ 811,029

Arapahoe County Government
Combining Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2019

Self Insurance Dental	Total
\$ 1,546,565	\$ 11,217,916
<u>1,546,565</u>	<u>11,217,916</u>
1,592,504	7,450,160
-	217,789
-	4,802,661
<u>1,592,504</u>	<u>12,470,610</u>
<u>(45,939)</u>	<u>(1,252,694)</u>
-	24,449
-	724,447
-	(50,489)
<u>(45,939)</u>	<u>(554,287)</u>
-	285,662
112,511	2,930,782
-	(217,010)
<u>66,572</u>	<u>2,445,147</u>
290,683	37,583,957
<u>\$ 357,255</u>	<u>\$ 40,029,104</u>

Operating revenues

Charges for sales and service

Total operating revenue

Operating expenses

Cost of sales and services

Administration

Depreciation

Total operating expenses

Operating income (loss)

Nonoperating revenue (expenses)

Insurance recoveries

Gain on sale of assets

Loss on sale of assets

Income (loss) before contributions
and transfers

Contributions other

Transfers in

Transfers out

Change in net position

Total net position - beginning

Total net position - ending

Arapahoe County, Colorado
Combining Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2019

	Governmental Activities - Internal Service Funds		
	Central Service	Self Insurance Liability	Employee Flex Benefit
Cash flows from operating activities			
Cash received for interfund services provided	\$ 5,848,773	\$ 1,169,719	\$ 988,223
Cash payments for services and supplies	(1,220,993)	(1,780,984)	(941,018)
Net cash provided by (used for) operating activities	4,627,780	(611,265)	47,205
Cash flows from noncapital financing activities			
Transfers in from other funds	2,039,284	750,000	28,987
Transfers out to other funds	(124,221)	(92,789)	-
Net cash provided by (used for) non capital financing activities	1,915,063	657,211	28,987
Cash flows from capital and related financing activities			
Acquisition of property and equipment	(6,611,204)	-	-
Proceeds from sale of capital assets	729,445	-	-
Insurance Proceeds	-	24,449	-
Net cash provided by (used for) by capital and related financing activities	(5,881,759)	24,449	-
Net increase (decrease) in cash and investments	661,084	70,395	76,192
Cash and Investments, January 1, 2019	23,165,027	2,135,300	308,611
Cash and Investments, December 31, 2019	\$ 23,826,111	\$ 2,205,695	\$ 384,803
Reconciliation of operating income (loss) to net cash provided by (used for) by operating activities:			
Operating income (loss)	\$ 2,569	\$ (381,042)	\$ 50,494
Adjustments to reconcile operating income (loss) to net cash provided by (used for) by operating activities:			
Depreciation expense	4,802,661	-	-
(Increase) decrease in current assets:			
Accounts receivable	(84,131)	-	-
Inventory	6,990	-	-
Deposits	-	-	-
Increase (decrease) in current liabilities:			
Accounts payable	(100,309)	(16,223)	(3,289)
Claims payable	-	(214,000)	-
Total adjustments	4,625,211	(230,223)	(3,289)
Net cash provided by (used for) operating activities	\$ 4,627,780	\$ (611,265)	\$ 47,205

Arapahoe County, Colorado
Combining Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2019

Governmental Activities - Internal Service Funds		
Worker's Compensation	Self Insurance Dental	Total
\$ 1,580,663	\$ 1,546,565	\$ 11,133,943
(1,945,387)	(1,587,742)	(7,476,124)
(364,724)	(41,177)	3,657,819
-	112,511	2,930,782
-	-	(217,010)
-	112,511	2,713,772
-	-	(6,611,204)
-	-	729,445
-	-	24,449
-	-	(5,857,310)
(364,724)	71,334	514,281
3,239,507	431,094	29,279,539
<u>\$ 2,874,783</u>	<u>\$ 502,428</u>	<u>\$ 29,793,820</u>
\$ (878,776)	\$ (45,939)	\$ (1,252,694)
-	-	4,802,661
158	-	(83,973)
-	-	6,990
-	-	-
(1,106)	3,262	(117,665)
515,000	1,500	302,500
514,052	4,762	4,910,513
<u>\$ (364,724)</u>	<u>\$ (41,177)</u>	<u>\$ 3,657,819</u>

Cash flows from operating activities

Cash received for interfund services provided
Cash payments for services and supplies
Net cash provided by (used for) operating activities

Cash flows from noncapital financing activities

Transfers in from other funds
Transfers out to other funds
Net cash provided by (used for) non capital
financing activities

Cash flows from capital and related financing activities

Acquisition of property and equipment
Proceeds from sale of capital assets
Insurance Proceeds
Net cash provided by (used for) by capital and
related financing activities

Net increase (decrease) in cash and investments

Cash and Investments, January 1, 2019

Cash and Investments, December 31, 2019

Reconciliation of operating income (loss) to net cash provided by (used for) by operating activities:

Operating income (loss)
Adjustments to reconcile operating income (loss) to
net cash provided by (used for) by operating activities:
Depreciation expense
(Increase) decrease in current assets:
Accounts receivable
Inventory
Deposits
Increase (decrease) in current liabilities:
Accounts payable
Claims payable
Total adjustments

Net cash provided by (used for) operating activities

Arapahoe County, Colorado
Schedule of Budgetary Compliance
Proprietary Funds
For the Year Ended December 31, 2019

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Budgeted proprietary funds:			
Central Service Fund (1,2)	\$ 11,428,136	\$ 7,863,099	\$ 3,565,037
Self Insurance Liability Fund	2,059,712	1,643,550	416,162
Employee Flex Benefit Fund	1,006,878	937,729	69,149
Worker's Compensation Fund	2,459,361	2,459,281	80
Self Insurance Dental Fund	1,816,800	1,592,504	224,296
Total	<u>\$ 18,770,887</u>	<u>\$ 14,496,163</u>	<u>\$ 4,274,724</u>

The schedule of budgetary compliance is included to show compliance at the legal level of control as established by Arapahoe County Appropriation Resolutions, and includes all appropriations not shown elsewhere in this report. Appropriations are reported at the fund level or at the spending agency level if so designated by the resolution.

Final budget and actual totals include transfers and capital expenditures as applicable.

1) Depreciation Expense

Depreciation expense is not budgeted in the proprietary funds and is not included in the actual expense totals in the Schedule of Budgetary Compliance. Depreciation expense during 2019 is as follows:

Central Service Fund	\$ 4,802,661
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2) Capital Expenditures

Capital expenditures are budgeted in the proprietary funds and are included in the actual expense totals in the Schedule of Budgetary Compliance. Capital expenditures for 2019 are as follows:

Central Service Fund	\$ 6,611,204
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FIDUCIARY FUNDS

AGENCY FUNDS

Agency Funds are held by Arapahoe County in a custodial capacity for individuals, governmental entities, and nonpublic organizations, as established by resolution or state statute. The County's agency funds include:

Treasurer's Fund – This fund is used to account for the receipt and disbursement of all property tax revenues received by the Treasurer for the County and all other taxing entities in the County.

Arapahoe County Public Trustee Fund – This fund is used to account for the fiduciary activities of the Public Trustee including foreclosures and releases of deeds of trust.

Inmate Sentencing Fund – This fund is used to account for the receipt and disbursement of monies held on behalf of prison inmates.

Combining Statement of Changes in Assets and Liabilities
Fiduciary Funds
For the Year Ended December 31, 2019

	Agency Funds			
	Beginning Balance 1/1/2019	Additions	Deletions	Ending Balance 12/31/2019
<u>TREASURER'S AGENCY FUND</u>				
Assets				
Cash and investments	\$ 32,673,346	91,579,730,197	\$ 91,579,507,690	\$ 32,895,853
Property taxes receivable	877,427,814	996,471,164	882,753,582	991,145,396
Total assets	<u>\$ 910,101,160</u>	<u>\$ 92,576,201,361</u>	<u>\$ 92,462,261,272</u>	<u>\$ 1,024,041,249</u>
Liabilities				
Due to other governments	\$ 11,176,352	\$ 2,460,999,932	\$ 2,460,308,116	\$ 11,868,169
Other deposits payable	891,606,324	6,630,442,318	6,516,991,494	1,005,057,147
Warrants payable	7,318,484	1,069,949,185	1,070,151,736	7,115,933
Total liabilities	<u>\$ 910,101,160</u>	<u>\$ 10,161,391,435</u>	<u>\$ 10,047,451,346</u>	<u>\$ 1,024,041,249</u>
<u>ARAPAHOE COUNTY PUBLIC TRUSTEE</u>				
Assets				
Cash and investments	\$ 1,362,590	\$ 15,763,534	\$ 16,798,557	\$ 327,567
Restricted escrow	498,162	78,363	-	576,525
Other assets	33,644	(3,897)	4,416	25,331
Total assets	<u>\$ 1,894,396</u>	<u>\$ 15,838,000</u>	<u>\$ 16,802,973</u>	<u>\$ 929,423</u>
Liabilities				
Accounts Payable	\$ 68,041	\$ (809)	\$ -	\$ 67,232
Due to other governments	432,115	-	(83,939)	516,054
Other deposits payable	1,394,240	15,763,534	16,811,637	346,137
Total liabilities	<u>\$ 1,894,396</u>	<u>\$ 15,762,725</u>	<u>\$ 16,727,698</u>	<u>\$ 929,423</u>
<u>INMATE SENTENCING AGENCY FUND</u>				
Assets				
Cash and investments	\$ 318,924	\$ 307,613	\$ 213,075	\$ 413,462
Total assets	<u>\$ 318,924</u>	<u>\$ 307,613</u>	<u>\$ 213,075</u>	<u>\$ 413,462</u>
Liabilities				
Other deposits payable	\$ 318,924	\$ 307,613	\$ 213,075	\$ 413,462
Total liabilities	<u>\$ 318,924</u>	<u>\$ 307,613</u>	<u>\$ 213,075</u>	<u>\$ 413,462</u>
<u>TOTAL AGENCY FUNDS</u>				
Assets				
Cash and investments	\$ 34,354,859	\$ 91,595,801,344	\$ 91,596,519,322	\$ 33,636,881
Restricted escrow	498,162	78,363	-	576,525
Property taxes receivable	877,427,814	996,471,164	882,753,582	991,145,396
Other assets	33,644	(3,897)	4,416	25,331
Total assets	<u>\$ 912,314,479</u>	<u>\$ 92,592,346,974</u>	<u>\$ 92,479,277,320</u>	<u>\$ 1,025,384,133</u>
Liabilities				
Accounts Payable	\$ 68,041	\$ (809)	\$ -	\$ 67,232
Due to other governments	11,608,467	2,460,999,932	2,460,224,177	12,384,223
Other deposits payable	893,319,487	6,646,513,465	6,534,016,206	1,005,816,745
Warrants payable	7,318,484	1,069,949,185	1,070,151,736	7,115,933
Total liabilities	<u>\$ 912,314,479</u>	<u>\$ 10,177,461,773</u>	<u>\$ 10,064,392,119</u>	<u>\$ 1,025,384,133</u>

Arapahoe County, Colorado
E-911 Authority - Component Unit
Governmental Funds Balance Sheet/Statement of Net Position
December 31, 2019

	E-911 Authority Fund	Adjustments	Statement of Net Position
Assets			
Cash	\$ 6,309,633	\$ -	\$ 6,309,633
Accounts receivable	509,901	-	509,901
Total current assets	<u>6,819,534</u>	<u>-</u>	<u>6,819,534</u>
Capital assets, depreciable	-	1,520,252	1,520,252
Less accumulated depreciation	-	(1,023,400)	(1,023,400)
Net capital assets	<u>-</u>	<u>496,852</u>	<u>496,852</u>
Total assets	<u><u>\$ 6,819,534</u></u>	<u><u>\$ 496,852</u></u>	<u><u>\$ 7,316,386</u></u>
Liabilities			
Accounts payable	\$ 596,504	\$ -	\$ 596,504
Total liabilities	<u>596,504</u>	<u>-</u>	<u>596,504</u>
Fund balance			
Assigned	<u>6,223,030</u>	<u>(6,223,030)</u>	<u>-</u>
Total fund balance	<u>6,223,030</u>	<u>(6,223,030)</u>	<u>-</u>
Total liabilities and fund balances	<u><u>\$ 6,819,534</u></u>		
Net position			
Net investment in capital assets		496,852	496,852
Unrestricted		<u>6,223,030</u>	<u>6,223,030</u>
Total net position		<u><u>\$ 6,719,882</u></u>	<u><u>\$ 6,719,882</u></u>

Arapahoe County, Colorado
E-911 Authority - Component Unit
Statement of Governmental Fund Revenues
Expenditures, and Changes in Fund Balance/
Statement of Activities
For the Year Ended December 31, 2019

