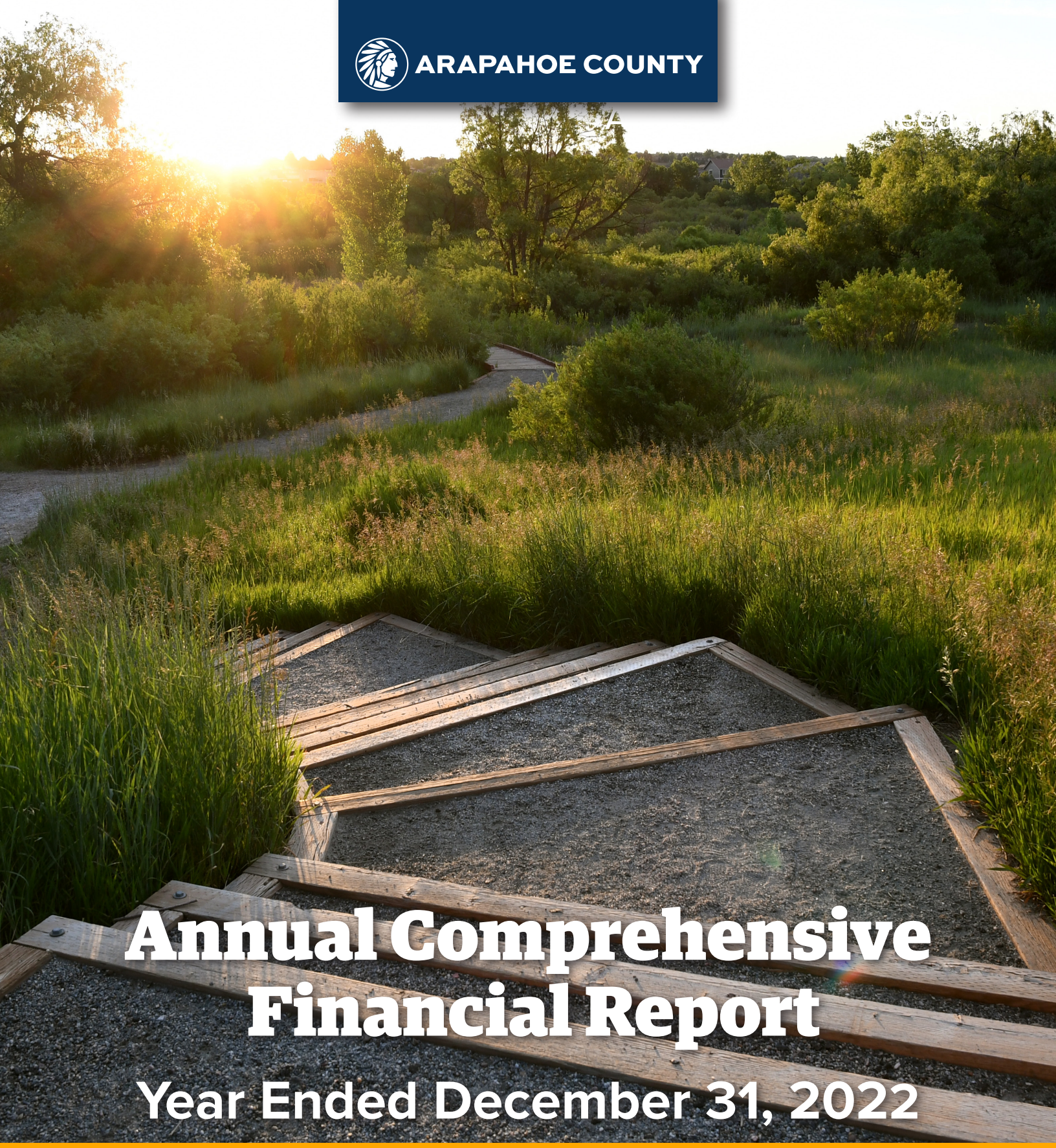
ARAPAHOE COUNTY



# Annual Comprehensive Financial Report

## Year Ended December 31, 2022

**Arapahoe County Department of Finance**
5334 South Prince Street | Littleton, Colorado 80120-1136
www.arapahoegov.com

**Reasonable Accommodation Policy**

In accordance with the Americans with Disabilities Act, this material is available in alternative formats upon request. Please contact the Finance Department at 5334 S. Prince Street, Littleton, Colorado, 80120-1136, by telephone at (303) 795-4620, by email at Finance@arapahoegov.com or by Relay Colorado at 711 for assistance.



ARAPAHOE COUNTY

# 2022

# Annual Comprehensive Financial Report

## ACKNOWLEDGEMENTS


BOARD OF COUNTY COMMISSIONERS

| | |
|---|---|
| Carrie Warren-Gully | District 1 |
| Jessica Campbell-Swanson | District 2 |
| Jeff Baker | District 3 |
| Leslie Summey | District 4 |
| Bill L. Holen | District 5 |

ELECTED OFFICIALS

| | |
|---|---|
| PK Kaiser | Assessor |
| Joan Lopez | Clerk and Recorder |
| Dr. Kelly Lear | Coroner |
| John Kellner | District Attorney |
| Tyler S. Brown | Sheriff |
| Michael Westerberg | Treasurer |

FINANCE DEPARTMENT

| | |
|---|---|
| Todd Weaver | Finance Director |
| Heather Lin, CPA | Accounting Manager |
| Loren Kohler | Senior Accountant |
| Loretta Adams, CPA | Accountant III |
| Gustavo Guzman | Accountant III |
| Tom Loreno, CPA | Accountant III |
| Todd Mata, CPA | Accountant III |
| Benita Miller | Accountant III |
| Kevin Nienhaus | Accountant II |
| Jon Rajewich | SAP Business Operations Manager |
| Andrew Barranco, CPA | SAP Functional Analyst |
| Debbie McCarty | SAP Functional Analyst |
| Sugam Thapa | SAP Functional Analyst |
| Dan Stoicof | Associate SAP Functional Analyst |
| Stephen Krusoe | Technical Writer |
| Jennifer Leake | SAP Trainer |



**Arapahoe County**
**Department of Finance**
5334 South Prince Street
Littleton, Colorado 80120-1136
www.arapahoegov.com

# ARAPAHOE COUNTY, COLORADO
# ANNUAL COMPREHENSIVE FINANCIAL REPORT
# FOR THE YEAR ENDED DECEMBER 31, 2022

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# ARAPAHOE COUNTY, COLORADO
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ARAPAHOE COUNTY

FINANCE

Administration Building
5334 South Prince Street
Littleton, Colorado 80120-1136
Phone: 303-795-4620
arapahoegov.com

June 26, 2023

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, 2022.

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, 2022. 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 656,000. 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 450 local improvement and service districts within the County.

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:

| | |
|---|---|
| Carrie Warren-Gully, Chair | District 1 |
| Jessica Campbell-Swanson | District 2 |
| Jeff Baker, Chair Pro Tem | District 3 |
| Leslie Summey | District 4 |
| Bill L. Holen | District 5 |

Departments overseen by the Board of County Commissioners include: Commissioners' Office, 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 |
| Michael Westerberg | Treasurer |
| Dr. Kelly Lear | Coroner |
| Joan Lopez | Clerk and Recorder |
| John Kellner | District Attorney |
| Tyler S. Brown | Sheriff |

***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.

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.

The Colorado economy experienced a rapid downturn due to the impact of the COVID-19 pandemic but has steadily recovered since the fall of 2022 but, it too, is showing signs of weakness. Colorado's job market is performing slightly better than the nation with a higher job recovery rate post-pandemic. To date, only the mining and logging, accommodation and food services, real estate, and government sectors have fewer jobs than prior to the pandemic-induced recession.

The Colorado's unemployment rate in 2022 decreased from 5.4 percent in 2021 to 3.4 percent in 2022 with a further expected decrease to 3.1 percent by 2023. Consumer spending in Colorado remains strong as retail sales are up nearly 12 percent year-to-date and have exceed pre-pandemic levels with increased spending on services and travel showing growth after a significant drop-off during the pandemic. Inflation and higher interest rates stand as risks to continued growth in consumer spending for the state. Home building activity is beginning to slow a bit as homebuying activity has started to slow with high home prices and now higher mortgage rates. As a result, home prices in Colorado have experienced a decline in 2022 after several years of significant increases. The Colorado's personal income was 8.5 percent higher in the third quarter of 2022 than a year prior but is expected to slow to 5.5 percent growth in 2023 as stimulus and aid from government to individuals ends and higher inflation and higher inflation takes a toll. Wage and salary income was up 9.8 percent compared to one year ago due to the employment gains and surging nominal wage growth. Households must also contend with rapidly inflating prices or man goods and services. In contrast, real personal income in Colorado increased by 2.1 percent year-over year, despite high inflation.

## *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

In planning for 2023, the General Fund budget is structurally balanced with a $2,022,032 operating surplus but also includes a reduction in fund balance of $107,005. While a number of one-time expenses were funded, the largest of these has traditionally been the transfer for funds to the Capital Expenditure Fund for capital projects. The 2023 adopted budget does not include any funding for this transfer using one-time funds to alleviate the burden on the General Fund. This structural balancing 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 2023 budget funds a 3.0 percent merit increase for employees based on performance and retaining key talent. This salary adjustment is on par with similar organizations based on comparative data supplied by Human Resources at the study session held in August and updates throughout the early fall. This increase compares to a 4.0 percent merit increase in the 2022 budget and reflects the changing economic reality following the economic downturn, especially in an unexpected tight labor market with ever increasing wages. For 2023, the salary structure will be adjusted by 3.8 percent to keep pace with the market and due to increasing wages during the past year and anticipated in the future the funding for 2023 includes a budgeted increase of 5.0 percent that will be applied to employees based on their location within the pay structure.

For the 2023 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 $13.7 million in capital improvements for 2023 which includes work on the CentrePoint Rooftop Unit Replacement ($2.8 million), Yale and Holly Corridor Improvements ($2.5 million), Administration Colling Tower Replacement ($2.2 million), Gun Club Road South ($1.7 million), Coroner's Office Space Reconfiguration/expansion ($0.7 million), ADA Transition Plan ($0.7 million), Federal Warehouse Generator ($0.5 million), Quincy Avenue – Gun Club to Powhaton ($0.5 million), Administration Elevator Mechanical Upgrades ($0.5 million), CentrePoint Plaza Parking Lot Mill and Overlay ($0.4 million) and other smaller capital improvements projects ($1.2 million).

***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. For 2023, the County's property tax revenue growth limit would normally be the sum of the estimated inflation for the Denver metro-area plus the growth of new construction during the previous calendar year (2022) as restricted by the provisions of the Taxpayers Bill Of Rights (TABOR), an amendment to Article X of the Colorado Constitution. However, due to the very high inflation rate the County finds itself limited by the 5.5 percent statutory property tax revenue limitation which restricts the growth in local government revenue to no more than 5.5 percent over the prior year allowing for new construction and other factors. Additionally, 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 the provisions of TABOR and applying the most restrictive revenue limit, the County's property tax revenue growth from 2022 to 2023 is projected to be 9.01 percent, which is the sum of the estimated inflation of 7.73 percent and new construction growth ("local growth") of 1.28 percent in the 2022 assessed values. This is compared to a taxable value decline of a half of a percent. The result is a reduction in the temporary tax credit to 3.150 mills that is estimated to 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 2023, this levy is estimated at 0.079 mills for $1.0 million, and is included in the County's total levy. The 2023 budget includes the projection for the County's property tax revenue increasing form $152.4 million in 2022 to $164.4 million. The estimated total levy for the County will be 12.750 mills for 2023. The levy for 2023 is higher than 2022 due to the temporary tax credit decreasing by almost 1 mill to remain within the TABOR and statutory revenue limitations and below the maximum authorized levy of 15.821 mills as a result of higher inflation and new construction combined with flat taxable value.

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 one-time operational needs.

The County continues to evaluate its future financial condition and its capital needs for aging infrastructure for both facilities and roadways and look for was to raise additional revenue. While the metro area has experienced significant growth in property values, the limits on property tax revenue have not allowed the County to keep pace with growing operational costs due to inflation and rising costs of labor as well as fund capital improvements. The Commissioners approved a budget amount to begin the design of a renovation to the medical, kitchen, and laundry space within the Detention Facility to address the most pressing needs of that facility. This will not address the larger issue of the aging Detention Facility as a whole or the other infrastructure needs that exist. The County continue to examine these funding challenges and potential solutions while maintaining the County's budget philosophy and discipline to remain financially sustainable.

## ***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 Annual Comprehensive Financial Report for the fiscal year ended December 31, 2021. 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 Annual Comprehensive Financial Report, the contents of which conform to program standards. The Annual Comprehensive Financial Report 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 35 consecutive years (fiscal years ended 1987 – 2021). 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: Loren Kohler, Loretta Adams, Todd Mata, Tom Loreno, Benita Miller, Kevin Nienhaus, and Gustavo Guzman, who contributed greatly to the audit and the preparation of the Annual Comprehensive Financial Report. Their professionalism, dedication, and efficiency made the preparation of this report possible. Jon Rajewich, Debbie McCarty, Andrew Barranco, Stephen Krusoe, Jennifer Leake, Sugam Thapa, and Dan Stoicof 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 want 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 Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2021

Christopher P. Morrill

Executive Director/CEO

# ARAPAHOE COUNTY, COLORADO

## LIST OF PRINCIPAL OFFICERS

### Board of County Commissioners (BOCC)

| | |
|---|---|
| Carrie Warren-Gully | District 1, Chair |
| Jessica Campbell-Swanson | District 2 |
| Jeff Baker | District 3, Chair Pro Tem |
| Leslie Summey | District 4 |
| Bill L. Holen | District 5 |

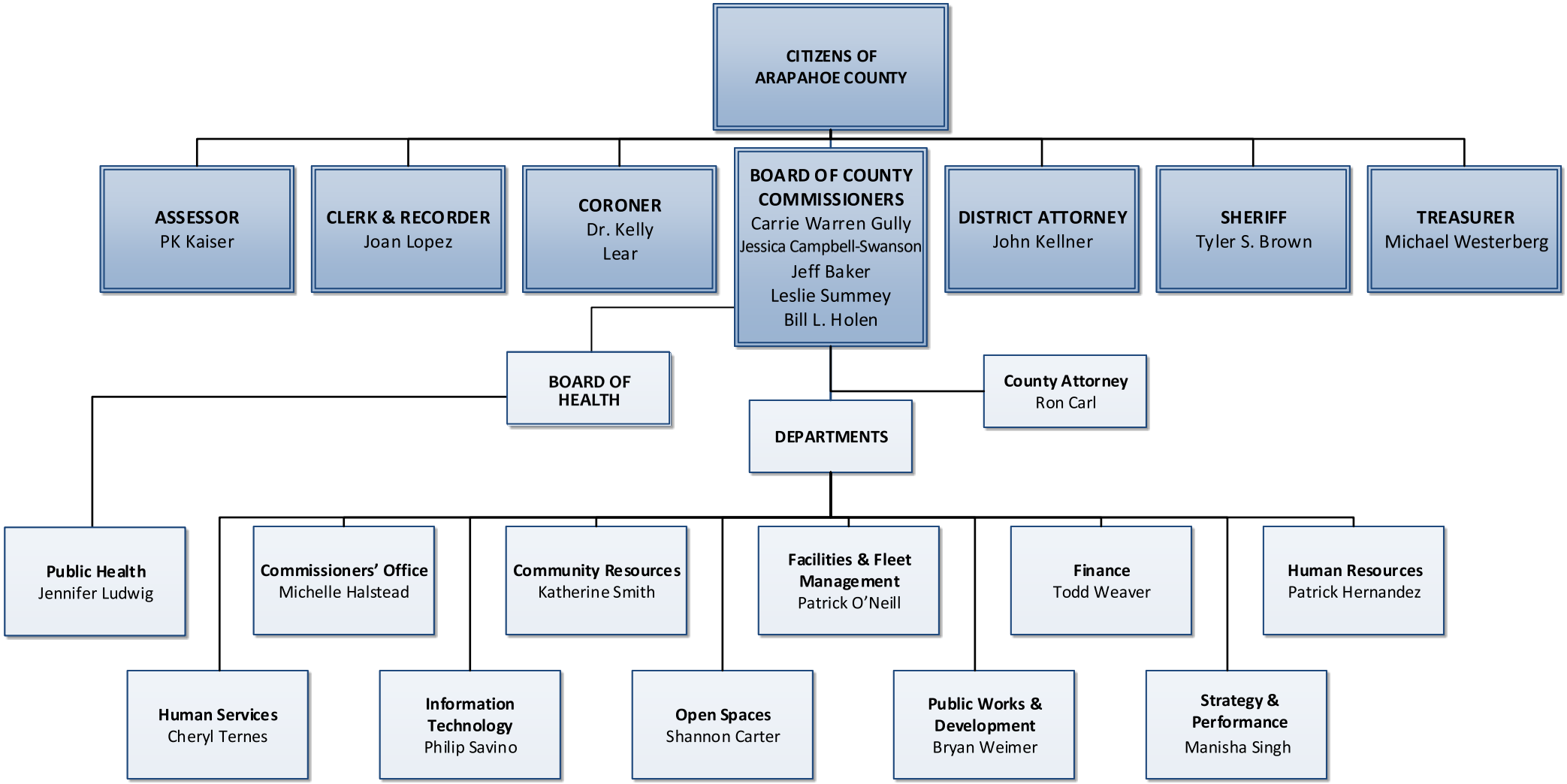
### Elected Officials Other Than BOCC

| | |
|---|---|
| PK Kaiser | Assessor |
| Joan Lopez | Clerk and Recorder |
| Dr. Kelly Lear | Coroner |
| John Kellner | District Attorney |
| Tyler S. Brown | Sheriff |
| Michael Westerberg | Treasurer |

### Department Directors

| | |
|---|---|
| Michelle Halstead | Commissioners' Office |
| Katherine Smith | Community Resources |
| Ron Carl | County Attorney |
| Patrick O'Neill | Facilities and Fleet Management |
| Todd Weaver | Finance |
| Patrick Hernandez | Human Resources |
| Cheryl Ternes | Human Services |
| Philip Savino | Information Technology |
| Shannon Carter | Intergovernmental Relations and Open Spaces |
| Bryan Weimer | Public Works & Development |
| Manisha Singh | Strategy and Performance |

# ARAPAHOE COUNTY GOVERNMENT ORGANIZATIONAL CHART




ARAPAHOE COUNTY

CliftonLarsonAllen LLP
CLAconnect.com

# INDEPENDENT AUDITORS' REPORT

Board of County Commissioners
Arapahoe County, Colorado

## Report on the Audit of the Financial Statements

### *Opinions*

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 (the County), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, 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 discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of December 31, 2022, 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, the Grants 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.

### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. We did not audit the financial statements of Arapahoe County Public Airport Authority or Arapahoe County Water and Wastewater Authority, which represent 95% of the net position of aggregate discretely presented component units and 100% of the assets, net position, and revenues of the Arapahoe County Public Airport Authority and 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 other auditors. The financial statements of the Arapahoe County Water and Wastewater Authority were not audited in accordance with *Government Auditing Standards*.

CLA (CliftonLarsonAllen LLP) is an independent network member of CLA Global. See CLAglobal.com/disclaimer.

### *Responsibilities of Management for the Financial Statements*

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### *Auditors' Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages B-5 - B-19 and pension related information on pages C-65 and C-66 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 GAAS, 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.

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The Combining and Individual Financial Statements and Schedules, the Arapahoe County 911 Authority Financial Statements, Other Supplementary Information as listed in the table of contents, and the Schedule of Expenditures of Federal Awards (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), are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the Supplementary Information and schedule of expenditures of federal is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 22, 2023, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.



**CliftonLarsonAllen LLP**

Greenwood Village, Colorado
June 22, 2023

In the Management's Discussion and Analysis section of the Annual Comprehensive Financial Report (ACFR), 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, 2022. When analyzing the financial activities of the current fiscal year, it is useful to compare current fiscal year information with comparable information from the previous fiscal year. This discussion and analysis is 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 fiscal year by $728,194,883 (net position). Of this amount, $689,887,585 relates to capital assets or is restricted in how it may be used. The unrestricted portion is ($41,972,333) This balance is negative due to the reporting of the net pension liability. See Note 13 – Retirement Plan on page C-54 for more information.

- Total Net Position increased by $44.5 million during fiscal year 2022.

- Total Net Pension Liability decreased by $26.0 million during fiscal year 2022.

- At the end of the current fiscal year, the County's governmental funds reported a combined fund balance of $240.5 million, an increase of $30.2 million from 2021.

## 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 in a manner like that of 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 custodian are not included in the government-wide financial statements because they cannot be used to finance the County's own operating programs.

The Statement of Net Position shows the financial condition of the County at the end of the fiscal year by presenting information on all 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 how the financial condition of the County has changed since the beginning of 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 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:

- Arapahoe County 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.

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 the current financial resources contained in these governmental funds are 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 contains 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.

Because the focus of the 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 the 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, Grant 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 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-15 of this annual report. Financial information related to the individual non-major funds is provided on pages D-1 to D-43 and D-64 to D-65 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 within the Basic Financial Statements section. These statements can be found on pages C-16 to C-18 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 report 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 custodial funds.

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 custodial funds is combined into a single, aggregated presentation as Fiduciary Funds – Total in the fund financial statements within the Basic Financial Statements section of this annual report. The basis of accounting for the fiduciary funds is full accrual accounting. Financial information related to the individual custodial funds is provided on pages D-53 and D-55 in the Combining Financial Statements and Schedules section of this annual report.

A Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position is presented in the fund financial statements for both the Arapahoe County Retirement Trust and the Custodial Funds. The fiduciary fund financial statements can be found on pages C-19 and C-20 of this annual report.

**Notes to the Financial Statements**

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. Notes to the Basic Financial statements can be found on pages C-21 through C-64 of this annual report.

**Budgetary Comparisons**

The County adopts an annual appropriation budget for all 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-15 of this annual report. Budget-to-actual comparisons for each of the remaining governmental funds are provided on pages D-24 to D-43 and D-64 to D-65 in the Combining Financial Statements and Schedules and Other Supplementary Information Sections of this annual report.

## 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 2022 and 2021:

| | Governmental Activities | |
|---|---|---|
| | 2022 | 2021 |
| **Assets** | | |
| Current and other assets | $ 614,249,508 | $ 543,466,537 |
| Capital assets | 825,866,804 | 820,001,247 |
| Total assets | 1,440,116,312 | 1,363,467,784 |
| **Deferred outflows of resources** | 56,799,815 | 75,609,168 |
| **Liabilities** | | |
| Current and other liabilities | 136,061,457 | 114,619,926 |
| Long-term liabilities | 345,932,818 | 376,327,819 |
| Total liabilities | 481,994,275 | 490,947,745 |
| **Deferred inflows of resources** | 286,726,969 | 264,392,218 |
| **Net position** | | |
| Net investment in capital assets | 689,887,585 | 679,531,606 |
| Restricted | 80,279,631 | 75,549,964 |
| Unrestricted | (41,972,333) | (71,344,581) |
| Net position | $ 728,194,883 | $ 683,736,989 |

### Analysis of Government-Wide Financial Position

As of December 31, 2022, the County's primary government assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $728.2 million. This is an increase of $44.5 million over the net position at December 31, 2021 of $683.7 million.