	E-911 Authority Fund	Adjustments	Statement of Activities
Program revenues			
Charges for services	\$ 3,975,337	\$ -	\$ 3,975,337
General revenues			
Investment earnings	132,463	-	132,463
Total revenues	<u>4,107,800</u>	<u>-</u>	<u>4,107,800</u>
Expenditures/expenses			
Governmental activities			
Public safety	3,919,289	-	3,919,289
Capital		-	-
Depreciation	-	283,916	283,916
Total expenditures/expenses	<u>3,919,289</u>	<u>283,916</u>	<u>4,203,205</u>
Excess of revenues over expenditures	188,511	(188,511)	-
Change in net position	-	95,405	(95,405)
Fund balance/net position - beginning	6,034,519		6,815,287
Fund balance/net position - ending	<u>\$ 6,223,030</u>	<u>\$ -</u>	<u>\$ 6,719,882</u>

Arapahoe County, Colorado
E-911 Authority - Component Unit
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Charges for services	\$ 4,014,000	\$ 4,014,000	\$ 3,975,337	\$ (38,663)
Investment earnings	70,000	70,000	132,174	62,174
Miscellaneous	-	-	289	289
Total revenues	<u>4,084,000</u>	<u>4,084,000</u>	<u>4,107,800</u>	<u>23,800</u>
Expenditures				
Current				
Public safety	7,164,436	7,164,436	3,919,289	3,245,147
Total expenditures	<u>7,164,436</u>	<u>7,164,436</u>	<u>3,919,289</u>	<u>3,245,147</u>
Excess of revenues over expenditures	(3,080,436)	(3,080,436)	188,511	3,268,947
Fund balance - beginning	6,034,519	6,034,519	6,034,519	-
Fund balance - ending	<u>\$ 2,954,083</u>	<u>\$ 2,954,083</u>	<u>\$ 6,223,030</u>	<u>\$ 3,268,947</u>



ARAPAHOE COUNTY, COLORADO
SOCIAL SERVICES FUND
SCHEDULE OF EBT AUTHORIZATIONS, WARRANT EXPENDITURES AND TOTAL EXPENDITURES
FOR YEAR ENDING DECEMBER 31, 2019

	A	B	C	D	E
Program	EBT Authorizations (State Paid)	County Share of EBT Authorizations	Expenditures by Warrant	Total Human Services Expenditures (A + C)	Total County Expenditures (B + C)
Adult Protective Services	\$ -	\$ -	\$ 1,606,849	\$ 1,606,849	\$ 1,606,849
Aid to Blind	(335)	(67)	-	(335)	(67)
Aid to Needy Disabled	622,802	124,560	-	622,802	124,560
Child Care Quality and Availability Grants	-	-	-	-	-
Child Support Enforcement	126,577	130,429	7,325,034	7,451,610	7,455,463
Child Support Grants	-	-	259,018	259,018	259,018
Child Welfare	12,285,317	2,465,124	20,866,744	33,152,062	23,331,868
Child Welfare Discretionary Grants	-	-	189,173	189,173	189,173
Child Welfare IV-E Waiver Interventions	-	-	189,005	189,005	189,005
Child Welfare Staffing	-	-	3,936,635	3,936,635	3,936,635
Child Welfare Subsidized Adoption	4,678,171	468,124	-	4,678,171	468,124
Colorado Child Care Assistance Program (CCCAP)	13,555,080	1,327,592	1,292,430	14,847,509	2,620,021
Colorado Works (TANF)	7,576,120	1,707,417	6,577,272	14,153,392	8,284,689
Core Services	3,584,450	57,199	2,709,338	6,293,788	2,766,536
County Administration	-	-	12,634,868	12,634,868	12,634,868
County Wide Cost Allocation Plan Pass Thru	-	-	6,255,529	6,255,529	6,255,529
Food Assistance Benefits (SNAP)	61,981,489	-	-	61,981,489	-
Food Assistance Job Search (Employment First)	-	-	911,297	911,297	911,297
Home Care Allowance	914,661	45,733	-	914,661	45,733
IV-E Independent Living	-	-	114,786	114,786	114,786
Low-Income Energy Assistance	2,283,091	-	42,799	2,325,890	42,799
Non-Allocated Programs	85,046	77,578	-	85,046	77,578
Old Age Pension	8,141,075	-	227,798	8,368,873	227,798
TANF Collections IV-D Retained	(544,835)	(108,967)	-	(544,835)	(108,967)
Title IV-B Sub Part 2 (PSSF)	-	-	307,828	307,828	307,828
Title XX Caseworker Training	-	-	5,000	5,000	5,000
Miscellaneous	(146,911)	(2,033)	582,751	435,840	580,718
GRAND TOTAL	\$ 115,141,799	\$ 6,292,688	\$ 66,034,155	\$ 181,175,954	\$ 72,326,842

DIFFERENCES NOTED:

COUNTY EXPENDITURES NOT RECORDED TO COUNTY FINANCIAL MANAGEMENT SYSTEM (CFMS)	\$ (302,748)
COUNTY WIDE COST ALLOCATION PLAN COSTS NOT RECORDED TO FUND 11	(6,255,529)
FUND TO FUND TRANSFERS NOT RECORDED TO CFMS	56,711
ITEMS RECORDED IN EXPENDITURE AND NOT AS OFFSET TO REVENUE	8,778
ITEMS RECORDED IN REVENUE AND NOT AS OFFSET TO EXPENDITURE	155,501
IV-D BALANCE SHEET ITEMS AND REFUNDS	(122,850)
PAYROLL & OTHER EXPENDITURE ACCRUALS	(2,628,911)
COUNTY HUMAN SERVICES TOTALS	\$ 63,237,795

***** CONTROL TOTALS \$ 181,175,954 \$ 63,237,795**

A. Human Services payments authorized by Arapahoe County, net of any refunds. These authorizations are paid by the Colorado Department of Human Services via electronic benefit cards (EBT) and electronic funds transfers (EFT).

B. The county share of Human Services payments authorized by Arapahoe County. These amounts are settled monthly by a reduction of Colorado Department of Human Services cash advances to the county, net of any refunds.

C. Expenditures made by county warrant or other county payment methods.

D. Represents the total cost of the Human Services programs that are administered by the county.

E. Reflects the county cost to administer Human Services Programs. This figure can also be found on the Social Services - Statement of Revenues, Expenditures and Changes in Fund Balance.

*** Control total for column D taken from the CFMS Expenditure/Revenue-Whole Year Report "total expenditure" column. Control total for column E, was generated using the YTD Actual figure for expenditures found in the County SAP ZFM02 Budget Report. Difference between Grand Total of column E and Control Total of column E is shown in Differences Noted.

LOCAL HIGHWAY FINANCE REPORT	City or County: Arapahoe YEAR ENDING : 2019
This Information From The Records Of: County of Arapahoe	Prepared By: Rhonda Robinson Phone: 720-874-6822

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES**III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES**

ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway disbursements:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	4,655,313
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	0
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	277,348
2. General fund appropriations	4,970,000	b. Snow and ice removal	243,272
3. Other local imposts (from page 2)	3,689,685	c. Other	0
4. Miscellaneous local receipts (from page 2)	454,370	d. Total (a. through c.)	520,620
5. Transfers from toll facilities	0	4. General administration & miscellaneous	7,661,761
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	0
a. Bonds - Original Issues	0	6. Total (1 through 5)	12,837,694
b. Bonds - Refunding Issues	0	B. Debt service on local obligations:	
c. Notes	0	1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	0
7. Total (1 through 6)	9,114,055	b. Redemption	0
B. Private Contributions	605,910	c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	12,368,994	2. Notes:	
D. Receipts from Federal Government (from page 2)	64,000	a. Interest	0
E. Total receipts (A.7 + B + C + D)	22,152,959	b. Redemption	0
		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)	12,837,694

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

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

V. LOCAL ROAD AND STREET FUND BALANCE

	P	F1+	G1+		
	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	28,534,347	22,152,959	12,837,694	37,849,612	0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT		STATE: Colorado	
		YEAR ENDING: 2019	
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	3,191,225	a. Interest on investments	0
b. Other local imposts:		b. Traffic Fines & Penalties	0
1. Sales Taxes	0	c. Parking Garage Fees	0
2. Infrastructure & Impact Fees	0	d. Parking Meter Fees	0
3. Liens	0	e. Sale of Surplus Property	0
4. Licenses	0	f. Charges for Services	0
5. Specific Ownership &/or Other	498,460	g. Other Misc. Receipts	441,535
6. Total (1. through 5.)	498,460	h. Other	12,835
c. Total (a. + b.)	3,689,685	i. Total (a. through h.)	454,370
(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	10,328,739	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match	1,703,237	c. HUD	
c. Motor Vehicle Registration	337,018	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant	0	e. U.S. Corps of Engineers	
e. Other (Specify)	0	f. Other Federal	64,000
f. Total (a. through e.)	337,018	g. Total (a. through f.)	64,000
4. Total (1. + 2. + 3.f)	12,368,994	3. Total (1. + 2.g)	64,000
		(Carry forward to page 1)	
III. 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	0	0	0
b. Engineering Costs	0	1,822,622	1,822,622
c. Construction:			
(1). New Facilities	0	0	0
(2). Capacity Improvements	0	2,112,811	2,112,811
(3). System Preservation	0	0	0
(4). System Enhancement & Operation	0	670,360	670,360
(5). Total Construction (1) + (2) + (3) + (4)	0	2,783,171	2,783,171
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	4,605,793	4,605,793
		(Carry forward to page 1)	
Notes and Comments:			

Arapahoe County, Colorado
Building Maintenance Administration
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2019

	Budgeted Amounts			Variance
	Original	Final	Actual	with Final Budget
Revenues				
Intergovernmental	\$ -	\$ -	\$ 1,500	\$ 1,500
Total revenue	-	-	1,500	1,500
Expenditures				
Current				
General government	2,109,769	2,238,127	1,807,202	430,925
Public safety	-	150,000	-	150,000
Health and welfare	-	232,000	225,766	6,234
Capital				
General government	-	30,385	28,782	1,603
Total expenditures	2,109,769	2,650,512	2,061,750	588,762
Excess (deficiency) of revenues over (under) expenditures	(2,109,769)	(2,650,512)	(2,060,250)	590,262
Other financing sources (uses)				
Transfers in	2,078,000	2,078,000	2,078,000	-
Total other financing sources (uses)	2,078,000	2,078,000	2,078,000	-
Net change in fund balance	(31,769)	(572,512)	17,750	590,262
Fund balance - beginning	1,315,546	1,315,546	1,315,546	-
Fund balance - ending	\$ 1,283,777	\$ 743,034	\$ 1,333,296	\$ 590,262

Arapahoe County, Colorado
Board Designated
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2019

	Budgeted Amounts			Variance
	Original	Final	Actual	with Final Budget
Revenues				
Total revenue	\$ -	\$ -	\$ -	\$ -
Expenditures				
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
Fund balance - beginning	16,921,280	16,921,280	16,921,280	-
Fund balance - ending	\$ 16,921,280	\$ 16,921,280	\$ 16,921,280	\$ -



Arapahoe County, Colorado

Statistical Section Index

(Unaudited)

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

Financial Trends

These schedules contain trend information to assist the reader in understanding how the County's financial position has changed over time.

Table 1	Net Position by Component	E-2
Table 2	Changes in Net Position.....	E-3
Table 3	Fund Balances - Governmental Funds.....	E-4
Table 4	Changes in Fund Balances, Governmental Funds.....	E-6

Revenue Capacity

These schedules contain information to assist the reader in assessing the County's most significant sources of revenue.

Table 5	Assessed Value and Actual Value of Taxable Property	E-8
Table 6	Direct and Overlapping Property Tax Rates.....	E-9
Table 7	Principal Property Taxpayers	E-10
Table 8	Property Tax Levies and Collections.....	E-11

Debt Capacity

These schedules present information to assist the reader in analyzing the County's current level of debt and the County's ability to issue debt in the future.

Table 9	Ratios of Outstanding Debt by Type	E-12
Table 10	Ratios of Bonded Debt by Type	E-13
Table 11	Computation of Direct and Overlapping Debt.....	E-14
Table 12	Legal Debt Margin Information	E-16

Demographic and Economic Information

These schedules offer demographic and economic indicators to assist the reader in understanding the environment in which the County's financial activities take place.

Table 13	Demographic and Economic Statistics.....	E-17
Table 14	Principal Employers	E-18

Operating Information

These schedules contain service and infrastructure indicators to assist the reader in ascertaining how the information in the County's financial statements relate to the services the County provides and the activities it performs.

Table 15	Full-time Equivalent County Government Employees by Function/Program.....	E-19
Table 16	Operating Indicators by Function/Program.....	E-20
Table 17	Capital Assets Statistics by Function/Program.....	E-21

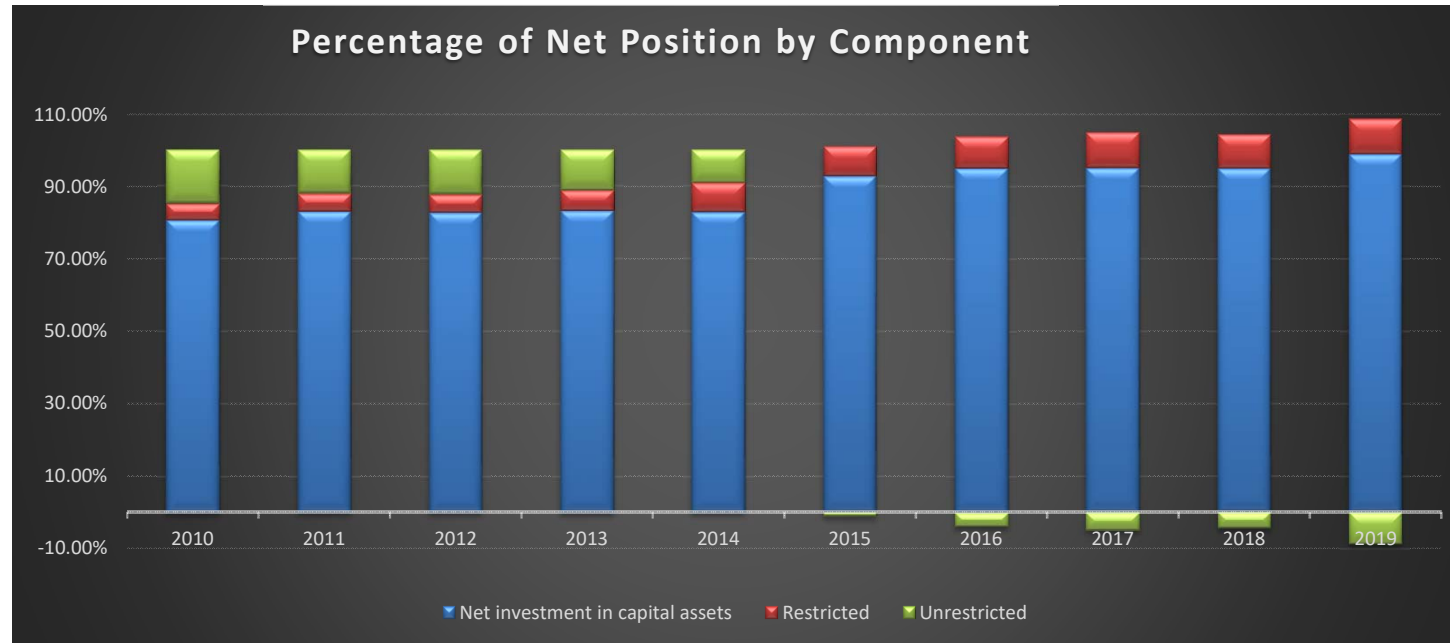
Data Source:

Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

Table 1

ARAPAHOE COUNTY, COLORADO
Net Position by Component
Last Ten Fiscal Years
December 31, 2019

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governmental Activities										
Net investment in capital assets	\$ 628,465,040	\$ 642,290,143	\$ 638,601,615	\$ 644,821,342	\$ 645,575,320	\$ 659,544,853	\$ 661,699,298	\$ 661,399,167	\$ 662,881,767	\$ 665,383,529
Restricted	35,276,618	37,691,869	38,816,576	43,700,491	62,204,672	58,164,427	61,025,576	67,832,163	65,523,120	65,514,966
Unrestricted	116,293,743	93,968,505	95,650,011	86,712,911	71,421,463	(7,440,134)	(27,017,353)	(34,147,538)	(30,739,972)	(58,482,934)
Total governmental activities net position	\$ 780,035,401	\$ 773,950,517	\$ 773,068,202	\$ 775,234,744	\$ 779,201,455	\$ 710,269,146	\$ 695,707,521	\$ 695,083,792	\$ 697,664,915	\$ 672,415,561



Data Source:
Applicable years' comprehensive annual financial report

Table 2

ARAPAHOE COUNTY, COLORADO
Changes in Net Position
Last Ten Fiscal Years
December 31, 2019

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Expenses Governmental Activities										
General Government	\$ 65,620,965	\$ 66,121,995	\$ 63,495,280	\$ 64,146,957	\$ 64,507,824	\$ 62,981,999	\$ 67,198,166	\$ 75,487,675	\$ 69,320,281	\$ 83,051,860
Public Safety	75,458,627	76,142,197	77,703,126	80,106,733	82,886,786	86,598,340	93,906,901	92,591,674	99,859,375	124,944,437
Judicial Services	12,614,228	12,223,389	12,364,714	12,389,454	12,474,361	13,392,562	14,435,062	14,879,697	15,143,028	15,888,842
Health & Welfare	84,731,102	83,747,155	82,520,568	82,262,092	84,017,656	89,673,316	96,670,273	98,713,590	106,223,692	116,509,490
Highways & Streets	23,960,428	27,133,757	24,707,635	21,739,230	23,309,365	28,620,234	32,878,027	27,985,852	28,882,804	27,870,648
Water & Wastewater	3,273,817	3,517,485	3,610,897	3,450,708	3,525,230	3,567,857	3,565,064	3,565,414	3,559,558	3,562,136
Airport	365,552	365,938	6,282	1,563	8,268	-	1,585,550	591	-	-
Culture & Recreation	14,268,965	14,261,422	18,017,062	18,398,769	20,022,505	20,602,042	25,427,434	24,625,180	27,661,147	33,265,464
Interest on long-term debt	10,704,678	11,495,570	10,648,886	9,397,859	9,114,034	8,542,246	7,606,467	7,508,707	7,045,569	7,139,524
Total expenses	\$ 290,998,362	\$ 295,008,908	\$ 293,074,450	\$ 291,893,365	\$ 299,866,029	\$ 313,978,596	\$ 343,272,944	\$ 345,358,380	\$ 357,695,454	\$ 412,232,401
Program Revenues Governmental Activities										
Charges for Services										
General Government	\$ 23,430,054	\$ 15,600,113	\$ 19,259,850	\$ 20,250,845	\$ 22,196,883	\$ 23,989,832	\$ 24,764,618	\$ 25,740,484	\$ 29,533,354	\$ 28,279,158
Public Safety	25,121,132	25,957,155	26,071,312	25,860,963	26,375,646	27,738,753	29,725,654	29,943,245	31,738,589	35,800,426
Health & Welfare	317,610	338,422	220,022	445,771	634,870	755,207	628,911	647,231	565,584	623,005
Highways & Streets	326,105	361,674	542,081	713,619	758,650	927,616	860,617	893,530	939,266	1,163,994
Water & Wastewater	-	-	-	-	-	5	-	-	-	-
Airport	-	-	-	-	-	571,911	-	-	-	-
Culture & Recreation	245,226	368,133	363,075	712,210	575,644	-	942,446	924,663	1,049,356	1,205,946
Operating Grants and Contributions										
General Government	201,778	532,320	587,711	198,373	130,532	116,151	142,214	1,175,081	332,855	392,675
Public Safety	3,051,259	4,335,027	4,012,225	3,470,396	3,282,826	2,577,121	2,200,898	2,433,452	1,893,598	1,920,058
Judicial Services										291,080
Health & Welfare	59,500,186	58,958,731	56,549,617	55,446,824	54,827,686	59,144,977	64,420,988	64,723,939	130,023	71,616,324
Highways & Streets	11,287,372	8,680,840	10,085,021	9,110,175	9,210,239	9,421,948	10,092,021	14,217,769	72,177,853	17,347,267
Water & Wastewater	156,212	-	-	-	-	-	-	-	11,113,339	-
Culture & Recreation	186,963	164,769	142,056	221,769	163,276	154,106	150,694	275,193	595,963	414,048
Capital grants and Contributions										
General Government	-	127,990	-	8,411	-	-	-	-	-	-
Public Safety	-	-	-	62,207	23,650	-	137,985	35,612	431,223	20,915
Health & Welfare	4,094	4,029	5,877	5,461	6,816	6,951	8,460	7,469	8,938	7,058
Highways & Streets	418,888	582,094	115,729	279,095	1,990,573	512,927	578,392	1,758,232	1,841,745	2,530,471
Culture & Recreation	478,713	495,200	610,905	667,655	606,114	610,925	720,904	675,487	684,236	773,048
Total program revenues	\$ 124,725,592	\$ 116,506,497	\$ 118,565,481	\$ 117,453,774	\$ 120,783,405	\$ 126,528,430	\$ 135,374,802	\$ 143,451,387	\$ 153,035,922	\$ 162,385,473
Net (Expense)/Revenue Governmental Activities										
Total primary government net expense	\$ (166,272,770)	\$ (178,502,411)	\$ (174,508,969)	\$ (174,439,591)	\$ (179,082,624)	\$ (187,450,166)	\$ (208,273,142)	\$ (201,906,993)	\$ (204,659,532)	\$ (249,846,928)
General Revenues Governmental Activities										
Property taxes	\$ 132,748,945	\$ 134,792,665	\$ 137,159,101	\$ 137,284,487	\$ 140,623,343	\$ 140,088,056	\$ 146,327,277	\$ 150,346,537	\$ 156,874,600	\$ 164,054,460
Sales taxes	17,358,730	17,568,252	19,424,283	21,058,410	22,557,783	24,593,215	25,647,538	26,557,828	27,911,710	30,334,481
Other taxes	8,243,151	7,819,588	8,650,925	9,140,147	9,778,605	10,149,831	10,735,626	12,163,187	10,811,204	13,170,907
Investment income	3,672,457	2,337,311	1,340,297	533,928	1,559,611	2,198,875	1,950,443	2,794,250	4,704,611	10,372,294
Build America Bonds Credit	-	1,158,381	1,158,381	1,057,602	1,074,398	1,076,715	1,079,032	1,080,190	1,084,245	1,088,299
Miscellaneous	3,642,267	8,741,330	8,792,643	7,531,559	7,455,595	7,700,202	7,971,601	8,341,272	5,854,285	5,577,133
Total general revenues	\$ 165,665,550	\$ 172,417,527	\$ 176,525,630	\$ 176,606,133	\$ 183,049,335	\$ 185,806,894	\$ 193,711,517	\$ 201,283,264	\$ 207,240,655	\$ 224,597,574
Change in Net Position										
Governmental activities	\$ (607,220)	\$ (6,084,884)	\$ 2,016,661	\$ 2,166,542	\$ 3,966,711	\$ (1,643,272)	\$ (14,561,625)	\$ (623,729)	\$ 2,581,123	\$ (25,249,354)

Data Source:
Applicable years' comprehensive annual financial report

Table 3

ARAPAHOE COUNTY, COLORADO
Fund Balances Governmental Funds
Last Ten Fiscal Years
December 31, 2019

	2010*	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Fund										
Nonspendable	\$ -	\$ 28,289	\$ 15,594	\$ 14,497	\$ 29,126	\$ 21,446	\$ 89,763	\$ 6,944	\$ 7,215	\$ 18,109
Restricted	-	5,533,967	5,683,857	5,721,746	5,880,269	6,237,852	6,525,720	6,870,489	7,258,016	8,352,668
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	5,375,023	7,271,891	6,715,072	3,187,951	8,943,657	8,011,437	11,731,823	9,137,938	11,511,037
Unassigned	-	30,723,073	34,078,126	38,051,806	36,372,605	33,670,399	36,996,292	37,222,085	45,059,519	49,422,184
Prior to 2011										
Reserved	877,805	-	-	-	-	-	-	-	-	-
Unreserved	32,120,272	-	-	-	-	-	-	-	-	-
Total General Fund	\$ 32,998,077	\$ 41,660,352	\$ 47,049,468	\$ 50,503,121	\$ 45,469,951	\$ 48,873,354	\$ 51,623,212	\$ 55,831,341	\$ 61,462,688	\$ 69,303,998
All Other Governmental Funds										
Nonspendable	\$ -	\$ 169,131	\$ 165,021	\$ 151,614	\$ 159,433	\$ 91,153	\$ 85,940	\$ 92,636	\$ 94,435	\$ 78,085
Restricted	-	33,780,233	35,457,760	40,297,435	65,837,389	56,231,919	56,029,200	61,203,487	58,265,103	57,162,298
Committed	-	36,424,167	42,603,723	32,769,338	42,156,672	29,309,109	24,348,429	26,474,074	33,517,748	43,331,425
Assigned	-	26,478,072	25,789,116	29,311,879	12,928,127	16,790,588	14,510,748	14,690,081	18,069,776	17,439,522
Unassigned	-	(759,365)	(1,645,415)	(463,024)	(889,882)	(856,529)	(540,719)	(1,069,249)	(855,742)	(810,362)
Prior to 2011										
Reserved	24,760,710	-	-	-	-	-	-	-	-	-
Unreserved, reported in:										
Special revenue fund	62,820,027	-	-	-	-	-	-	-	-	-
Capital projects fund	28,177,813	-	-	-	-	-	-	-	-	-
Total all other governmental funds	115,758,550	96,092,238	102,370,205	102,067,242	120,191,739	101,566,240	94,433,598	101,391,029	109,091,320	117,200,968
Total General and all other governmental funds	\$ 148,756,627	\$ 137,752,590	\$ 149,419,673	\$ 152,570,363	\$ 165,661,690	\$ 150,439,594	\$ 146,056,810	\$ 157,222,370	\$ 170,554,008	\$ 186,504,966

Note: * Fund Balances for prior years are not available in new fund balance breakdown per GASB 54.