The County's net investment in capital assets, $689.9 million (94.7% of net position) in 2022 and $679.5 million (99.4% of net position) in 2021, 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, software, and equipment. These capital assets are used to provide services or utilities to citizens. Consequently, these resources 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 $80.3 million (11% of net position) in 2022 and $75.5 million (11% of net position) in 2021 represents restricted net position. These resources 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.

The remainder of the County's primary government net position, ($42 million) (5.8% of net position) in 2022 and ($71.3 million) (10.4% of net position) in 2021 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 2022 decreased by $29.4 million (41.2%) from the balance at the end of 2021.

Deferred outflows of resources represent a decrease 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 2022, the County has two items that qualify for reporting in this category. The first results from the loss on refunding of bonds reported in the government-wide Statement of Net Position. This amount, $0.4 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 $56.4 million, which is comprised of $14.1 million of contributions made subsequent to the measurement date, $31.3 million in changes in assumptions, $10.9 million in differences between expected and actual experience.

Deferred inflows of resources represent an increase 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 2022. The first is property tax revenue, $195.9 million, which is deferred in the year the taxes are levied, 2022, and measurable and recognized as an inflow of resources in the period they are collected, 2023. The second item that qualifies for reporting is pension inflows totaling $90.8 million, which is comprised of $49.4 of differences between assumption changes, and $41.4 million of differences between projected and actual earnings.

Governmental activities saw an overall increase of $76.6 million in total assets. This includes an increase of $15.0 million in property tax receivable, as property values continued to increase, and an increase of $73.7 million in other current assets, primarily due to increased cash received from American Rescue Plan Act (ARPA) relief funds. This also includes an increase in net capital assets of $5.9 million mainly from increases in Construction in Progress.

Liabilities had an overall decrease of $9 million compared to the prior year. This was due primarily to a decrease of $26.0 million in net pension liability and a decrease of $5.1 million in long-term debt from regular scheduled debt service payments. This also includes an increase of $12.0 million in the unearned revenue primarily due to the unspent portion of ARPA and an increase of $8.9 million in current liability due to the timing of vendor payments.

## Condensed Statement of Activities

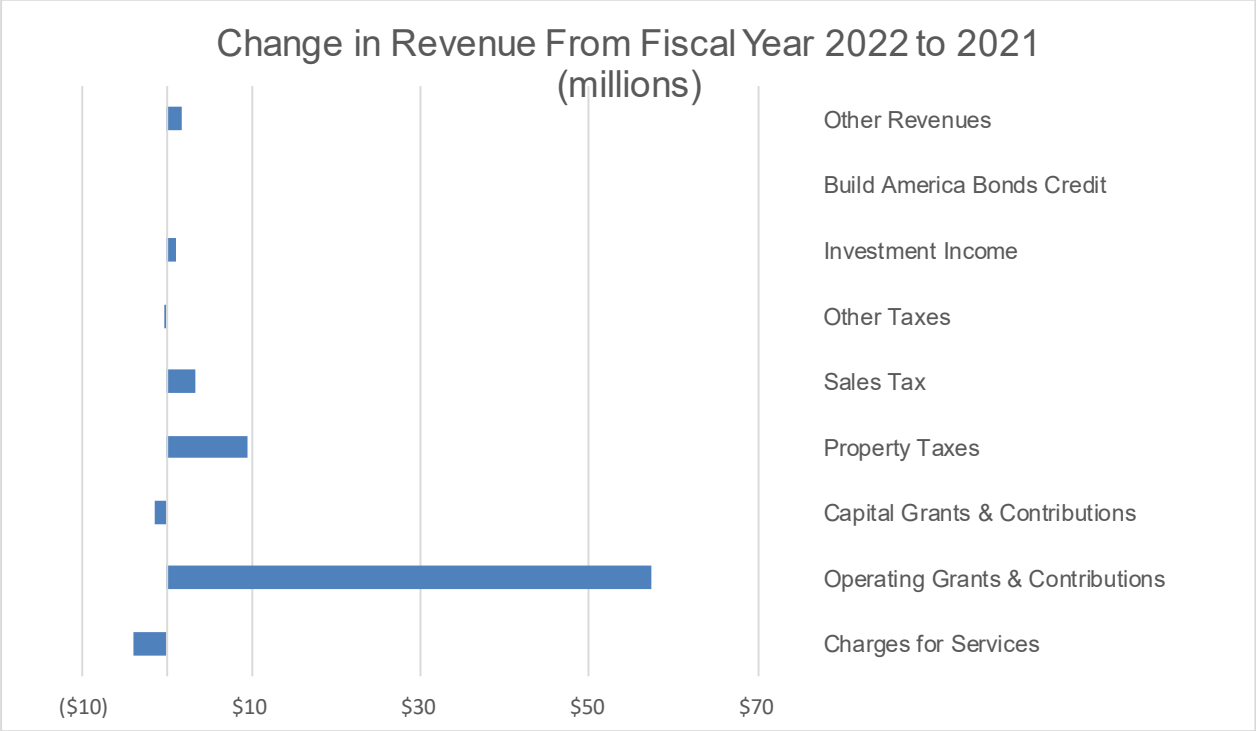
The following table provides a condensed comparative presentation of the County's government-wide Statement of Activities for the primary government for 2022 and 2021:

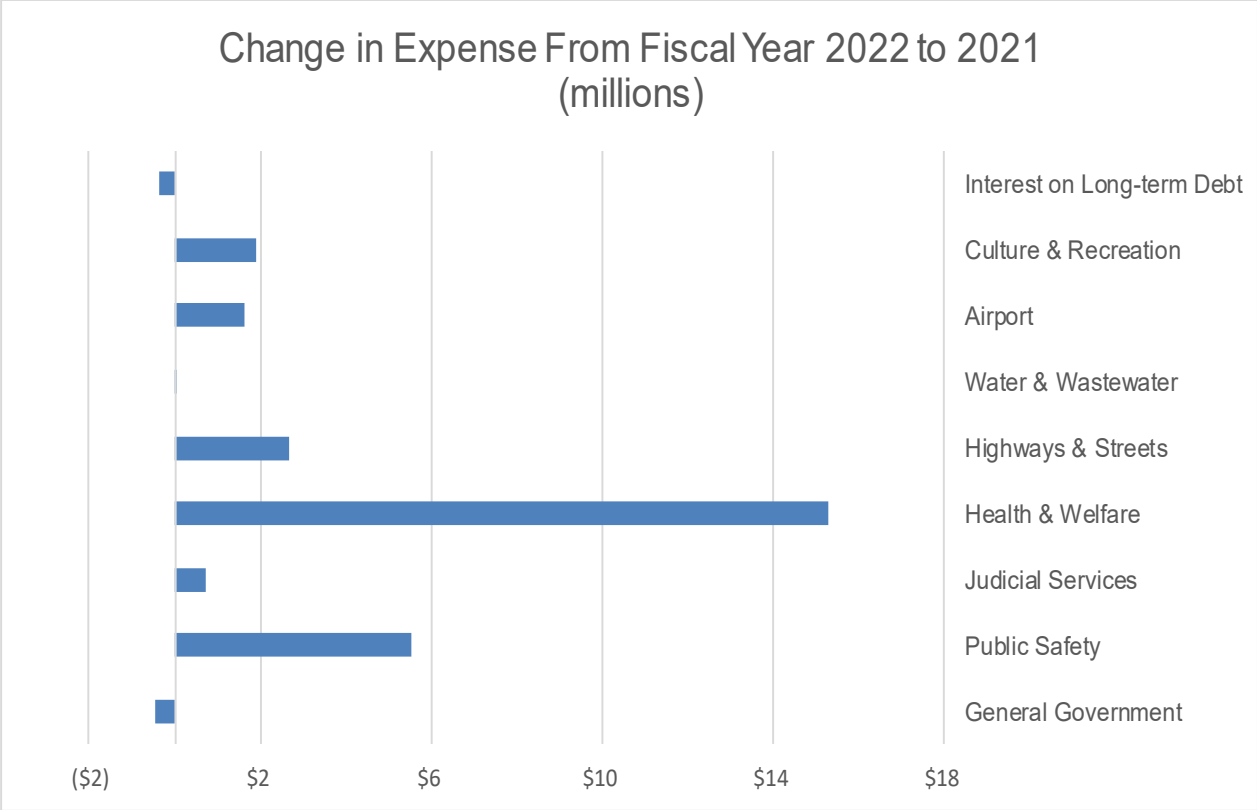
| | Governmental Activities | |
|---|---|---|
| | 2022 | 2021 |
| **Revenues** | | |
| Program revenues | | |
| Charges for services | $ 71,917,179 | $ 75,826,450 |
| Operating grants and contributions | 167,284,219 | 110,024,982 |
| Capital grants and contributions | 2,509,153 | 4,007,612 |
| General revenues | | |
| Property taxes | 184,502,717 | 174,986,183 |
| Sales tax | 39,976,934 | 36,677,742 |
| Other taxes | 10,977,264 | 11,373,935 |
| Investment income | 285,749 | (876,774) |
| Other revenues | 7,965,436 | 6,318,704 |
| Total revenues | 485,418,651 | 418,338,834 |
| **Expenses** | | |
| General government | 91,847,812 | 92,282,280 |
| Public safety | 123,382,169 | 117,839,247 |
| Judicial services | 17,281,465 | 16,545,082 |
| Health & welfare | 137,068,712 | 121,766,911 |
| Highways & streets | 28,524,891 | 25,859,910 |
| Water & wastewater | 3,565,869 | 3,562,559 |
| Airport | 1,611,898 | - |
| Culture and recreation | 33,775,486 | 31,867,675 |
| Interest on long-term debt | 3,902,455 | 4,246,473 |
| Total expenses | 440,960,757 | 413,970,137 |
| Change in net position | 44,457,894 | 4,368,697 |
| Net position - January 1, as restated | 683,736,989 | 679,368,292 |
| Net position - December 31 | $ 728,194,883 | $ 683,736,989 |

## Analysis of Government-Wide Results of Operations

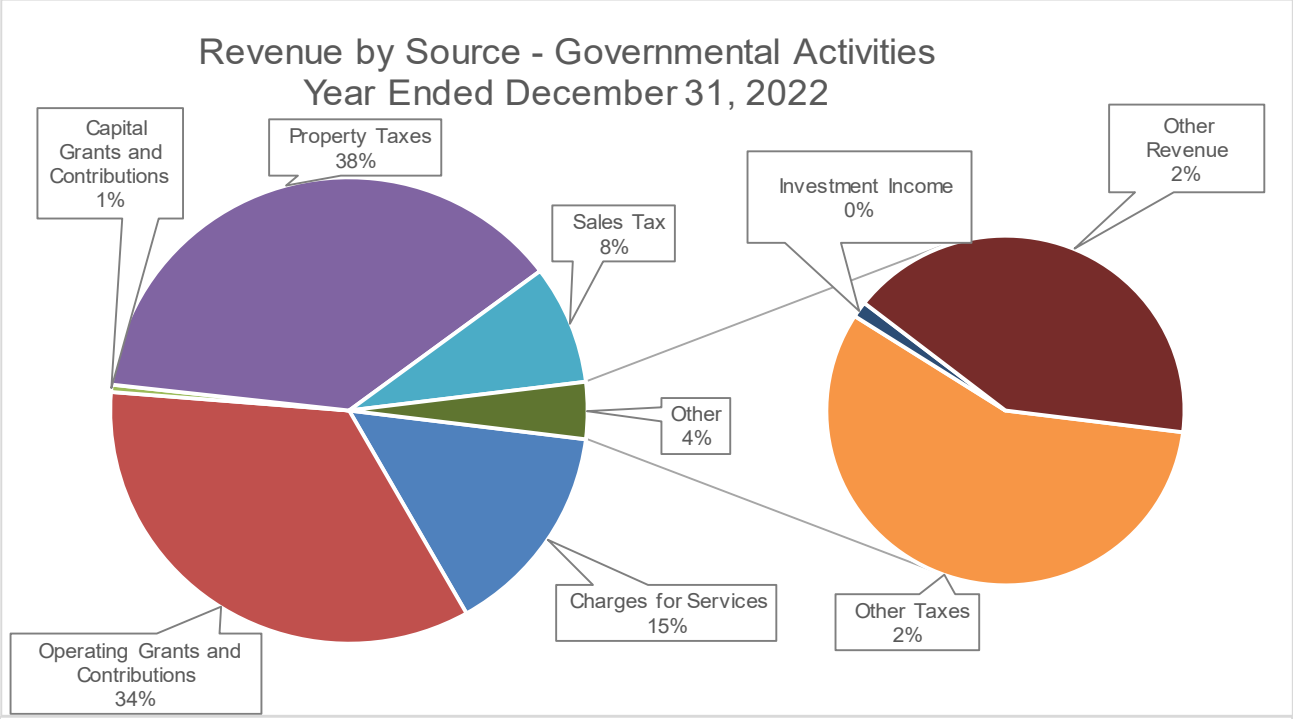
Government-wide revenues for the County were greater than expenses by $44.5 million during fiscal year 2022, while government-wide revenues for fiscal year 2021 were greater than expenses by $4.4 million. Revenues in the government-wide Statement of Activities for 2022 increased by $67.1 million (16%) from 2021. In program revenues, operating grants and contributions increased $57.3 million due to the federal stimulus funds County received from American Rescue Plan Act (ARPA) relief funds and Emergency Rental Assistance (ERA) funds from the U.S. Treasury Department in 2022. In general revenues, property taxes increased $9.5 million as a continued result of higher assessed valuations.

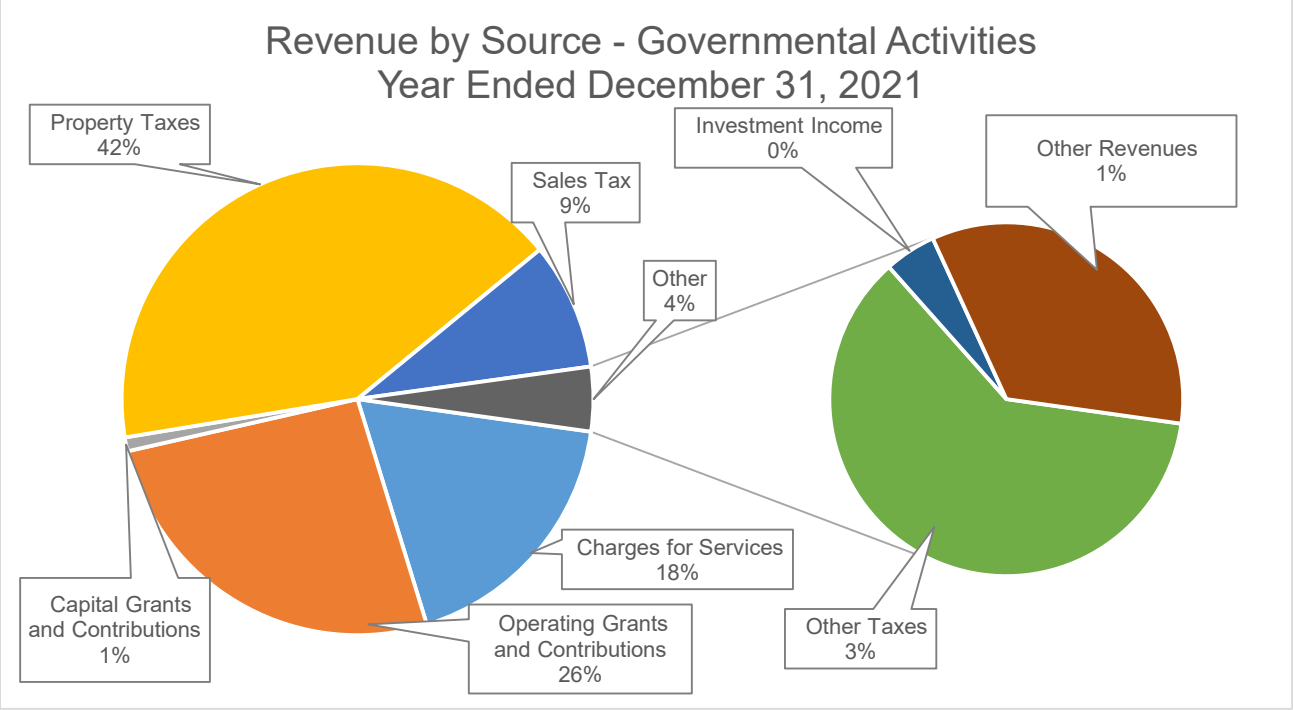
The changes from fiscal year 2022 to 2021 in the revenue and expense categories in the condensed comparative government-wide Statement of Activities:



The comparison of the component sources of revenue used in the condensed comparative government-wide Statement of Activities for 2022 and 2021:




Expenses in the government-wide Statement of Activities for 2022 increased by $27.0 million (6.52%) from 2021. This is mainly the result of an increase of $19.3 million in salaries and benefits from annual raises and market adjustments and additional positions and an increase of $15.3 million in Health & Welfare expenses from projects and disbursements of ARPA Act funding in 2022.

## 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. 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 $240.5 million, an increase of $30.2 million over the prior year's restated fund balance. Of the total balance, $62.1 million (25.82%) represents unassigned fund balance. $21.2 million (8.8%) is classified as assigned by the Board of County Commissioners for the purposes of the fund. $75.6 million (31.44%) is classified as committed by a Board of County Commissioners Resolution. $80.3 million (33.39%) is classified as restricted by an outside party for a specific purpose. The remaining fund balance, $1.3 million (.55%), is classified as non-spendable (inventory and prepaid amounts).

At the end of fiscal year 2022, the County had four major governmental funds: the General Fund, the Social Services Fund, the Grant 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 $62.8 million, while total fund balance was $75.3 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 2022 to the budgeted total program revenues, transfers in, expenditures, and transfers out for the following fiscal year, 2023. The total of the assigned and unassigned fund balance of the General Fund at the end of fiscal year 2022 is $66.7 million, less the budgeted use of this fund balance in 2023, $0.2 million, totaling $66.5 million. This represents 29.6% of the adopted budget for General Fund total program revenues and transfers-in for 2023 of $224.8 million, or 30% of the adopted budget for General Fund total program expenditures, and transfers-out of $224.7 million. This indicates that an approximate 29.6% combination of budgeted revenue shortfalls and/or expenditures over budget could be sustained during 2023 before the liquidity of the General Fund is compromised.

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:

- $41.4 million increase in Transfers Out, mainly due to mainly due to $38 million that was transferred to the Capital Expenditure Fund for the Detention Center medical expansion project, a further $1.9 million that was transferred to the Capital Expenditure Fund for Infrastructure projects, an additional $1.35 million that was transferred to the Self-Insurance Liability Fund for increased premium costs and the IBNR adjustment, and $0.2 million that was transferred to the Central Services Fund to purchase various assets for the Sheriff's Office.
- $3.2 million increase in Administrative Services, mainly due to $1.2 million appropriated for one-time health department costs and $0.9 million in reappropriated projects not completed in 2021.
- $39.5 million increase in Transfer In, mainly due to $32.6 million transferred in from the Grant Fund as a reimbursement of general government expenditures during fiscal year 2022 from American

Rescue Plan Act (ARPA) funds, $3.5 million transferred from the Social Services Fund from the reallocation of excess fund balance, $2.7 million transferred from the Grant Fund for eligible ARPA premium pay, and $0.3 million transferred from the Grant Fund for the employee gas stipend.

- $0.8 million increase in Information Technology, mainly due to expenses related to supporting the Public Health Department of $0.6 million including two additional FTEs, software and hardware. There was also $0.1 million reappropriated from the 2021 budget for items not completed in the prior year.
- $0.6 million increase in Public Works and Development, mainly due to $0.4 million for reappropriated projects from 2021 that were not completed, and $0.1 million in reimbursements from the Open Spaces Sales Tax Fund for project management services provided.
- $0.4 million increase in Human Resources, mainly due to mainly due to $0.2 million for three additional FTEs to support the new public health department, and $0.1 million for Diversity, Equity and Inclusion training.

Actual General Fund revenues and other financing sources of $247.0 million was less than the General Fund final appropriated revenues and other financing sources of $251.1 million by $4.1 million (1.6%). This was primarily due to the decrease in market value of investments that offset investment earnings (about $5.3 million).

Actual General Fund expenditures and other financing uses of $256.5 million was less than the General Fund final appropriated expenditures and other financing uses of $267.9 million by $11.4 million (4.2%). This difference was mainly due to salary and benefits savings County-wide of $4.5 million due to increased vacancies and $5.9 million from cost savings in the Services & other category with $2.2 million in Administrative Services related to ongoing projects and public health department transition, $0.8 million in Public Works and Development, $1.5 million in Information Technology and $0.6 million in the Sheriff's Office.

The total revenue and other financing sources in the General Fund increased by $39.7 million, from $207.3 million in fiscal year 2021 to $247.0 million in fiscal year 2022 (19.1%). This was primarily due to the transfers in of $34.7 million from the Grant Fund for ARPA for revenue loss and other eligible items in 2022. The total expenditures and other financing uses in the General Fund increased by $44.1 million, from $211.3 million in fiscal year 2021 to $256.5 million in fiscal year 2022 (20.9%). This increase was a result of higher salaries and benefits and increased transfer out for capital projects including detention center expansion.

**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 decreased by $2.1 million from $13.44 million in 2021 to $11.37 million in 2022. Nearly all of the fund balance is assigned.

Revenues (excluding transfers) increased by $7.1 million (10.6%) from $67.6 million in 2021 to $74.8 million in 2022. During 2022, 75.1% of the Social Services fund was funded by State and Federal grant monies, and 23.3% by property and other taxes. The largest portion of the revenue increase, $4.5 million, came from State and Federal grant monies.

Expenditures (excluding transfers) increased by $6.44 million (9.6%), from $67.4 million in 2021 to $73.8 million in 2022.

**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 increased by $5.2 million, from $50.9 million in

2021 to $56.2 million in 2022. The entire $56.2 million fund balance is fully restricted for use on Open Space projects and maintenance.

Revenues (excluding transfers) increased by $6.7 million (17.7%), from $37.6 million in 2021 to $44.3 million in 2022. The fund received approximately $40 million in sales and use tax revenue, and $1.1 million in investment earnings. Venue booth rental from the County Fairgrounds increased by $0.3 million due to the recovery from the pandemic.

Expenditures (excluding transfers) increased by $9.9 million (33.8%), from $29.5 million in 2021 to $39.4 million in 2022, mainly from decreases in general grants awarded and contract labor. There was $1.87 million increase in share-back payments and $3.5 million in grants awarded in 2022 compared to 2021. In total, the fund expended $27.4 million in grants and share-back payments to incorporated municipalities and other governmental entities in 2022, an increase of $5.38 million (24.4%) compared to 2021.