Table 4

ARAPAHOE COUNTY COLORADO
Changes in Fund Balances Governmental Funds
Last Ten Fiscal Years
December 31, 2019

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenues										
Taxes	\$ 158,350,822	\$ 160,180,505	\$ 165,234,310	\$ 167,427,334	\$ 172,983,923	\$ 174,843,027	\$ 182,717,914	\$ 189,064,942	\$ 195,592,692	\$ 207,569,973
Licenses and Permits	4,462,048	4,626,342	5,770,321	6,291,499	7,071,899	7,679,491	6,862,319	6,938,686	8,265,521	8,139,175
Intergovernmental	76,404,188	73,914,329	72,511,100	70,868,970	67,743,648	71,714,313	77,683,616	82,377,314	88,157,459	92,613,456
Charges for Services	39,949,208	39,927,613	42,344,679	42,460,957	43,049,570	45,554,064	48,754,388	48,098,474	52,059,969	55,883,731
Fines	1,770,420	2,187,374	2,276,220	1,672,267	1,582,379	1,472,027	1,333,331	1,116,890	959,499	796,019
Investment Earnings	3,672,457	2,337,311	1,340,297	533,928	1,559,611	2,198,875	1,950,442	2,794,250	4,704,611	10,372,294
Interfund Revenues and Rentals	2,629,159	3,381,894	3,871,456	4,024,310	3,812,158	3,885,296	4,175,841	4,015,236	4,165,304	4,286,950
Interest on Loan to Component Unit	1,595,759	1,617,384	1,584,577	1,591,390	1,596,342	1,594,761	1,632,137	-	-	-
Developer Contributions	-	306,191	101,521	242,452	150,421	488,890	305,860	516,303	882,710	606,560
Build America Bonds credit	-	1,158,381	1,158,381	1,057,602	1,074,398	1,076,715	1,079,032	1,080,190	1,084,245	1,088,299
Miscellaneous	3,902,719	3,089,955	2,642,425	2,263,215	3,457,709	4,467,072	4,499,116	4,966,928	5,703,655	5,974,047
Total Revenues	292,736,780	292,727,279	298,835,287	298,433,924	304,082,058	314,974,531	330,993,996	340,969,213	361,575,665	387,330,504
Expenditures										
General Government	60,680,392	59,409,082	57,788,954	57,720,320	61,033,179	60,935,571	62,611,284	63,141,881	64,884,087	68,438,168
Public Safety	71,572,143	72,257,100	73,438,472	74,622,220	77,598,486	79,051,015	82,748,708	83,150,402	89,267,881	98,955,247
Judicial Services	12,694,119	12,099,113	12,234,857	12,319,363	12,417,783	13,269,108	14,313,223	14,784,134	14,979,860	15,699,764
Health and Welfare	84,906,821	85,820,777	84,074,191	83,417,958	83,174,922	86,631,696	93,767,618	94,276,722	102,785,922	105,015,413
Highways and Streets	18,167,228	19,904,997	15,900,164	14,754,234	16,077,366	21,008,487	24,938,875	20,127,897	20,709,299	18,913,639
Water and Wastewater	602,474	101,224	113,441	115,122	113,935	117,138	114,024	114,375	108,518	111,096
Airport	664	850	6,282	1,563	8,268	-	550	591	-	-
Culture and Recreation	13,673,560	15,074,698	17,521,272	17,875,463	19,377,236	19,802,789	24,410,962	23,185,225	26,464,210	31,677,103
Capital Outlay	73,304,010	22,953,275	10,144,267	16,461,656	9,542,868	29,224,035	14,024,761	13,430,781	13,538,293	14,520,498
Debt Service										
Principal	6,559,486	13,449,250	65,774,205	7,780,421	10,988,043	8,605,357	9,069,781	7,731,226	8,193,408	8,043,776
Interest	10,119,632	11,506,597	11,361,697	9,486,734	9,154,339	8,703,895	8,144,791	7,903,906	7,586,761	7,298,167
Debt Issuance/Admin Costs	2,450	48,121	1,263,735	6,080	56,373	500,519	3,558	3,550	3,550	499,386
Total Expenditures	352,282,979	312,625,084	349,621,537	294,561,134	299,542,798	327,849,610	334,148,135	327,850,690	348,521,789	369,172,257
Excess of revenues over (under) expenditures	(59,546,199)	(19,897,805)	(50,786,250)	3,872,790	4,539,260	(12,875,079)	(3,154,139)	13,118,523	13,053,876	18,158,247

Table 4 (continued)

ARAPAHOE COUNTY COLORADO
Changes in Fund Balances Governmental Funds
Last Ten Fiscal Years
December 31, 2018

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Other Financing Sources (Uses)										
Transfers In	18,325,661	49,478,206	21,451,484	16,374,015	22,221,040	8,611,624	24,256,236	20,179,682	24,167,219	17,778,109
Transfers Out	(18,876,154)	(50,234,438)	(20,767,035)	(17,096,115)	(23,112,366)	(11,365,506)	(25,484,881)	(22,132,645)	(25,867,360)	(20,491,881)
Debt issued	-	9,650,000	59,020,000	-	-	48,940,000	-	-	-	-
Capital Leases	-	-	-	-	9,443,393	-	-	-	-	-
Capital Contributions	-	-	-	-	-	-	-	-	-	-
Refunding Bonds Issued	-	-	-	-	-	-	-	-	-	53,120,000
Payment to Bond Agent	-	-	-	-	-	(51,909,890)	-	-	-	(56,251,695)
Premium (discount) on Bonds	-	-	1,767,720	-	-	3,376,755	-	-	-	3,638,178
Total other financing sources (uses)	(550,493)	8,893,768	61,472,169	(722,100)	8,552,067	(2,347,017)	(1,228,645)	(1,952,963)	(1,700,141)	(2,207,289)
Net Change in Fund Balances	\$ (60,096,692)	\$ (11,004,037)	\$ 10,685,919	\$ 3,150,690	\$ 13,091,327	\$ (15,222,096)	\$ (4,382,784)	\$ 11,165,560	\$ 11,353,735	\$ 15,950,958
Debt service as a percentage of noncapital expenditures	5.98%	8.62%	22.72%	6.21%	6.95%	23.18%	5.38%	4.97%	4.71%	20.19%

Data Source:

Applicable years' comprehensive annual financial report

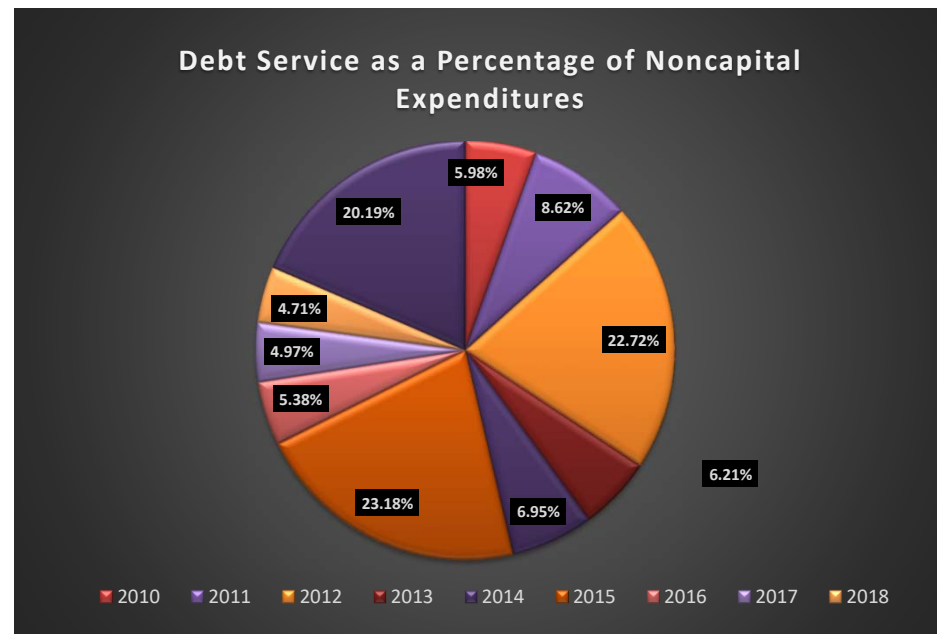


Table 5

ARAPAHOE COUNTY, COLORADO
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years
December 31, 2019

Fiscal Year	Residential Property	Commercial Property	Industrial Property	Vacant	Agricultural	Other Natural Resources	State Assessed	Tax-Exempt Property	Total Taxable Assessed Value	Total Taxable Actual Value	Total Direct Tax rate
2010	\$ 3,987,486,080	\$ 3,352,504,060	\$ 33,931,360	\$ 235,853,770	\$ 10,890,300	\$ 5,210,150	\$ 342,934,700	\$ 1,263,684,890	\$ 7,968,810,420	\$ 63,812,923,092	25.800
2011	3,775,269,790	2,995,807,840	31,667,580	219,167,970	12,033,580	6,624,610	387,517,800	1,293,261,390	7,428,089,170	60,010,542,511	27.279
2012	3,794,466,240	2,984,226,260	32,561,730	204,179,330	11,863,490	17,992,250	417,530,100	1,312,493,880	7,462,819,400	60,300,053,871	27.035
2013	3,780,177,620	3,123,945,090	33,512,670	190,477,390	13,825,160	22,654,840	455,088,000	1,243,090,240	7,619,680,770	60,703,146,667	26.973
2014	3,812,812,264	3,087,727,246	36,395,645	175,558,234	14,168,482	33,769,837	457,192,000	1,299,479,589	7,617,623,708	60,972,155,045	26.726
2015	4,829,416,614	3,478,983,884	37,246,901	193,926,306	16,462,494	85,556,481	428,740,800	1,619,809,644	9,070,333,480	75,144,878,222	25.754
2016	4,874,504,552	3,519,405,327	36,968,269	178,409,908	16,338,886	76,794,298	426,031,500	1,628,023,002	9,128,452,740	75,777,157,324	25.947
2017	5,542,587,113	4,193,565,204	42,237,673	206,691,992	17,941,704	45,801,576	427,051,400	1,653,183,167	10,475,876,662	93,818,242,423	24.652
2018	5,629,267,276	4,235,219,289	44,208,693	200,504,857	18,482,733	58,597,252	417,134,600	1,671,911,738	10,603,414,700	95,250,716,882	25.128
2019	6,688,464,329	4,740,323,835	50,508,442	276,572,334	19,055,250	129,775,815	425,204,900	1,770,981,924	12,329,904,905	112,735,076,633	23.466

Data Source:
Arapahoe County Assessor's Office

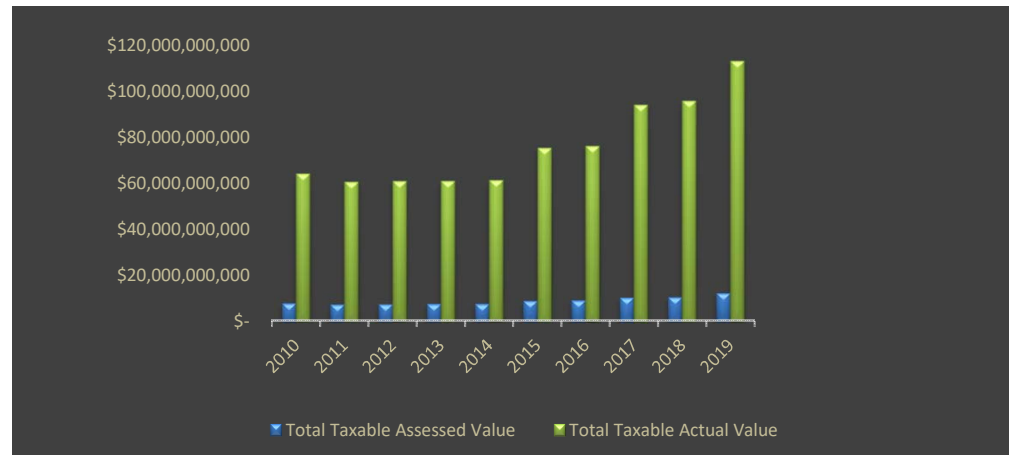


Table 6

ARAPAHOE COUNTY, COLORADO
Direct and Overlapping Property Tax Rates
(rate per \$1,000 of assessed value)
Last Ten Fiscal Years
December 31, 2019