**Grant Fund**

This fund was established to record grant activities from Federal, State, and local sources external to the County.

Revenues (excluding transfers) increased by $41 million (146.7%), from $27.9 million in 2021 to $68.9 million in 2022, primarily from ARPA and ERA funding.

Expenditures (including transfers) increased by $41.8 million (154.6%), from $27.5 million in 2021 to $68.8 million in 2022, primarily due to the increased spending of the ARPA and ERA funding on various projects in 2022.

**Non-Major Governmental Funds**

The total fund balance of the combined non-major governmental funds increased by $36.1 million (58.6%), from $61.7 million in 2021 to $97.8 million in 2022. Revenues (excluding transfers) increased by $13.2 million, from $77.7 million in 2021 to $90.9 million in 2022. This was mainly due to increases in other inter-governmental funding. Expenditures (excluding transfers) increased by $12.7 million, from $86.4 million in 2021 to $98.9 million in 2022. This was mainly a result of increased expenditures for Highways and Streets and general government.

**Proprietary Funds**

The net position for the County's internal service funds increased by $2.1 million (4.5%), from $46.3 million in 2021 to $48.3 million in 2022.

Of the $48.3 million of the total net position of the proprietary funds in 2022, $44.3 million (93.3%) 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 $44.3 million net position in the Central Services Fund at the end of 2022, $12.2 million was invested in capital assets net of accumulated depreciation, and approximately $32 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 $825.9 million as of 2022 and $820 million as of 2021. 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) increased by $10.4 million (0.66%) during fiscal year 2022, mainly due to increases in Construction in progress. A summary of the County's capital assets (net of depreciation) is as follows:

**Arapahoe County Government's Capital Assets**
(Net of Accumulated Depreciation)

| | Governmental Activities | |
|---|---|---|
| | 2022 | 2021 |
| Land | $ 43,983,445 | $ 43,557,893 |
| Lease Assets - Land | 2,600,000 | 2,600,000 |
| Easements | 4,322,860 | 4,322,860 |
| Right of Ways | 318,073,633 | 316,926,339 |
| Water Rights | 51,616,042 | 51,616,042 |
| Construction in Progress | 31,313,135 | 20,613,997 |
| Capital Assets Not Being Depreciated: | 451,909,115 | 439,637,131 |
| Land Improvements | 24,359,394 | 20,990,315 |
| Buildings and Improvements | 136,221,592 | 141,274,907 |
| Furniture and Equipment | 22,422,221 | 25,502,081 |
| Infrastructure | 179,681,519 | 180,516,519 |
| Lease Assets - Building | 11,272,963 | 12,080,294 |
| Capital Assets Being Depreciated: | 373,957,689 | 380,364,116 |
| Total | $ 825,866,804 | $ 820,001,247 |

Construction in progress increased by $10.7 million (51.9%), from $20.6 million in 2021 to $31.3 million in 2022, primarily from roads and building improvement projects started but not yet completed. The $31.3 million is composed of the following capital project categories:

| Capital Project | CIP Amount |
|---|---|
| Roads | 20,634,276 |
| Parks & Trails | 4,738,138 |
| Building Improvement | 5,566,797 |
| Land Improvement | 373,924 |
| | $ 31,313,135 |

Additional information on Arapahoe County capital assets can be found in the Notes to the Financial Statements located on page C-27 and C-40 to C-42 of this annual report.

## Outstanding Long-Term Debt

At the end of fiscal year 2022, the County had three bond issues, and lease agreements outstanding. A summary of the County's long-term liabilities is as follows:

**Arapahoe County Government**
**Summary of Outstanding Debt**

| | Governmental Activities | |
|---|---|---|
| | 2022 | 2021 |
| Bonds | $ 122,888,741 | $ 126,507,164 |
| Long-term Notes | - | 1,365,582 |
| Lease Agreements | 10,457,813 | 11,971,899 |
| **Total Outstanding Debt** | $ 133,346,554 | $ 139,844,645 |

The County's total long-term debt decreased by $6.5 million in 2022 due to normal debt payments and amortization of premiums/discounts.

Additional information about the County's long-term debt can be found in notes to the Financial Statements on page C-28, C-29 and C-43 to C-52 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 11.762 mills in 2021 (collected in 2022) and 12.75 mills in 2022 (collected in 2023). Property tax to be collected in 2023 is projected to be $164.4 million, an increase of $12 million over the 2022 projected number of $152.4 million due to increases in the assessed valuation. The County base mill levy was maintained at 15.821 mills, with an additional levy of 0.079 mills for refunds and abatements. A temporary tax credit of 3.15 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 6.95% for the 2022 reassessment period for collection in 2023. It is forecasted to remain steady in 2023 for 2024 tax collection period. The assessment rate will be reviewed in 2023, which is the next residential reassessment period. The impact from any possible decrease due to the pandemic on revenue will be lessened due to temporary tax credits.

The unemployment rate for the County was 3.6% as of December 2022, which is a decrease from 4.5% in December 2021. This rate is in line with the Denver metro unemployment rate of 3.3% and the State of Colorado rate of 3.0%. The decrease is due to the economies of both Colorado and the nation are continuing to recover after the impact of the COVID-19 pandemic on the economy during 2020.

## 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, 2022**

| | Primary Government | Component Units | | |
|---|---|---|---|---|
| | Governmental Activities | Arapahoe County 911 Authority | Arapahoe County Airport Authority | Arapahoe County Water and Wastewater Authority |
| **Assets** | | | | |
| Cash and investments | $ 309,285,545 | $ 11,126,233 | $ 28,062,590 | $ 50,832,465 |
| Accounts receivable | 27,301,319 | 780,510 | 1,619,694 | 2,182,259 |
| Property tax receivable, net | 195,912,459 | - | - | - |
| Accrued interest receivable | 1,259,422 | - | - | - |
| Note receivable | - | - | 54,433 | - |
| Lease receivable | - | - | 9,337,808 | - |
| Due from other governments | 7,447,622 | - | 367,128 | - |
| Inventories | 594,219 | - | - | - |
| Prepaid and other items | 1,391,234 | - | 791,233 | 514,479 |
| Restricted cash and investments | 71,057,688 | - | - | 5,289,739 |
| Total non-capital assets | 614,249,508 | 11,906,743 | 40,232,886 | 58,818,942 |
| Non-depreciable capital assets | 451,909,115 | 37,473 | 28,626,289 | 125,286,245 |
| Depreciable capital assets | 373,957,689 | 60,906 | 30,685,777 | 81,325,671 |
| Total capital assets | 825,866,804 | 98,379 | 59,312,066 | 206,611,916 |
| Total assets | 1,440,116,312 | 12,005,122 | 99,544,952 | 265,430,858 |
| **Deferred outflows of resources** | | | | |
| Refunding of bonds | 442,310 | - | - | 1,378,295 |
| Pension outflows | 56,357,505 | - | - | - |
| Total deferred outflows of resources | 56,799,815 | - | - | 1,378,295 |
| **Liabilities** | | | | |
| Accounts payable and other current liabilities | 49,533,699 | 220,069 | 1,275,912 | 4,356,171 |
| Accrued interest payable | 370,021 | - | 73,798 | 384,039 |
| Due to other governments | 6,006,134 | - | - | - |
| Unearned revenue | 78,650,603 | - | 36,938 | - |
| Noncurrent liabilities: | | | | |
| Long term debt due within one year | 8,949,839 | - | 788,200 | 4,164,468 |
| Long term debt due in more than one year | 151,993,497 | - | 4,246,613 | 101,862,802 |
| Net pension liability due in more than one year | 181,684,482 | - | - | - |
| Estimated claims payable within one year | 1,501,000 | - | - | - |
| Estimated claims payable greater than one year | 3,305,000 | - | 232,377 | - |
| Total liabilities | 481,994,275 | 220,069 | 6,653,838 | 110,767,480 |
| **Deferred inflows of resources** | | | | |
| Property tax revenue | 195,912,459 | - | - | - |
| Pension inflows | 90,814,510 | - | - | - |
| Leases | - | - | 9,337,809 | - |
| Total deferred inflows of resources | 286,726,969 | - | 9,337,809 | - |
| **Net position** | | | | |
| Net investment in capital assets | 689,887,585 | 98,379 | 53,359,493 | 102,372,409 |
| Restricted for: | | | | |
| TABOR reserve | 8,204,062 | - | - | - |
| Transportation projects | 4,915,228 | - | - | - |
| Capital projects | - | - | - | 552,500 |
| Park development | 1,268,524 | - | - | - |
| Parks, recreation and open space | 2,266,826 | - | - | - |
| Open space, parks and trails | 56,149,282 | - | - | - |
| Law enforcement | 7,315,667 | - | - | - |
| Electronic filing technology | 160,042 | - | - | - |
| Unrestricted | (41,972,333) | 11,686,674 | 30,193,812 | 53,116,764 |
| Total net position | $ 728,194,883 | $ 11,785,053 | $ 83,553,305 | $ 156,041,673 |

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, 2022**

| Functions/Programs | Expenses | Program Revenues: Charges for Services | Program Revenues: Operating Grants and Contributions | Program Revenues: Capital Grants and Contributions |
|---|---|---|---|---|
| **Primary Government** | | | | |
| General government | $ 91,847,812 | $ 30,124,786 | $ 56,946,175 | $ 5,000 |
| Public safety | 123,382,169 | 38,938,964 | 4,608,833 | 6,324 |
| Judicial services | 17,281,465 | - | 90,964 | - |
| Health and welfare | 137,068,712 | 384,154 | 83,968,978 | 3,512 |
| Highways and streets | 28,524,891 | 947,851 | 18,913,192 | 1,597,868 |
| Water and wastewater | 3,565,869 | - | - | - |
| Airport | 1,611,898 | - | - | - |
| Culture and recreation | 33,775,486 | 1,521,424 | 2,756,077 | 896,449 |
| Interest on long-term debt | 3,902,455 | - | - | - |
| Total governmental activities | 440,960,757 | 71,917,179 | 167,284,219 | 2,509,153 |
| **Component Units** | | | | |
| Arapahoe County 911 Authority | 3,376,667 | 5,019,527 | 360,277 | - |
| Arapahoe County Airport Authority | 10,702,782 | 9,835,958 | 4,926,763 | - |
| Arapahoe County Water and Wastewater Authority | 19,797,185 | 23,763,949 | - | 6,215,470 |
| Total component units: | 19,435,347 | 40,231,332 | 5,287,040 | 6,215,470 |
| **General revenues** | | | | |
| Property taxes | | | | |
| Sales tax | | | | |
| Other taxes | | | | |
| Investment income | | | | |
| 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, 2022**

| Net (Expense) Revenue and Changes in Net Position | | | | |
|---|---|---|---|---|
| | Component Units | | | |
| Primary Government Total | Arapahoe County 911 Authority | Arapahoe County Airport Authority | Arapahoe County Water and Wastewater Authority | Functions/Programs |
| | | | | **Primary Government** |
| $ (4,771,851) | $ - | $ - | $ - | General government |
| (79,828,048) | - | - | - | Public safety |
| (17,190,501) | - | - | - | Judicial services |
| (52,712,068) | - | - | - | Health and welfare |
| (7,065,980) | - | - | - | Highways and streets |
| (3,565,869) | - | - | - | Water and wastewater |
| (1,611,898) | - | - | - | Airport |
| (28,601,536) | - | - | - | Culture and recreation |
| (3,902,455) | - | - | - | Interest on long-term debt |
| (199,250,206) | - | - | - | Total governmental activities |
| | | | | **Component Units** |
| - | 2,003,137 | - | - | Arapahoe County 911 Authority |
| - | - | 4,059,939 | - | Arapahoe County Airport Authority |
| - | - | - | 10,182,234 | Arapahoe County Water and Wastewater Authority |
| - | 2,003,137 | 4,059,939 | 10,182,234 | Total component units: |
| | | | | **General revenues** |
| 184,502,717 | - | - | - | Property taxes |
| 39,976,934 | - | - | - | Sales tax |
| 10,977,264 | - | - | - | Other taxes |
| 285,749 | 183,689 | 199,032 | 725,339 | Investment income |
| 7,965,436 | - | 16,203,929 | - | Miscellaneous |
| 243,708,100 | 183,689 | 16,402,961 | 725,339 | Total general revenue |
| 44,457,894 | 2,186,826 | 20,462,900 | 10,907,573 | Change in net position |
| 683,736,989 | 9,598,227 | 63,090,405 | 145,134,100 | Net position - beginning |
| $ 728,194,883 | $ 11,785,053 | $ 83,553,305 | $ 156,041,673 | Net position - ending |

**Arapahoe County, Colorado**
**Balance Sheet**
**Governmental Funds**
**December 31, 2022**

| | General | Social Services | Grants | Open Spaces Sales Tax |
|---|---|---|---|---|
| **Assets** | | | | |
| Cash and investments | $ 77,282,723 | $ 12,311,752 | $ 78,434,853 | $ - |
| Restricted cash and investments | 49,901 | - | - | 71,007,787 |
| Accounts receivable | 9,553,154 | 7,670,395 | 1,427,558 | 6,653,694 |
| Taxes receivable, net | 134,429,985 | 18,279,609 | - | - |
| Due from other funds | 3,015,750 | - | - | - |
| Prepaid items | 978,169 | 70,934 | 136,641 | 5,490 |
| Inventories | - | - | 135,246 | - |
| Total assets | $ 225,309,682 | $ 38,332,690 | $ 80,134,298 | $ 77,666,971 |
| **Liabilities** | | | | |
| Accounts payable | $ 2,902,466 | $ 2,032,605 | $ 4,727,505 | $ 21,211,921 |
| Accrued expenditures | 6,979,614 | 3,726,268 | 105,569 | 171,176 |
| Due to other governments | 5,439,845 | 17,119 | - | - |
| Due to other funds | - | - | - | - |
| Unearned revenue - other | 6,595 | 2,907,878 | 75,330,752 | 129,102 |
| Total liabilities | 15,328,520 | 8,683,870 | 80,163,826 | 21,512,199 |
| **Deferred inflows of resources** | | | | |
| Deferred property tax revenue | 134,429,985 | 18,279,609 | - | - |
| Unavailable revenue-delinquent property taxes | 7,210 | - | - | - |
| Unavailable revenue-grants | - | - | 112,343 | - |
| Unavailable revenue-other | 228,149 | - | - | - |
| Total deferred inflows of resources | 134,665,344 | 18,279,609 | 112,343 | - |
| **Fund balances (deficits)** | | | | |
| Nonspendable | 978,169 | 70,934 | 271,887 | 5,490 |
| Restricted | 7,615,631 | - | - | 56,149,282 |
| Committed | - | - | - | - |
| Assigned | 3,914,526 | 11,298,277 | 45,287 | - |
| Unassigned | 62,807,492 | - | (459,045) | - |
| Total fund balances (deficits) | 75,315,818 | 11,369,211 | (141,871) | 56,154,772 |
| Total liabilities, deferred inflows of resources and fund balance | $ 225,309,682 | $ 38,332,690 | $ 80,134,298 | $ 77,666,971 |

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

**Arapahoe County, Colorado**
**Balance Sheet**
**Governmental Funds**
**December 31, 2022**

| Other Governmental | Total Governmental | |
|---|---|---|
| | | **Assets** |
| $ 100,587,720 | $ 268,617,048 | Cash and investments |
| - | 71,057,688 | Restricted cash and investments |
| 10,670,236 | 35,975,037 | Accounts receivable |
| 43,202,865 | 195,912,459 | Taxes receivable, net |
| - | 3,015,750 | Due from other funds |
| - | 1,191,234 | Prepaid items |
| - | 135,246 | Inventories |
| $ 154,460,821 | $ 575,904,462 | Total assets |
| | | **Liabilities** |
| $ 5,818,577 | $ 36,693,074 | Accounts payable |
| 1,374,341 | 12,356,968 | Accrued expenditures |
| - | 5,456,964 | Due to other governments |
| 3,015,750 | 3,015,750 | Due to other funds |
| 276,276 | 78,650,603 | Unearned revenue - other |
| 10,484,944 | 136,173,359 | Total liabilities |
| | | **Deferred inflows of resources** |
| 43,202,865 | 195,912,459 | Deferred property tax revenue |
| - | 7,210 | Unavailable revenue-delinquent property taxes |
| 3,020,040 | 3,132,383 | Unavailable revenue-grants |
| - | 228,149 | Unavailable revenue-other |
| 46,222,905 | 199,280,201 | Total deferred inflows of resources |
| | | **Fund balances (deficits)** |
| - | 1,326,480 | Nonspendable |
| 16,514,718 | 80,279,631 | Restricted |
| 75,587,779 | 75,587,779 | Committed |
| 5,913,598 | 21,171,688 | Assigned |
| (263,123) | 62,085,324 | Unassigned |
| 97,752,972 | 240,450,902 | Total fund balances (deficits) |
| $ 154,460,821 | $ 575,904,462 | 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, 2022**

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) | $ | 240,450,902 |
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. | | 813,616,948 |
| The deferred charge on refunding of bonds is not an available resource and, therefore, is not reported in the funds. | | 442,310 |
| The deferred pension outflow is not an available resource and, therefore, is not reported in the funds. | | 56,357,505 |
| The deferred pension inflows are not an available to pay for current period, and therefore, not reported in the funds | | (90,814,510) |
| Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds. | | 3,367,742 |
| 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. | | 48,332,079 |
| Long-term liabilities, including bonds payable, certificates of participation, notes payable, 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. | | (343,558,093) |
| Net position of governmental activities | $ | 728,194,883 |

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, 2022**

| | General | Social Services | Grants | Open Spaces Sales Tax |
|---|---|---|---|---|
| **Revenues** | | | | |
| Taxes | | | | |
| Property taxes | $ 124,475,616 | $ 16,922,234 | $ - | $ - |
| Sales tax | - | - | - | 39,976,934 |
| Other taxes | 5,769,462 | 1,089,896 | - | - |
| Licenses and permits | 7,215,782 | - | - | - |
| Intergovernmental | 4,567,829 | 55,255,866 | 68,734,121 | 2,560,964 |
| Charges for services | 58,548,159 | 28,899 | 1,143 | 617,232 |
| Fines and forfeitures | 223,096 | - | - | - |
| Investment earnings | (1,311,147) | - | - | 1,072,609 |
| Interfund revenues and rentals | 3,272,592 | - | - | - |
| Developer contributions | - | - | - | - |
| Miscellaneous | 4,892,917 | 1,490,251 | 174,599 | 35,995 |
| Total revenue | 207,654,306 | 74,787,146 | 68,909,863 | 44,263,734 |
| **Expenditures** | | | | |
| **Current** | | | | |
| General government | 78,460,124 | - | 7,726,769 | - |
| Public safety | 100,523,694 | - | 2,256,336 | - |
| Judicial services | 17,031,779 | - | - | - |
| Health and welfare | 10,717,918 | 73,740,996 | 20,792,525 | - |
| Highways and streets | - | - | - | - |
| Water and wastewater | - | - | - | - |
| Airport | - | - | - | - |
| Culture and recreation | 528,592 | - | - | 29,638,842 |
| Total current | 207,262,107 | 73,740,996 | 30,775,630 | 29,638,842 |
| **Capital** | | | | |
| General government | 827,056 | - | - | - |
| Public safety | 443,195 | - | - | - |
| Judicial services | - | - | - | - |
| Health and welfare | - | 106,864 | 37,914 | - |
| Highways and streets | - | - | - | - |
| Culture and recreation | - | - | - | 9,790,759 |
| Total capital | 1,270,251 | 106,864 | 37,914 | 9,790,759 |
| **Debt** | | | | |
| Principal | 298,505 | - | - | - |
| Interest | 13,909 | - | - | - |
| Debt administration fees | - | - | - | - |
| Total debt service | 312,414 | - | - | - |
| Total expenditures | 208,844,772 | 73,847,860 | 30,813,544 | 39,429,601 |
| Excess (deficiency) of revenues over (under) expenditures | (1,190,466) | 939,286 | 38,096,319 | 4,834,133 |
| **Other financing sources (uses)** | | | | |
| Transfers in | 39,350,459 | 501,418 | - | 663,361 |
| Transfers out | (47,314,629) | (3,515,494) | (38,005,335) | (277,430) |
| Total other financing sources (uses) | (7,964,170) | (3,014,076) | (38,005,335) | 385,931 |
| Net change in fund balance | (9,154,636) | (2,074,790) | 90,984 | 5,220,064 |
| Fund balance - beginning | 84,470,454 | 13,444,001 | (232,855) | 50,934,708 |
| Fund balance - ending | $ 75,315,818 | $ 11,369,211 | $ (141,871) | $ 56,154,772 |

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, 2022**

| Other Governmental | Total Governmental | |
|---|---|---|
| | | **Revenues** |
| $ 43,106,113 | $ 184,503,963 | Taxes |
| - | 39,976,934 | Property taxes |
| 4,117,906 | 10,977,264 | Sales tax |
| 946,350 | 8,162,132 | Other taxes |
| 35,186,673 | 166,305,453 | Licenses and permits |
| 2,633,618 | 61,829,051 | Intergovernmental |
| 329,405 | 552,501 | Charges for services |
| 524,287 | 285,749 | Fines and forfeitures |
| - | 3,272,592 | Investment earnings |
| 1,485,082 | 1,485,082 | Interfund revenues and rentals |
| 2,528,177 | 9,121,939 | Developer contributions |
| | | Miscellaneous |
| 90,857,611 | 486,472,660 | Total revenue |
| | | **Expenditures** |
| | | **Current** |
| 453,325 | 86,640,218 | General government |
| 12,412,517 | 115,192,547 | Public safety |
| - | 17,031,779 | Judicial services |
| 29,781,205 | 135,032,644 | Health and welfare |
| 20,147,772 | 20,147,772 | Highways and streets |
| 114,679 | 114,679 | Water and wastewater |
| 1,611,898 | 1,611,898 | Airport |
| 1,903,146 | 32,070,580 | Culture and recreation |
| 66,424,542 | 407,842,117 | Total current |
| | | **Capital** |
| 2,910,934 | 3,737,990 | General government |
| 1,105,122 | 1,548,317 | Public safety |
| 1,687,794 | 1,687,794 | Judicial services |
| 54,192 | 198,970 | Health and welfare |
| 16,651,768 | 16,651,768 | Highways and streets |
| - | 9,790,759 | Culture and recreation |
| 22,409,810 | 33,615,598 | Total capital |
| | | **Debt** |
| 5,860,562 | 6,159,067 | Principal |
| 4,179,841 | 4,193,750 | Interest |
| 1,200 | 1,200 | Debt administration fees |
| 10,041,603 | 10,354,017 | Total debt service |
| 98,875,955 | 451,811,732 | Total expenditures |
| (8,018,344) | 34,660,928 | Excess (deficiency) of revenues over (under) expenditures |
| | | **Other financing sources (uses)** |
| 51,826,187 | 92,341,425 | Transfers in |
| (7,705,235) | (96,818,123) | Transfers out |
| 44,120,952 | (4,476,698) | Total other financing sources (uses) |
| 36,102,608 | 30,184,230 | Net change in fund balance |
| 61,650,364 | 210,266,672 | Fund balance - beginning |
| $ 97,752,972 | $ 240,450,902 | 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, 2022**