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
County Direct Rates										
General	12.124	13.270	13.127	13.134	12.976	11.310	11.477	10.521	10.963	9.649
Special Revenue	3.825	4.046	4.023	3.996	3.974	3.546	3.562	3.296	3.338	3.036
L.E.A.D. & Library	9.851	9.963	9.885	9.843	9.776	10.898	10.908	10.835	10.827	10.781
Total direct rate	25.800	27.279	27.035	26.973	26.726	25.754	25.947	24.652	25.128	23.466
City & Town Rates										
Aurora	10.595	10.653	10.290	10.290	8.886	8.569	8.605	8.605	8.605	8.605
Bennett	11.950	11.950	11.950	11.950	11.950	11.950	11.950	11.950	11.950	11.950
Bow-Mar	15.309	16.956	17.486	18.879	25.389	24.280	25.185	25.373	26.142	25.112
Centennial	5.077	5.120	5.129	5.073	5.015	5.030	5.026	5.006	5.003	5.002
Cherry Hills	13.402	13.295	13.304	13.374	13.360	13.557	13.559	13.559	13.813	14.722
Columbine	9.331	9.352	9.336	9.316	9.316	7.891	8.172	8.133	7.751	6.567
Deer Trail	17.104	17.104	17.104	17.104	17.104	14.597	15.821	14.585	15.050	13.453
Englewood	8.010	7.621	7.794	8.124	8.124	7.804	11.613	10.745	10.710	9.438
Foxfield	21.865	23.238	20.400	20.400	20.400	20.400	20.400	4.982	4.982	4.982
Glendale	18.670	18.670	18.670	18.670	18.670	18.670	18.670	18.670	18.670	18.670
Greenwood Village	2.932	2.932	2.932	2.932	2.932	2.932	2.932	2.932	2.932	2.932
Littleton	6.662	6.662	6.662	6.662	6.662	6.662	6.662	6.662	6.662	2.000
Sheridan	7.994	8.078	8.253	8.366	8.131	23.363	26.196	24.109	23.844	20.310
School Districts										
Aurora	53.919	54.159	63.830	67.323	67.635	66.648	69.685	69.006	82.014	81.275
Bennett	33.363	33.427	33.508	33.399	32.950	32.387	32.594	32.303	32.296	24.882
Byers	32.305	33.148	31.407	30.726	30.695	32.812	33.096	26.230	26.261	26.121
Cherry Creek	50.947	54.367	58.037	57.492	56.702	49.703	53.232	49.687	49.995	46.997
Deer Trail	27.319	27.293	27.309	27.221	27.237	27.204	27.243	42.826	41.817	38.851
Englewood	37.495	45.858	46.719	46.874	47.018	44.268	54.561	52.372	52.373	49.852
Littleton	55.389	57.530	56.935	56.985	56.601	53.424	53.030	51.166	56.945	59.266
Sheridan	37.891	38.764	41.998	42.823	40.854	38.308	38.744	35.259	50.798	46.502
Strasburg	46.458	42.494	41.135	39.952	39.655	38.646	38.725	38.315	38.373	37.656
Special Districts	.030-90.0	.030-90.0	.030-90.0	.027-90.0	.027-90.0	.027-90.0	.027-90.0	.021-98.9	.010-100.3	.010-102.1

Data Source:
Assessor's Abstract of Assessments and Levies

Table 7

ARAPAHOE COUNTY, COLORADO
Principal Property Taxpayers
Current Year and Nine Years Ago
December 31, 2019

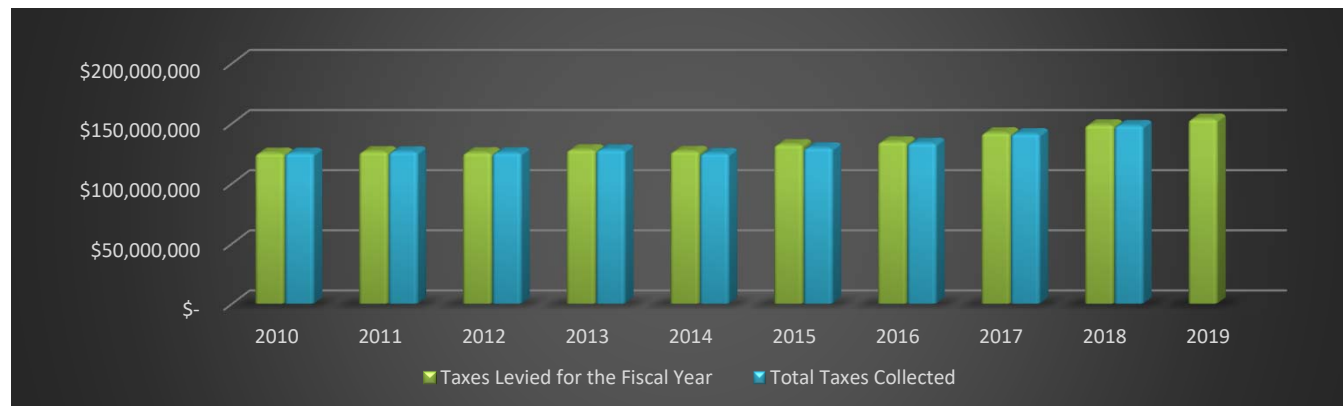
<u>Taxpayer</u>	2019			2010		
	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value
Public Svc Co (Xcel Energy)	\$ 164,142,670	1	1.33%	\$ 86,711,840	2	1.09%
CenturyLink (Qwest Corp.)	61,994,200	2	0.50%	101,167,800	1	1.27%
Verizon Wireless	56,142,100	3	0.46%	63,223,000	3	0.79%
Columbia HealthOne LLC	42,960,753	4	0.35%	40,600,000	4	0.51%
Granit Place LLC	36,830,000	5	0.30%	-		0.00%
Greenwood Property Corp	32,948,060	6	0.27%	30,450,000	5	-
Denver CB Center 2 LLC	28,502,940	7	0.23%	-		-
GPI Plaza Tower LP	25,370,940	8	0.21%	-		-
DCS Owner LLC	21,460,000	9	0.17%	-		-
Comcast Cable Communications	20,179,398	10	0.16%	-		-
Property Colorado OBJLW	-		-	27,550,000	6	0.35%
Legacy III Centennial LLC	-		-	16,965,000	7	0.21%
CSHV Denver Tech Center LLC	-		-	15,080,010	8	0.19%
National Digital Television	-		-	14,819,210	9	0.19%
5251 DTC Parkway LLC	-		-	14,500,000		0.18%
Total	\$ 490,531,061		3.98%	\$ 411,066,860		4.78%

Data Source:
Arapahoe County Assessor's Office

Table 8

ARAPAHOE COUNTY, COLORADO
Property Tax Levies and Collections
Last Ten Fiscal Years
December 31, 2019

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal year of the Levy		Collections in Subsequent Years (1)	Total Collections to Date	
		Amount	Percentage of Levy		Total Taxes Collected	Percentage of Levy
2010	\$ 125,349,303	\$ 124,973,255	99.7%	\$ 300,000	\$ 125,273,255	99.9%
2011	126,563,649	126,310,522	99.8%	180,000	126,490,522	99.9%
2012	125,727,462	125,476,007	99.8%	150,000	125,626,007	99.9%
2013	128,155,159	127,952,802	99.8%	100,000	128,052,802	99.9%
2014	126,816,707	124,374,319	98.1%	700,000	125,074,319	98.6%
2015	132,443,530	128,808,551	97.3%	980,000	129,788,551	98.0%
2016	134,720,914	133,450,038	99.1%	128,000	133,578,038	99.2%
2017	142,256,121	141,159,227	99.2%	385,613	141,544,840	99.5%
2018	148,899,511	148,042,148	99.4%	295,000	148,337,148	99.6%
2019	153,648,531	-	-	-	-	-



Data Sources:

Arapahoe County Treasurer's Office

Arapahoe County Annual Budget

(1) Estimated calculation

Note: The difference between the total taxes collected shown on this schedule and the property taxes recorded on the Government-wide Statement of Activities is that the Statement of Activities line item for property taxes includes interest on current tax and property taxes collected on three blended component units not included above (Arapahoe Law Enforcement Authority, Arapahoe County Recreation District and the Arapahoe County Water and Wastewater Public Improvement District.)

Table 9

ARAPAHOE COUNTY, COLORADO
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
December 31, 2019

Fiscal Year	Total Bonds Payable¹	Total Notes Payable¹	Total Certificates of Participation Payable¹	Total Capital Leases¹	Total Primary Government¹	Percentage of Personal Income²	Percentage of Actual Value of Taxable Property³	Total Outstanding Debt Per Capita
2010	\$ 114,488,463	\$ 40,934,625	\$ 47,936,133	\$ 15,955,489	\$ 219,314,710	0.75%	0.34%	381.46
2011	114,445,945	39,872,693	43,876,948	17,371,307	215,566,893	0.78%	0.36%	368.68
2012	116,735,398	38,793,793	39,649,009	16,119,193	211,297,393	0.73%	0.35%	355.97
2013	115,868,284	37,701,231	36,540,975	14,617,381	204,727,871	0.66%	0.34%	338.73
2014	114,832,794	36,589,875	31,706,254	19,768,364	202,897,287	0.71%	0.33%	334.22
2015	140,581,034	8,582,389	26,792,005	18,327,181	194,282,609	0.56%	0.26%	314.20
2016	138,905,723	7,446,310	21,256,405	16,844,104	184,452,542	0.51%	0.24%	289.45
2017	137,059,731	6,281,757	17,307,225	15,317,619	175,966,332	0.50%	0.19%	272.09
2018	135,007,822	5,098,429	13,198,045	13,720,977	167,025,273	0.45%	0.18%	257.08
2019	133,470,844	3,890,885	8,929,412	12,701,498	158,992,639	0.40%	0.14%	241.61

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

Data Sources:

- (1) Applicable years' comprehensive annual financial report
- (2) Estimates obtained from the state of Colorado Department of Local Affairs
- (3) Arapahoe County Assessor's Office

ARAPAHOE COUNTY, COLORADO
Ratios of Outstanding Bonded Debt by Type
Last Ten Fiscal Years
December 31, 2019

Table 10

Fiscal Year	Total Bonds Payable¹	Total Notes Payable¹	Total Certificates of Participation Payable¹	Total Capital Leases¹	Less: Amounts Available in Restricted Resources	Net Bonded Debt²	Net Bonded Debt as Percent of Estimated Actual Taxable Value of Property³	Total Bonded Debt Per Capita
2010	\$ 114,488,463	\$ 40,934,625	\$ 47,936,133	\$ 15,955,489	\$ 1,200,000	\$ 218,114,710	0.34%	\$ 379.38
2011	114,445,945	39,872,693	43,876,948	17,371,307	1,200,000	214,366,893	0.36%	366.63
2012	116,735,398	38,793,793	39,649,009	16,119,193	1,200,000	210,097,393	0.35%	353.94
2013	115,868,284	37,701,231	36,540,975	14,617,381	1,200,000	203,527,871	0.34%	336.74
2014	114,832,794	36,589,875	31,706,254	19,768,364	1,200,000	201,697,287	0.33%	332.25
2015	140,581,034	8,582,389	26,792,005	18,327,181	1,200,000	193,082,609	0.26%	312.26
2016	138,905,723	7,446,310	21,256,405	16,844,104	1,200,000	183,252,542	0.24%	287.57
2017	137,059,731	6,281,757	17,307,225	15,317,619	1,200,000	174,766,332	0.19%	270.23
2018	135,007,822	5,098,429	13,198,045	13,720,977	1,200,000	165,825,273	0.17%	255.23
2019	133,470,844	3,890,885	8,929,412	12,701,498	-	158,992,639	0.14%	241.61

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

Data Sources:

- (1) Applicable years' comprehensive annual financial report
- (2) Net bonded debt equals: General Obligation bonds, Notes, Certificates of Participation, and Capital Leases (net of related premiums, discounts and adjustments), less restricted resources.
- (3) Arapahoe County Assessor's Office

Table 11

ARAPAHOE COUNTY, COLORADO
Computation of Direct and Overlapping Debt
December 31, 2019