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) | $ | 30,184,230 |
| 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 capital outlays exceeded depreciation in the current period. | | 7,019,689 |
| The net effect of various miscellaneous transactions involving the valuation of donated assets is to increase net position. | | 112,786 |
| Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. | | 3,367,742 |
| 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. | | 6,159,067 |
| 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. | | 271,370 |
| Some revenues reported in the governmental funds have been reported in the Statement of Activities in prior periods. | | (3,190,431) |
| 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. | | (1,517,301) |
| 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. | | 2,050,742 |
| Change in net position of governmental activities | $ | 44,457,894 |

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, 2022**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | Original | Final | Actual Amounts Budgetary Basis | Variance with Final Budget |
| **Revenues** | | | | |
| Taxes | | | | |
| Property taxes | $ 123,932,920 | $ 123,932,920 | $ 124,475,616 | $ 542,696 |
| Other taxes | 6,334,464 | 6,334,464 | 5,769,462 | (565,002) |
| Licenses and permits | 7,545,429 | 7,545,429 | 7,215,782 | (329,647) |
| Intergovernmental | 3,323,043 | 3,973,563 | 4,567,829 | 594,266 |
| Charges for services | 58,044,625 | 58,573,722 | 58,548,159 | (25,563) |
| Fines and forfeitures | 208,101 | 208,101 | 223,096 | 14,995 |
| Investment earnings | 4,010,000 | 4,010,000 | (1,311,147) | (5,321,147) |
| Interfund revenues and rentals | 3,235,565 | 3,335,565 | 3,272,592 | (62,973) |
| Miscellaneous | 3,949,285 | 3,826,312 | 4,892,917 | 1,066,605 |
| Total revenue | 210,583,432 | 211,740,076 | 207,654,306 | (4,085,770) |
| **Expenditures** | | | | |
| **Current** | | | | |
| General government | | | | |
| Administrative services | 6,552,919 | 9,873,421 | 6,785,448 | 3,087,973 |
| Assessor's Office | 6,173,682 | 6,272,202 | 5,982,389 | 289,813 |
| Board of County Commissioners | 1,216,963 | 1,216,963 | 1,171,643 | 45,320 |
| Clerk and Recorder's Office | 13,131,641 | 13,341,089 | 12,217,534 | 1,123,555 |
| Communication Services Department | 3,110,566 | 3,331,703 | 2,975,009 | 356,694 |
| County Attorney | 3,286,584 | 3,417,043 | 3,286,808 | 130,235 |
| Facilities and Fleet Management | 9,914,807 | 10,078,633 | 9,878,112 | 200,521 |
| Finance | 3,901,074 | 4,023,087 | 3,391,645 | 631,442 |
| Human Resources | 2,694,298 | 3,071,752 | 3,044,550 | 27,202 |
| Information Technology | 16,524,503 | 17,341,670 | 15,198,279 | 2,143,391 |
| Office of Performance Management | 499,569 | 501,359 | 352,093 | 149,266 |
| Open Spaces & Intergovernmental Relations | 48,496 | 49,356 | 50,465 | (1,109) |
| Public Works and Development | 10,529,943 | 11,112,977 | 10,070,829 | 1,042,148 |
| Treasurer's Office | 2,635,274 | 2,666,388 | 2,535,777 | 130,611 |
| Total general government | 80,220,319 | 86,297,643 | 76,940,581 | 9,357,062 |
| Public safety | 97,837,622 | 102,027,863 | 100,523,694 | 1,504,169 |
| Judicial services | 17,006,033 | 17,082,187 | 17,031,779 | 50,408 |
| Health and welfare | 10,717,675 | 10,815,700 | 10,717,918 | 97,782 |
| Culture and recreation | 561,128 | 564,195 | 528,592 | 35,603 |
| Total current | 206,342,777 | 216,787,588 | 205,742,564 | 11,045,024 |
| **Capital** | | | | |
| General government | 1,500 | 1,500 | 226,481 | (224,981) |
| Public safety | 2,221 | 384,462 | 270,366 | 114,096 |
| Total capital | 3,721 | 385,962 | 496,847 | (110,885) |
| **Debt** | | | | |
| Principal | - | - | 298,505 | (298,505) |
| Interest | - | - | 13,909 | (13,909) |
| Total debt service | - | - | 312,414 | (312,414) |
| Total expenditures | 206,346,498 | 217,173,550 | 206,551,825 | 10,621,725 |
| Excess (deficiency) of revenues over (under) expenditures | 4,236,934 | (5,433,474) | 1,102,481 | 6,535,955 |
| **Other financing sources (uses)** | | | | |
| Transfers in | - | 39,350,459 | 39,350,459 | - |
| Transfers out | (8,563,655) | (50,754,629) | (49,992,629) | 762,000 |
| Total other financing sources (uses) | (8,563,655) | (11,404,170) | (10,642,170) | 762,000 |
| Net change in fund balance | (4,326,721) | (16,837,644) | (9,539,689) | 7,297,955 |
| Fund balance - beginning | 66,028,138 | 66,028,138 | 66,028,138 | - |
| Fund balance - ending | $ 61,701,417 | $ 49,190,494 | $ 56,488,449 | $ 7,297,955 |

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, 2022**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | Original | Final | Actual | Variance with Final Budget |
| **Revenues** | | | | |
| Taxes | | | | |
| Property taxes | $ 16,857,406 | $ 16,857,406 | $ 16,922,234 | $ 64,828 |
| Other taxes | 1,050,369 | 1,050,369 | 1,089,896 | 39,527 |
| Intergovernmental | 55,919,308 | 56,497,795 | 55,255,866 | (1,241,929) |
| Charges for services | 25,000 | 25,000 | 28,899 | 3,899 |
| Miscellaneous | 1,631,282 | 1,778,081 | 1,490,251 | (287,830) |
| Total revenue | 75,483,365 | 76,208,651 | 74,787,146 | (1,421,505) |
| **Expenditures** | | | | |
| **Current** | | | | |
| Health and welfare | 74,003,494 | 75,497,363 | 73,740,996 | 1,756,367 |
| **Capital** | | | | |
| Health and welfare | 68,500 | 68,500 | 106,864 | (38,364) |
| Total expenditures | 74,071,994 | 75,565,863 | 73,847,860 | 1,718,003 |
| Excess (deficiency) of revenues over (under) expenditures | 1,411,371 | 642,788 | 939,286 | 296,498 |
| **Other financing sources (uses)** | | | | |
| Transfers in | - | 501,418 | 501,418 | - |
| Transfers out | (105,400) | (3,605,400) | (3,515,494) | 89,906 |
| Total other financing sources (uses) | (105,400) | (3,103,982) | (3,014,076) | 89,906 |
| Net change in fund balance | 1,305,971 | (2,461,194) | (2,074,790) | 386,404 |
| Fund balance - beginning | 13,444,001 | 13,444,001 | 13,444,001 | - |
| Fund balance - ending | $ 14,749,972 | $ 10,982,807 | $ 11,369,211 | $ 386,404 |

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

**Arapahoe County, Colorado**
**Grants**
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**
**For the Year Ended December 31, 2022**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | Original | Final | Actual | Variance with Final Budget |
| **Revenues** | | | | |
| Intergovernmental | $ 13,097,142 | $ 149,079,310 | $ 68,734,121 | $ (80,345,189) |
| Charges for services | 40,000 | 40,000 | 1,143 | (38,857) |
| Miscellaneous | 140,000 | 140,000 | 174,599 | 34,599 |
| Total revenue | 13,277,142 | 149,259,310 | 68,909,863 | (80,349,447) |
| **Expenditures** | | | | |
| **Current** | | | | |
| General government | - | 26,919,643 | 7,726,769 | 19,192,874 |
| Public safety | 927,545 | 2,570,351 | 2,256,336 | 314,015 |
| Health and welfare | 12,286,097 | 79,545,271 | 20,792,525 | 58,752,746 |
| **Capital** | | | | |
| Health and welfare | 50,000 | 188,203 | 37,914 | 150,289 |
| Total expenditures | 13,263,642 | 109,223,468 | 30,813,544 | 78,409,924 |
| Excess (deficiency) of revenues over (under) expenditures | 13,500 | 40,035,842 | 38,096,319 | (1,939,523) |
| **Other financing sources (uses)** | | | | |
| Transfers out | (13,500) | (40,053,384) | (38,005,335) | 2,048,049 |
| Total other financing sources (uses) | (13,500) | (40,053,384) | (38,005,335) | 2,048,049 |
| Net change in fund balance | - | (17,542) | 90,984 | 108,526 |
| Fund balance - beginning | (232,855) | (232,855) | (232,855) | - |
| Fund balance - ending | $ (232,855) | $ (250,397) | $ (141,871) | $ 108,526 |

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, 2022**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | Original | Final | Actual | Variance with Final Budget |
| **Revenues** | | | | |
| Sales tax | $ 36,529,314 | $ 36,529,314 | $ 39,976,934 | $ 3,447,620 |
| Intergovernmental | - | 2,000,000 | 2,560,964 | 560,964 |
| Charges for services | 455,000 | 455,000 | 617,232 | 162,232 |
| Investment earnings | 549,796 | 549,796 | 1,072,609 | 522,813 |
| Miscellaneous | 38,000 | 38,000 | 35,995 | (2,005) |
| Total revenue | 37,572,110 | 39,572,110 | 44,263,734 | 4,691,624 |
| **Expenditures** | | | | |
| **Current** | | | | |
| Culture and recreation | 37,562,610 | 81,197,966 | 29,638,842 | 51,559,124 |
| **Capital** | | | | |
| Culture and recreation | - | 9,367,000 | 9,790,759 | (423,759) |
| Total expenditures | 37,562,610 | 90,564,966 | 39,429,601 | 51,135,365 |
| Excess (deficiency) of revenues over (under) expenditures | 9,500 | (50,992,856) | 4,834,133 | 55,826,989 |
| **Other financing sources (uses)** | | | | |
| Transfers in | - | 663,361 | 663,361 | - |
| Transfers out | (9,500) | (605,209) | (277,430) | 327,783 |
| Total other financing sources (uses) | (9,500) | 58,148 | 385,931 | 327,783 |
| Net change in fund balance | - | (50,934,708) | 5,220,064 | 56,154,772 |
| Fund balance - beginning | 50,934,708 | 50,934,708 | 50,934,708 | - |
| Fund balance - ending | $ 50,934,708 | $ - | $ 56,154,772 | $ 56,154,772 |

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

**Arapahoe County Government**
**Statement of Net Position**
**Proprietary Funds**
**December 31, 2022**

| | Governmental Activities Internal Service Funds |
|---|---|
| **Assets** | |
| Current assets | |
| Cash and investments | $ 40,668,497 |
| Accounts receivable | 33,326 |
| Deposit | 200,000 |
| Inventory | 458,973 |
| Total current assets | 41,360,796 |
| **Noncurrent assets** | |
| Capital assets | |
| Buildings and improvements | 17,628 |
| Vehicles and equipment | 46,143,938 |
| Computer systems | 8,176,523 |
| Furniture and office equipment | 108,300 |
| Less: accumulated depreciation | (42,196,533) |
| Total noncurrent assets (net of accum. dep.) | 12,249,856 |
| Total assets | 53,610,652 |
| **Liabilities** | |
| Current liabilities | |
| Accounts payable | 472,573 |
| Estimated claims payable | 1,501,000 |
| Total current liabilities | 1,973,573 |
| Noncurrent claims payable | 3,305,000 |
| Total liabilities | 5,278,573 |
| **Net position** | |
| Investment in capital assets | 12,249,856 |
| Unrestricted | 36,082,223 |
| Total net position | $ 48,332,079 |