<u>Governmental Unit</u>	<u>General Obligation Debt Outstanding</u>	<u>Percentage Applicable to County</u>	<u>Direct and Overlapping Debt</u>
Cities & Towns:			
City of Englewood	\$ 38,610,000	100%	\$ 38,610,000
City of Sheridan	28,555,000	100%	28,555,000
Total Cities & Towns			\$ 67,165,000
School Districts:			
Aurora	\$ 427,665,000	64%	\$ 273,705,600
Bennett	4,615,000	50%	2,307,500
Cherry Creek	610,545,000	100%	610,545,000
Deer Trail	6,525,000	95%	6,198,750
Englewood	160,610,495	100%	160,610,495
Littleton	422,981,195	100%	422,981,195
Sheridan	18,276,781	100%	18,276,781
Strasburg	3,533,810	28%	999,715
Total School Districts			\$ 1,495,625,036
Special Districts:			
Adonea Metropolitan District #2	\$ 20,057,465	100%	\$ 20,057,465
Antelope Water System GID	2,100,000	100%	2,100,000
Arapahoe Lake Public Park District	480,600	100%	480,600
Arapahoe Park and Recreational District	5,100,000	100%	5,100,000
Arapahoe Water and Wastewater PID	132,599,702	92%	121,461,327
Aspen Grove Business Improvement	4,855,000	100%	4,855,000
Aurora Centretex Metropolitan District	10,420,000	100%	10,420,000
Beacon Point Metropolitan District	20,125,000	100%	20,125,000
Bijou Creek Metropolitan District	1,820,000	100%	1,820,000
Bristol Metropolitan District	1,797,000	100%	1,797,000
Centennial Downs Metropolitan District	5,705,000	100%	5,705,000
Cobblewood GID	327,000	100%	327,000
Cherry Creek Racquet Club GID	435,000	100%	435,000
Cherry Creek Vista Park and Recreational District B	2,100,000	100%	2,100,000
Conservatory Metropolitan District	21,815,000	100%	21,815,000
Copperleaf Metropolitan District #2	36,605,000	100%	36,605,000
Copperleaf Metropolitan District #6	13,410,000	100%	13,410,000
Cornerstar Metro District Bonds	36,290,000	100%	36,290,000
Country Homes Metropolitan District P-A and P-B	107,000	100%	107,000
Cross Creek Metropolitan District #2	10,710,000	100%	10,710,000
Dove Valley Metropolitan District	40,625,000	100%	40,625,000
Eagle Bend Metropolitan District	26,565,000	100%	26,565,000
Eagle's Nest Metropolitan District	1,426,000	100%	1,426,000
East Smoky Hill Metropolitan District #1	3,080,000	100%	3,080,000
East Smoky Hill Metropolitan District #2	4,850,000	100%	4,850,000
East Valley Metropolitan District	301,070	100%	301,070
Estancia Metropolitan District	4,110,000	100%	4,110,000
Fiddlers Business IM District	57,160,000	100%	57,160,000
Fitzsimons Village Metropolitan District #1	16,955,000	100%	16,955,000
Forest Trace Metropolitan District #3	10,394,000	100%	10,394,000
Galleria Metropolitan District Bonds	3,661,552	100%	3,661,552
Heather Gardens Metropolitan District	8,465,000	100%	8,465,000
Heather Ridge Metropolitan District #1	6,378,847	100%	6,378,847
Heritage Greens Metropolitan District	2,780,000	100%	2,780,000
High Plains Metropolitan District	27,380,000	100%	27,380,000

Table 11 (continued)

ARAPAHOE COUNTY, COLORADO
Computation of Direct and Overlapping Debt
December 31, 2019

<u>Special Districts</u>	<u>General Obligation Debt Outstanding</u>	<u>Percentage Applicable to County</u>	<u>Direct and Overlapping Debt</u>
Highline Crossing Metropolitan District	1,926,000	100%	1,926,000
Hills At Cherry Creek Metro District	1,405,000	100%	1,405,000
Iliff Commons Metropolitan District #2	3,200,000	100%	3,200,000
Iliff Commons Metropolitan District #3	1,860,000	100%	1,860,000
Inverness Metropolitan Improvement District	1,850,000	67%	1,239,500
Inverness Water and Sanitation District	8,104,292	65%	5,267,790
Iron Works Village Metropolitan District	3,589,000	100%	3,589,000
Kent Place Metropolitan District #2	2,754,000	100%	2,754,000
Littleton Village Metropolitan District #2	20,760,000	100%	20,760,000
Liverpool Metropolitan District	1,995,000	100%	1,995,000
Marvella Metropolitan District	4,899,000	100%	4,899,000
Meadow Hills County Club GID	340,000	100%	340,000
Murphy Creek Metropolitan District #3	32,721,785	100%	32,721,785
Orchard Valley Metropolitan District	5,645,000	100%	5,645,000
Panorama Metropolitan District	2,845,000	100%	2,845,000
Parker Jordan Metropolitan Bonds	9,884,975	100%	9,884,975
Peoria Park GID	263,000	100%	263,000
Pier Point 7 GID	1,820,000	100%	1,820,000
Piney Creek Village Metropolitan District	5,160,000	100%	5,160,000
Pioneer Hills Metropolitan District	3,600,248	100%	3,600,248
Polo Reserve Metropolitan District	350,000	100%	350,000
Powhatan RD Metropolitan District #2	10,925,000	100%	10,925,000
Sable Altura Fire Protection District	1,715,000	65%	1,114,750
Saddle Rock Metropolitan District	7,360,000	100%	7,360,000
Saddle Rock South Metropolitan District #4	12,820,000	100%	12,820,000
Serenity Ridge Metropolitan District #2	16,396,000	100%	16,396,000
Sky Ranch Metropolitan District #1	13,195,000	100%	13,195,000
Sorrel Ranch Metropolitan District	12,835,000	100%	12,835,000
Southglenn Metropolitan District	71,530,000	100%	71,530,000
South Suburban Park and Recreation	40,285,000	24%	9,668,400
Southlands Metropolitan District #1 Bonds	43,815,000	100%	43,815,000
Southlands Metropolitan District #1	47,685,000	100%	47,685,000
Southlands Metropolitan District #2	5,173,000	100%	5,173,000
Southshore Metropolitan District #2	33,514,000	100%	33,514,000
Sterling Hills Metropolitan District	220,000	100%	220,000
Sterling Hills West Metropolitan District	10,780,000	100%	10,780,000
Sundance Hills Metropolitan District	145,000	100%	145,000
Tall Grass Metropolitan District	14,870,000	100%	14,870,000
Tallyn's Reach Metropolitan District #3	43,223,000	100%	43,223,000
The Point Metropolitan District	8,413,000	100%	8,413,000
Tollgate Crossing Metropolitan District #2	13,252,000	100%	13,252,000
Traditions Metropolitan District	13,545,000	100%	13,545,000
Valley Club Point Metropolitan District	5,550,000	100%	5,550,000
Wheatland's Metropolitan District	24,185,000	100%	24,185,000
Willow Trace Metropolitan District	7,785,000	100%	7,785,000
Total special districts			<u>\$ 1,069,376,309</u>
Subtotal, overlapping debt			<u>\$ 2,632,166,345</u>
Arapahoe County direct debt			<u>\$ 158,992,639</u>
Total direct and overlapping debt			<u><u>\$ 2,791,158,984</u></u>

Source: Arapahoe County Finance Department

the debts of local jurisdictions located wholly or in

- (a) percentage of the total assessed value of the overlapping jurisdiction lies within the limits of Arapahoe County, and
- (b) applying this percentage to the total general obligation debt of the overlapping jurisdiction.

Table 12

ARAPAHOE COUNTY, COLORADO
Legal Debt Margin Information
Last Ten Fiscal Years
December 31, 2019

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Assessed Value of Property	\$ 7,963,447,430	\$ 7,428,001,820	\$ 8,827,821,580	\$ 8,915,915,574	\$ 8,923,182,030	\$ 10,687,069,284	\$ 10,758,800,771	\$ 12,092,601,948	\$ 10,612,904,397	\$ 12,325,788,150
Statutory Debt Limit 3% ¹	238,903,423	222,840,055	264,834,647	267,477,467	267,695,461	320,612,079	322,764,023	362,778,058	318,387,132	369,773,645
Amount of Debt Applicable to Debt Limit	-	-	-	-	-	-	-	-	-	-
General Obligation Bonds	-	-	-	-	-	-	-	-	-	-
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal Debt Margin	<u>\$ 238,903,423</u>	<u>\$ 222,840,055</u>	<u>\$ 264,834,647</u>	<u>\$ 267,477,467</u>	<u>\$ 267,695,461</u>	<u>\$ 320,612,079</u>	<u>\$ 322,764,023</u>	<u>\$ 362,778,058</u>	<u>\$ 318,387,132</u>	<u>\$ 369,773,645</u>
Total net debt as percentage of debt limit	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

Data Sources:

Arapahoe County Assessor's Office Abstract of Assessments and Levies

(1) Colorado Revised Statute 30-26-301.3

Table 13

ARAPAHOE COUNTY, COLORADO
Demographic and Economic Statistics
Last Ten Fiscal Years
December 31, 2019

	Population ¹		Households ¹		
Year	Arapahoe County	Seven County Denver Metro	Total	Average Size	
2010	574,929	2,868,771	238,904	2.53	
2011	584,703	2,830,173	239,870	2.53	
2012	593,589	2,884,336	232,959	2.53	
2013	604,398	2,943,426	238,012	2.54	
2014	607,070	2,953,038	237,618	2.53	
2015	618,341	2,445,137	252,608	2.53	
2016	637,254	2,491,003	248,211	2.55	
2017	646,725	3,166,971	252,593	2.53	
2018	649,703	3,196,705	253,318	2.55	
2019	658,060	3,238,252	*	*	

		Total Personal Income ²			
Year	Per Capita Income ²	(in thousands)	Median Age ¹	School Enrollment ⁴	Unemployment Rate ³
2010	47,704	27,426,356	36.8	120,315	8.8%
2011	48,989	28,656,232	36.0	121,503	7.9%
2012	51,163	30,469,784	36.2	122,432	7.5%
2013	46,897	31,832,963	36.4	124,064	6.4%
2014	56,294	34,835,883	36.7	126,537	4.9%
2015	52,545	33,160,632	36.7	127,713	4.1%
2016	54,452	34,689,868	36.1	125,646	3.1%
2017	56,642	36,423,679	36.3	127,099	2.9%
2018	60,180	39,190,019	36.4	126,447	3.8%
2019	*	*	36.5	124,962	2.3%

Data Sources:

¹Figures for 2010-2019 from the State of Colorado Department of Local Affairs.

²U.S. Bureau of Economic Analysis

³U.S., Bureau of Labor Statistics

⁴Colorado Department of Education - Public & Non-Public School Enrollment

* 2019 data not available at the time this report went to print.

Table 14

ARAPAHOE COUNTY, COLORADO
Principal Employers
Current Year and Nine Years Ago
December 31, 2019

<u>Employer</u>	2019			2010		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Cherry Creek School District No. 5	8,500	1	2.54%	7,800	1	2.88%
Aurora Public Schools	5,100	2	1.52%	4,700	2	1.73%
City of Aurora	400	3	0.12%	3,400	3	1.26%
Raytheon Company	2,500	4	0.75%	2,000	5	0.74%
Littleton School Dist No. 6	2,400	5	0.72%	2,400	4	0.89%
Arapahoe County	2,000	6	0.60%	2,000	6	0.74%
Columbia HCA Swedish	1,900	7	0.57%	1,500	8	0.55%
Arrow Electronics	1,700	8	0.51%	-	-	0.00%
Centura Health	1,700	9	0.51%	-	-	0.00%
Columbia HCA Medical Center of Aurora	1,600	10	0.48%	1,400	10	0.52%
Echosphere	-	-	0.00%	1,500	9	0.55%
Century Link (Qwest Corp.)	-	-	0.00%	1,600	7	0.59%
Total Principal Employers	27,800		8.29%	28,300		10.45%
Total Arapahoe County Workforce	335,300			270,900		

Data Source:
Colorado Department of Labor & Employment

Table 15

ARAPAHOE COUNTY, COLORADO
Full-time Equivalent County Employees by Function/Program
Last Ten Fiscal Years
December 31, 2019

Function/Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Culture and Recreation	9.50	10.50	12.50	13.50	15.50	17.00	24.00	25.00	29.50	30.50
Highways and Streets	61.00	61.00	61.00	59.00	59.00	56.00	60.00	60.00	61.00	58.00
Health and Welfare	626.50	640.50	640.00	632.75	637.75	644.25	705.50	744.75	767.75	794.75
Judicial Services	22.50	21.50	21.00	24.25	24.25	24.25	26.50	21.50	23.00	24.00
Public Safety	701.50	699.50	702.50	702.50	714.00	728.00	778.75	805.75	845.75	884.75
General Government	549.75	541.93	541.00	531.40	531.90	541.40	475.40	473.40	477.40	481.40
Total	1,970.75	1,974.93	1,978.00	1,963.40	1,982.40	2,010.90	2,070.15	2,130.40	2,204.40	2,273.40

Data Source:
Arapahoe County Finance Department

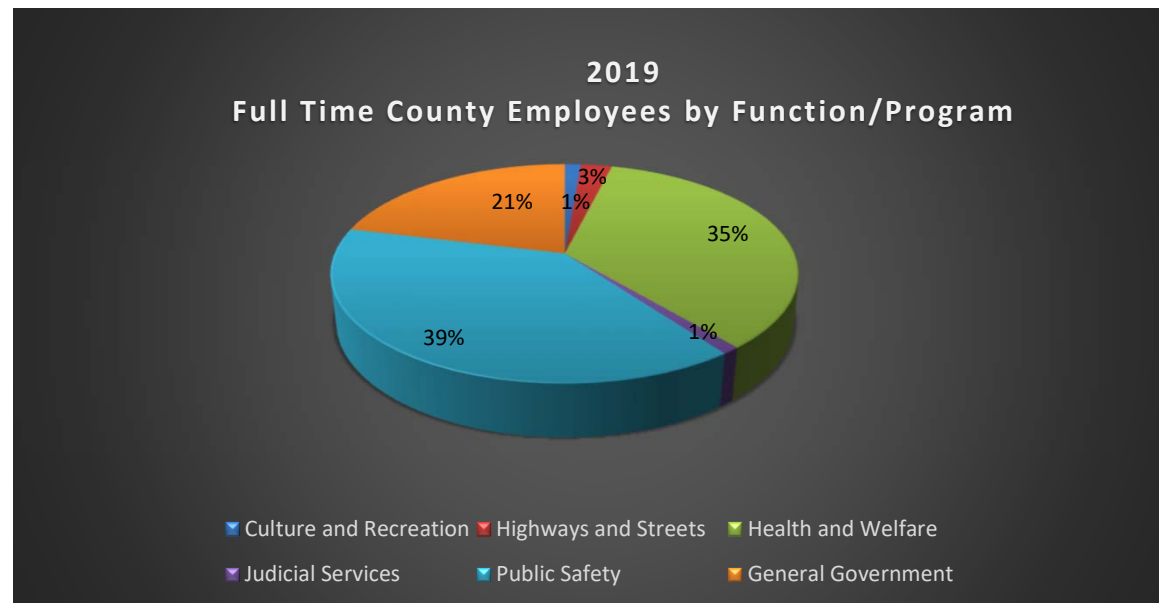


Table 16

ARAPAHOE COUNTY, COLORADO
Operating indicators by Function/Program
December 31, 2019

Function/Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Government										
Motor vehicle renewals	404,155	409,597	411,301	420,117	421,435	432,772	445,387	456,709	590,701	602,777
Registered voters (active & inactive)	347,495	353,274	385,097	379,941	387,212	387,384	420,997	350,942	423,146	424,299
Voter turnout	273,435	235,042	288,033	140,438	228,212	116,279	311,745	92,349	275,233	163,594
Public Safety										
Adult-Juvenile arrests	6,609	6,356	5,688	5,326	5,758	5,810	6,217	5,214	4,376	3,157
DUI arrests	412	478	384	432	485	513	538	350	239	263
Traffic stops	53,089	48,364	44,466	44,570	44,478	42,579	40,765	29,990	20,910	15,771
Number of E-911 calls	70,696	74,042	71,465	69,342	73,622	79,763	74,145	75,695	78,084	82,719
Judicial Services										
Felony cases closed	1,796	1,675	1,585	1,518	2,672	2,105	2,197	2,652	2,744	1,596
Misdemeanor cases closed	4,640	4,309	4,140	3,424	3,050	4,508	4,705	5,681	5,876	3,418
Health and Welfare										
Annual cases of Food Assistance	212,297	259,346	251,406	258,993	262,853	245,289	236,601	228,902	227,575	235,180
Highways and Streets										
Sweeping pass miles	6,729	4,173	1,651	1,550	2,391	2,143	1,372	1,949	1,876	1,330
Finished concrete curb & gutter (linear feet)	5,178	3,365	3,469	1,167	1,043	1,639	5,080	3,701	6,194	2,348
Tons of asphalt applied	10,666	8,191	15,719	19,333	29,791	30,420	39,811	35,431	42,682	29,866
Culture & Recreation										
Building permits issued	3,235	2,003	3,207	2,996	6,630	6,622	3,419	3,564	5,895	5,272

Data Source:
Various Arapahoe County Departments

ARAPAHOE COUNTY, COLORADO
Capital Asset Statistics by Function/Program
Last Nine Fiscal Years
December 31, 2019

Table 17

Function/Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Government										
Square footage of buildings ³	351,747	582,529	298,544	328,629	328,629	328,629	329,432	333,845	343,335	353,091
Voting machines ¹	1,322	1,364	406	375	375	225	-	-	-	-
Voting booths	-	-	-	-	-	-	135	135	255	137
Public Safety										
Square footage of detention center ³	293,108	293,108	293,108	293,108	293,108	293,108	293,108	293,108	293,108	293,108
Square footage of other buildings ³	162,338	173,481	175,406	134,183	134,183	134,183	151,297	151,297	148,162	143,751
Patrol vehicles	144	151	155	156	155	159	169	161	186	201
Judicial Services										
Square footage of buildings ³	249,714	253,573	242,773	163,735	163,735	163,735	181,073	180,909	184,044	192,103
Health and Welfare										
Square footage of buildings ³	232,905	222,023	229,284	208,174	208,174	208,174	202,234	203,133	201,681	214,916
Highways and Streets²										
Total centerline miles of county roads	541.6	542.9	542.8	543.5	542.5	542.5	541.9	546.5	539.1	*
Paved lane miles	1,090.1	1,095.8	1,111.4	1,112.2	1,102.5	1,102.5	1,099.9	1,131.2	1,117.2	*
Unpaved lane miles	478.6	478.7	459.1	459.1	459.1	459.1	458.0	445.1	439.8	*
Culture and Recreation										
Number of parks	10	10	10	10	16	16	16	18	19	21
Total Open Space and Parks Acreage	4,394	4,394	4,394	4,394	4,430	4,430	4,430	5,370	5,378	5,390

Notes:

¹958 Advantage machines disposed of in 2012. Remaining 225 voting machines disposed of in 2016.

²These reports are published on July 1st of each year and reflect changes reported by CDOT through December 31st of the previous year.

³2009 and 2013 recalculated measurements using standard measurements by BOMA

*2019 data not available at time this report went to print.

Data Sources:

Various Arapahoe County Departments
Colorado Department of Transportation





**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of County Commissioners
Arapahoe County, Colorado

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of Arapahoe County, Colorado (the County) as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated June 23, 2020. Our report includes a reference to other auditors who audited the financial statements of Arapahoe County Public Airport Authority and Arapahoe County Water and Wastewater Authority, both of which are discretely presented component units, as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of Arapahoe County Water and Wastewater Authority were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

CliftonLarsonAllen LLP

Greenwood Village, Colorado
June 23, 2020



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE**

Board of County Commissioners
Arapahoe County, Colorado

Report on Compliance for Each Major Federal Program

We have audited Arapahoe County, Colorado's (the County) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2019. The County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the County's compliance.

Opinion on Each Major Federal Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2019.

Report on Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

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

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

A handwritten signature in black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

CliftonLarsonAllen LLP

Greenwood Village, Colorado
June 23, 2020

ARAPAHOE COUNTY, COLORADO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended December 31, 2019

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Pass Through Grantor's Number	Cluster	Passed Through to Subrecipients	Total By CFDA and Agency
U.S. DEPARTMENT OF AGRICULTURE:					
Passed Through Colorado Dept. of Human Services					
SNAP - Administration (Note 2)	10.561	183CO401S2514 183CO401S8036 183CO431Q7503	SNAP Cluster	3,842,653	3,842,653
SNAP	10.551	183CO421S2519 183CO421S2522 183CO421S252043	SNAP Cluster	\$ 106,350	\$ 106,350
Passed Through Douglas County Human Services Employment First	10.561	183CO401S8026	SNAP Cluster	58,744	58,744
TOTAL U.S. DEPARTMENT OF AGRICULTURE			SNAP Cluster Total	\$ 4,007,746	\$ 4,007,746
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:					
Passed Through Colorado Department of Local Affairs Block Grant	93.569	L15CSBG03	CSBG Cluster	\$ 515,943	\$ 515,943
Total-Passed Through Colorado Dept. of Local Affairs			CSBG Cluster Total	\$ 515,943	515,943
Passed Through Colorado Dept. of Human Services					
Child Welfare Services Title IV-B	93.645	1801COCWSS			483,279
Social Services Block Grant Title XX	93.667	1801COSOSR 1701COSOSR		\$ 63,534	1,958,097
Child Support Enforcement Title IV-D	93.563	1804COCSES 1804COCSES			5,386,327
IV-E Rel Guard Asst.	93.090	1801COGARD			45,401
Independent Living / Title IV-E	93.674	1801COCILP 1701COCILP		89,553	114,786
PSSF - Promoting Safe And Stable Families	93.556	1801COFPSS 1711COFPVCV 1701COFPSS			241,790
Foster Care (Title IV-E)	93.658	1801COFOST			6,239,202
Child Care Development Block Grant	93.575	G1801COCDCF G1701COCDCF	CCDF Cluster	\$ 4,279,909	4,279,909
Child Care Development Funds	93.596	G1801COCDCF G1701COCDCF	CCDF Cluster	5,331,189	5,331,189
Adoption Assistance - Title IV-E	93.659	1801COADPT	CCDF Cluster Total	\$ 9,611,098	1,847,444
Temp. Assist. Needy Fam. Title IV	93.558	1801COTANF 1701COTANF	TANF Cluster	\$ 12,700,744	12,700,744
LEAP - Low Income Energy Assistance Program (Note 2)	93.568	18B1COLIEA		-	42,799
Total-Passed Through Colorado Dept. of Human Services				1,064,178	36,670,967
Passed Through Department of Health Care Policy and Financing (HCPF)					
Medicaid - Title XIX	93.778				4,948,828
Total-Passed Through Department of Health Care Policy and Financing					4,948,828
Passed Through Douglas County Human Services					
TANF DCHS	93.558		TANF Cluster	80,101	80,101
Total-Passed Through Douglas County Human Services			TANF Cluster Total	\$ 12,780,845	80,101
Passed Through Colorado Energy Office					
Low Income Home Energy Assistance - Weatherization (Note 2)	93.568				1,499,358
Passed-Through Colorado Department of Public Health and Environment					
Public Health Emergency Preparedness (PHEP)	93.354	CDC-RFA-TP18-1802		\$ 2,544	2,544
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				\$ 1,064,178	\$ 45,717,740
U.S. DEPARTMENT OF ENERGY					
Passed Through Colorado Energy Office					
Weatherization Assistance for Low Income Persons - DOE	81.042	CTGG1 EFAA 2017-0095; CTGG1 EFAA 2017-1735; CTGG1 EFAA 2018-521; CTGG1 EFAA 2018-1019			\$ 437,230
TOTAL U.S. DEPARTMENT OF ENERGY					\$ 437,230
U.S. DEPARTMENT OF JUSTICE					
Passed Through Colorado Division of Criminal Justice					
JAG Grants	16.738	2016-DJ-BX-0923, 2017 DJ-BX-0538			\$ 10,869
ICAC Internet Crimes Against Children	16.543	2015-MC-FX-K030			4,224
Passed Through Colorado Department of Revenue	16.606				58,074
State Criminal Alien Assistance Program					
TOTAL U.S. DEPARTMENT OF JUSTICE					\$ 73,167
U.S. DEPARTMENT OF HOMELAND SECURITY					
Passed Through Colorado Department of Public Safety					
Colorado Emergency Management Program	97.042	18EM-19-02			\$ 93,183
State Homeland Security Program 2016	97.067	16SHS17NCR			104,034
State Homeland Security Program 2017	97.067	17SHS18NCR			334,723
State Homeland Security Program 2018	97.067	18SHS19NCR		32,899	195,250
Total-Passed Through Colorado Department of Public Safety	TOTAL CFDA # 97.067				727,191
TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY				\$ 32,899	\$ 727,191
U.S. DEPARTMENT OF LABOR					
Passed Through Colorado Department of Labor					
Employment Services/Wagner-Peyser	17.207	PY2018 Wagner Peyser Employment Service 2058	ESC Cluster	1,138,109	1,138,109
Employment Services/Wagner-Peyser	17.207	PY 2017 Wagner Peyser Employment Service 2057	ESC Cluster	87,747	87,747
Employment Services/Wagner-Peyser	17.207	PY2018 WP 10% GSJH 2S58	ESC Cluster	39,000	39,000
Employment Services/Wagner-Peyser	17.207	Wagner Peyser 070119	ESC Cluster	254,876	254,876
Employment Services/Wagner-Peyser	17.207	FY2018 WP Disability Employment 4Z08/4Z18	ESC Cluster	343,670	343,670
TOTAL CFDA # 17.207			ESC Cluster Sub Total	\$ 1,863,402	1,863,402
Unemployment Insurance					
Reemployment Services and Assessment (RESEA) Program	17.225	FY2018 RESEA 28C8			28,524
TOTAL CFDA # 17.225					28,524
Trade Adjustment Assistance	17.245	FY2017 Trade Adjustment Act Case Mgmt 17C7			92,984
	17.245	FY2018 Trade Adjustment Act Case Mgmt 17C6			124,398
TOTAL CFDA # 17.245					217,383
Worker & Statewide Activities	17.258	FY2017 25% EDW WBL AD trnsfr 4CD6/4PD6	WIA Cluster	\$ 96,029	96,029
Worker & Statewide Activities	17.258	PY2017/FY2018 WIA Adult 4A67/4A87/46A7/48A7	WIA Cluster	80,314	80,314
Worker & Statewide Activities	17.258	PY2018/FY2019 WIA Adult 4A68/4A88/46A8/48A8	WIA Cluster	29,159	29,159
Worker & Statewide Activities	17.258	PY2019/FY2020 WIA Adult 4A69/4A89	WIA Cluster	847,075	847,075
Worker & Statewide Activities	17.258	FY2017 WIOA DW 4JD6/4KD6	WIA Cluster	44,509	44,509
TOTAL CFDA # 17.258			WIA Cluster Sub Total	\$ 1,097,086	1,097,086
Workforce Investment Act Youth	17.259	PY2017 WIOA Youth 4Y67/4Y77/4Y87	WIA Cluster	\$ 36,085	36,085
Workforce Investment Act Youth	17.259	PY2016 10% WIOA Youth Performance Incentive 4YW6	WIA Cluster	-	-
Workforce Investment Act Youth	17.259	PY2016 WIOA Youth 4Y68/4Y78/4Y88	WIA Cluster	451,531	451,531
Workforce Investment Act Youth	17.259	PY2019 WIOA Youth 4Y69/4Y79/4Y8	WIA Cluster	162,407	162,407
TOTAL CFDA # 17.259			WIA Cluster Sub Total	\$ 650,024	650,023

ARAPAHOE COUNTY, COLORADO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended December 31, 2019

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Pass Through Grantor's Number	Cluster	Passed Through to Subrecipients	Total By CFDA and Agency
H1B Job Training Grants	17.268	H1-B Ready to Work Partnership OED OED-201520646-00		111,369	111,369
H1B Job Training Grants	17.268	H1-B Ready to Work Partnership OED CUWA OED-201521006-00		26,855	26,855
	TOTAL CFDA #17.268			\$ 138,228	138,225
Workforce Investment Act Dislocated Worker	17.278	7 25% Enhanced Dislocated Worker Work Based Learning 4ED5	WIA Cluster	\$ 1,662	1,662
Workforce Investment Act Dislocated Worker	17.278	FY2017 10% Funds-Regional Planning Innovation 4DW6	WIA Cluster	16,825	16,825
Workforce Investment Act Dislocated Worker	17.278	PY2017/FY2018 WIOA DW 4D67/4D87/46D7/48D7	WIA Cluster	1	1
Workforce Investment Act Dislocated Worker	17.278	FY2018 Enhanced DW 47D7/49D7	WIA Cluster	79,938	79,938
Workforce Investment Act Dislocated Worker	17.278	PY2018/FY2019 WIOA DW 4D68/4D88/46D8/48D8	WIA Cluster	510,784	510,784
Workforce Investment Act Dislocated Worker	17.278	PY2017/FY2018 WIOA DW 4D67/4D87/46D7/48D7	WIA Cluster	253,014	253,014
Workforce Investment Act Dislocated Worker	17.278	PY2017 TA LWDB 4WD7	WIA Cluster	7,500	7,500
Workforce Investment Act Dislocated Worker	17.278	PY2017 DW WIOA 10% PIF 4DW7	WIA Cluster	50,924	50,924
Workforce Investment Act Dislocated Worker	17.278	PY2016 WIOA Technical Assistance 4TD6	WIA Cluster	7,993	7,993
Workforce Investment Act Dislocated Worker	17.278	WIOA DW	WIA Cluster	48,290	48,290
Workforce Investment Act Dislocated Worker	17.278	CO Sector Partnership	WIA Cluster	2,000	2,000
Workforce Investment Act Dislocated Worker	17.278	FY19 WIOA CWDC 10%DW PIF	WIA Cluster	3,651	3,651
	TOTAL CFDA #17.278		WIA Cluster Sub Total	\$ 982,582	982,582
			WIA Cluster Total	\$ 2,729,691	
Apprenticeship USA Grants	17.285	FY 2017 Apprenticeship USA 4FF6			30,000
	TOTAL CFDA #17.285				30,000
Disabled Veterans Outreach Program	17.801	FY2019 Jobs for Veterans State Grant DVOP 20D9	ESC Cluster	\$ 26,089	26,089
	TOTAL CFDA #17.801		ESC Cluster Sub Total	\$ 26,089	26,089
Local Veteran's Employment Rep Program	17.804	FY2019 Jobs for Veterans State Grant LVER 20L9	ESC Cluster	\$ 8,696	8,696
	TOTAL CFDA #17.804		ESC Cluster Sub Total	\$ 8,696	8,696
			ESC Cluster Total	\$ 1,898,187	
Total-Passed Through Colorado Department of Labor					5,042,009
TOTAL U.S. DEPARTMENT OF LABOR					\$ 5,042,009
U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT					
Centennial Community Block Grant 2016	14.218	B-16-UC-08-0002	CDBG Cluster	\$ 6,871	6,871
Centennial Community Block Grant 2017	14.218	B-17-UC-08-0002	CDBG Cluster	-	-
Centennial Community Block Grant 2018	14.218	B-18-UC-08-0002	CDBG Cluster	107,730	107,730
Community Development Block Grant 2014	14.218	B-14-UC-08-0002	CDBG Cluster	-	-
Community Development Block Grant 2015	14.218	B-15-UC-08-0002	CDBG Cluster	-	-
Community Development Block Grant 2016	14.218	B-16-UC-08-0002	CDBG Cluster	16,575	16,575
Community Development Block Grant 2017	14.218	B-17-UC-08-0002	CDBG Cluster	463,448	463,448
Community Development Block Grant 2018	14.218	B-18-UC-08-0002	CDBG Cluster	440,475	440,475
	TOTAL CFDA #14.218		CDBG Cluster Total	\$ 1,035,099	1,035,099
HOME 2013	14.239	M-13-DC-08-0221		18,642	18,642
HOME 2014	14.239	M-14-DC-08-0221		-	-
HOME 2015	14.239	M-15-DC-08-0221		30,603	30,603
HOME 2016	14.239	M-16-DC-08-0221		39,083	39,083
HOME 2017	14.239	M-17-DC-08-0221		63,046	63,046
HOME 2018	14.239	M-18-DC-08-0221		22,670	22,670
	TOTAL CFDA #14.239			174,044	174,044
TOTAL U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT				\$ 1,209,143	\$ 1,209,143
U. S. DEPARTMENT OF TRANSPORTATION					
Passed Through Colorado Department of Transportation					
Highway Planning and Construction	20.205				108,353
Occupant Protection - Click It or Ticket	20.600	PO#411016548	Highway Safety Cluster	\$ 18,000	18,000
High Visibility Enforcement	20.600	PO#411017109	Highway Safety Cluster	8,893	8,893
405C Traffic Records Program	20.616	PO#411015182	Highway Safety Cluster	-	-
TOTAL U. S. DEPARTMENT OF TRANSPORTATION			Highway Safety Cluster Total	\$ 26,893	\$ 135,246
TOTAL FEDERAL FINANCIAL ASSISTANCE				\$ 2,306,220	\$ 57,349,471

See accompanying notes to Schedule of Expenditures of Federal Awards

ARAPAHOE COUNTY, COLORADO
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended December 31, 2019

Note 1 - General

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of the Arapahoe County, Colorado primary government (the County). The County's reporting entity is defined in Note 1 to the County's basic financial statements. All federal financial assistance received by the primary government directly from federal agencies, as well as federal financial assistance passed through other government agencies, including the State of Colorado, is included on the schedule.

Governmental funds account for the County's federal grant activity. Amounts reported in the schedule of expenditures of federal awards are recognized on the modified accrual basis when they become a demand on current available federal resources and eligibility requirements are met, or on an accrual basis at the time liabilities are incurred and all eligibility requirements are met, except in the following programs, which are reported in the schedule of expenditures of federal awards on the cash basis:

<u>Program Title</u>	<u>CFDA</u>
SNAP	Cluster
10.561	
SNAP	Cluster
10.551	
Guardianship Assistance	93.090
Promoting Safe and Stable Families	93.556
Temporary Assistance for Needy Families	93.558
Child Support Enforcement	93.563
Low-Income Home Energy Assistance	93.568
CCDF Cluster	93.575, 93.596
Child Welfare Services – State Grants	93.645
Foster Care – Title IV-E	93.658
Adoption Assistance	93.659
Social Services Block Grant	93.667
Chafee Foster Care Independence Program	93.674
Medicaid	93.778

The County has elected not to use the 10-percent De Minimis indirect cost rate.

Note 2

The SNAP – Administration allocation of financial assistance between federal monies passed through the State and Douglas County Human Services and state monies derived from and provided by the Colorado Department of Human Services for the year ended December 31, 2019 is \$3,842,653, \$106,350 and \$58,744.

LEAP passed through the Colorado Department of Human Services and the Colorado Energy Office for the year ended December 31, 2019 is \$1,542,157.

**ARAPAHOE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2019**

Section I – Summary of Auditors' Results

Financial Statements

1. Type of auditors' report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? _____ yes x no
 - Significant deficiency(ies) identified? _____ yes x none reported
3. Noncompliance material to financial statements noted? _____ yes x no

Federal Awards

1. Internal control over major federal programs:
- Material weakness(es) identified? _____ yes x no
 - Significant deficiency(ies) identified? _____ yes x none reported
2. Type of auditors' report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? _____ yes x no

Identification of Major Federal Programs

CFDA Number(s)	Name of Federal Program or Cluster
93.667	Social Services Block Grant
93.558	Temporary Assistance for Needy Families
93.778	Medical Assistance Program (Medicaid)
17.207, 17.801, 17.804	Employment Service Cluster
17.278, 17.258, 17.259	WIOA Cluster

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

\$ 1,720,484

Auditee qualified as low-risk auditee?

 x yes _____ no

**ARAPAHOE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2019**

Section II – Financial Statement Findings

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

Section III – Findings and Questioned Costs – Major Federal Programs

Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).

ARAPAHOE COUNTY, COLORADO
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
Year Ended December 31, 2019

Arapahoe County, Colorado respectfully submits the following summary schedule of prior audit findings for the year ended December 31, 2019.

Audit period: Year Ended December 31, 2018

FINDINGS—FINANCIAL STATEMENT AUDIT

2018 – 001 – Accounts Receivable Reconciliation

Type of Finding: Significant Deficiency in Internal Control over Financial Reporting

Condition: The County receives various revenues from the State of Colorado. Many of these revenues are recorded in the Social Services fund, while reimbursement of administrative costs from the State should be recognized in the General Fund. During the course of our audit, it was noted that when the administrative cost reimbursement payment was received from the State, the county was erroneously reducing the Social Services Fund accounts receivable balance, thus improperly reducing the accounts receivable balance and did not recognize the revenue in the General Fund. As such, an adjustment was required to be posted during the audit process to correct the accounts receivable balance in the Social Services fund and record revenues in the General Fund relating to reimbursement of administrative costs from the State of Colorado. The County's internal control processes did not previously identify this error.

Status: Corrected. The County has improved the reconciliation process over accounts receivable to ensure that all receivables are properly recorded at the end of the fiscal year.

FINDINGS— FEDERAL AWARD PROGRAMS AUDIT

2018 – 002 – Foster Care Title IV-E

Type of Finding: Significant Deficiency in Internal Control over Compliance and Other Matters

Condition: The County's monitoring processes did not prevent or detect the payments made to a service provider without a signed agreement covering the service period.

Status: Corrected. The County has monitoring processes to ensure that payments are not processed to providers without a signed agreement.