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, 2022**

| | Governmental Activities Internal Service Funds |
|---|---|
| **Operating revenues** | |
| Charges for sales and service | $ 11,631,055 |
| Total operating revenue | 11,631,055 |
| **Operating expenses** | |
| Cost of sales and services | 8,932,158 |
| Administration | 59,264 |
| Depreciation | 5,458,330 |
| Total operating expenses | 14,449,752 |
| Operating income (loss) | (2,818,697) |
| **Nonoperating revenue (expenses)** | |
| Insurance recoveries | 54,863 |
| Gain on sale of assets | 367,509 |
| Loss on sale of assets | (29,631) |
| Income before contributions and transfers | (2,425,956) |
| Transfers in | 4,779,716 |
| Transfers out | (303,018) |
| Change in net position | 2,050,742 |
| Total net position - beginning | 46,281,337 |
| Total net position - ending | $ 48,332,079 |

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, 2022**

| | Governmental Activities Internal Service Funds |
|---|---|
| **Cash flows from operating activities** | |
| Cash received for interfund services provided | $ 11,816,177 |
| Cash payments for services and supplies | (8,356,005) |
| Net cash provided by operating activities | 3,460,172 |
| **Cash flows from noncapital financing activities** | |
| Transfers in from other funds | 4,779,716 |
| Transfers out to other funds | (303,018) |
| Net cash provided by non capital financing activities | 4,476,698 |
| **Cash flows from capital and related financing activities** | |
| Acquisition of property and equipment | (4,230,709) |
| Proceeds from sale of capital assets | 377,174 |
| Net cash used for capital and related financing activities | (3,798,673) |
| Net increase in cash and investments | 4,138,197 |
| Cash and Investments, January 1, 2022 | 36,530,300 |
| Cash and Investments, December 31, 2022 | $ 40,668,497 |
| **Reconciliation of operating loss to net cash provided by operating activities:** | |
| Operating income (loss) | $ (2,818,697) |
| Adjustments to reconcile operating loss to net cash provided by operating activities: | |
| Depreciation expense | 5,458,330 |
| (Increase) decrease in current assets: | |
| Accounts receivable | 185,122 |
| Inventory | 37,893 |
| Increase (decrease) in current liabilities: | |
| Accounts payable | (358,476) |
| Claims payable | 956,000 |
| Total Adjustments | 6,278,869 |
| Net cash provided by operating activities | $ 3,460,172 |

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, 2022**

| | Arapahoe County Retirement Trust | Custodial Funds |
|---|---|---|
| **Assets** | | |
| Cash and investments | $ - | $ 19,265,324 |
| Restricted escrow | - | 394,248 |
| Investments: | | |
| Money market funds | 3,058,751 | - |
| U.S. Equity securities | 102,413,410 | - |
| Real estate investments | 58,150,192 | - |
| Fixed income securities | 31,522,483 | - |
| International Equity | 73,136,121 | - |
| Private Equity | 33,859,722 | - |
| Private Credit | 30,173,602 | |
| Senior Secured Loan | 20,316,324 | - |
| Total cash and investments | 352,630,605 | 19,659,572 |
| Receivables: | | |
| Accounts receivable | - | 4,361 |
| Property taxes receivable | - | 1,086,154,566 |
| Total receivables | - | 1,086,158,927 |
| Total assets | 352,630,605 | 1,105,818,499 |
| **Liabilities** | | |
| Accounts payable | 174,618 | - |
| Due to other governments and organizations | - | 16,799,750 |
| Total liabilities | 174,618 | 16,799,750 |
| **Deferred Inflows of Resources** | | |
| Property taxes | - | 1,086,154,566 |
| Total deferred inflows of resources | - | 1,086,154,566 |
| **Net Position** | | |
| Restricted for: | | |
| Pensions | 352,455,987 | - |
| Individuals, organizations, and other governments | - | 2,864,183 |
| Total net position | $ 352,455,987 | $ 2,864,183 |

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, 2022**

| | Arapahoe County Retirement Trust | Custodial Funds |
|---|---|---|
| **Additions** | | |
| Contributions: | | |
| Employer | $ 14,083,479 | $ - |
| Plan Members | 14,054,753 | - |
| Inmate Deposits | - | 4,412,776 |
| Total Contributions | 28,138,232 | 4,412,776 |
| Investment earnings: | | |
| Net Appreciation in Fair Value of Investments | (42,479,013) | - |
| Interest and Dividends | 4,442,102 | - |
| Total Investment Income | (38,036,911) | - |
| Investment Expenses | (1,810,584) | - |
| Net Investment Income | (39,847,495) | - |
| Escheat property | - | - |
| Foreclosure escrow amounts received | - | 12,817,397 |
| Collection of taxes and fees for other governments | - | 1,558,024,655 |
| Total Additions | (11,709,263) | 1,575,254,828 |
| **Deductions** | | |
| Benefits to Plan Members | 32,068,206 | - |
| Refund of Contributions | 7,101,255 | - |
| Administrative Expenses | 620,090 | - |
| Foreclosure escrow amounts disbursed | - | 13,266,571 |
| Commissary - Sales and Services | - | 4,397,871 |
| Payments of Taxes and Fees to Other Governments and Organizations | - | 1,557,976,126 |
| Miscellaneous Disbursements | - | 216,437 |
| Total Deductions | 39,789,551 | 1,575,857,005 |
| Net Increase (Decrease) in Fiduciary Net Position | (51,498,814) | (602,177) |
| Net Position - Beginning | 403,954,801 | 3,466,360 |
| Net Position - Ending | $ 352,455,987 | $ 2,864,183 |

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

## 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.

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 Annual Comprehensive Financial Report 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 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).

**Arapahoe County 911 Authority** – The Arapahoe County 911 Authority Emergency Communications Service 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 911 Authority was formed as a separate legal entity to fund the purchase and maintenance of the 911 network for emergency communication service. The 911 Authority includes all of Arapahoe County, except for the City of Aurora. The 911 Authority covers approximately 712 square miles and serves over 288,000 citizens.

The 911 Authority is governed by Colorado statutes and the IGA. The Board of Directors for the 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 911 Authority although the 911 Authority publishes its own budget. The 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 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

Arapahoe County 911 Authority
5334 S. Prince St.
Littleton, CO 80120-1136
ace911.colorado.gov

**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. 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 rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this 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.

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 and fiduciary fund financial statements. 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 **Grants Fund** is a special revenue fund that is used to account for revenues and expenditures of programs funded by federal, state, and local grant awards.

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.

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 Custodial 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 **Custodial Funds** are custodial in nature and are used to account for assets that the County holds for others in an fiduciary capacity (e.g., taxes collected by the Clerk and Recorder for the benefit of other governments). The Public Trustee's 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, except for: 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 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.

**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 for the Grants Fund and Internal Service Funds. The costs of inventories in all other governmental funds are recorded as expenditures when purchased rather than when consumed.

In governmental funds, prepaid expenses are generally accounted for using the consumption method. Payments made to vendors for services representing costs applicable to future accounting periods are recorded as prepaid items in both the government-wide and fund financial statements.

**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:

| Assets | Years | Assets | Years |
|---|---|---|---|
| Bridges | 75 | Traffic Signals | 31 |
| 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.

**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 assets 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 are the other item that is being presented as a deferred outflow of resources; see Note 13 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 assets 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.

**Leases**

The County determines if an arrangement is a lease at inception. Leases are included in capital assets and lease liabilities in the statements of net position.

Lease assets represent the County's control of the right to use an underlying asset for the lease term, as specified in the contract, in an exchange or exchange-like transaction. Lease assets are recognized at the commencement

date based on the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs. Lease assets are amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

Lease liabilities represent the County's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the commencement date based on the present value of expected lease payments over the lease term, less any lease incentives. Interest expense is recognized ratably over the contract term. The lease term may include options to extend or terminate the lease when it is reasonably certain that the County will exercise that option.

The County has elected to recognize payments for short-term leases with a lease term of 12 months or less as expenses as incurred, and these leases are not included as lease liabilities or right-to-use lease assets on the statements of net position.

For individual lease contracts where information about the discount rate implicit in the lease is not included, the County has elected to use the incremental borrowing rate to calculate the present value of expected lease payments.

**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 17.

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.

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 | $ | 24,420,665 |
| Social Services | | 2,691,550 |
| Arapahoe Law Enforcement Authority | | 1,681,546 |
| Road & Bridge | | 3,123,617 |

### 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, 2022: Grants Fund ($141,871) and the Homeland Security Fund ($263,123). 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.

## 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 ($343,558,093) are as follows:

| | |
|---|---|
| General Obligation Bonds Payable | $ (119,385,000) |
| Less: Net Bond Discount/(Premium) | (3,503,741) |
| Lease Liability | (10,457,813) |
| Landfill - Post Closure Costs Payable | (7,572,889) |
| Compensated Absences | (20,023,893) |
| Total Long Term Debt | (160,943,336) |
| Accrued Interest Payable | (370,021) |
| Net Pension Liability | (181,684,482) |
| Social Services Advance from State | (560,254) |
| Net adjustment to reduce fund balance - total governmental funds to arrive at net position - governmental activities | $ (343,558,093) |

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 $3,367,742 are as follows:

| | |
|---|---|
| Receivables: | |
| Delinquent Property Taxes | $ 7,210 |
| Grants | 3,132,383 |
| Unavailable Revenue - Other | 228,149 |
| Net adjustment to increase total governmental funds to arrive at net position - governmental activities | $ 3,367,742 |

**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 ($7,019,689) difference are as follows:

| | |
|---|---|
| Capital Outlay | $ 33,615,598 |
| Depreciation Expense | (26,595,909) |
| Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities | $ 7,019,689 |

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 $3,367,742 difference are as follows:

| | |
|---|---|
| Earned but Unavailable Revenue: | |
| Grants | $ 3,132,383 |
| Delinquent Property Taxes | 7,210 |
| Unavailable revenue - other | 228,149 |
| Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities. | $ 3,367,742 |

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 ($3,190,431) difference are as follows:

| | |
|---|---|
| Unavailable Revenue | $ (3,190,431) |
| Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities. | $ (3,190,431) |

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 ($1,517,301) difference are as follows:

| | |
|---|---|
| Compensated Absences Expense | $ (1,007,069) |
| Pension Expense | (14,207,586) |
| Employer Contributions | 14,083,479 |
| Accrued Interest | 19,933 |
| Landfill Expense | (406,058) |
| Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities. | $ (1,517,301) |

## 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) except for the differences for the General Fund as described in Note 18.

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.

## 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 13) and discretely presented component units are as follows:

| | Primary Government | Discrete Component Units | Fiduciary Funds | Total Reporting Entity |
|---|---|---|---|---|
| Cash and Investments | $ 309,285,545 | $ 90,021,288 | $ 19,265,324 | $ 418,572,157 |
| Restricted Cash and Investments | 71,057,688 | 5,289,739 | 394,248 | 76,741,675 |
| **Total Cash and Investments** | $ 380,343,233 | $ 95,311,027 | $ 19,659,572 | $ 495,313,832 |
| Total Cash Deposits (including CD's) | | | | $ 27,692,952 |
| Total Investments | | | | 467,620,880 |
| **Total Cash Deposits and Investments** | | | | $ 495,313,832 |

Restricted Cash and Investments are recorded for the following purposes:

| | Primary Government | Discrete Component Units | Fiduciary Funds | Total Reporting Entity |
|---|---|---|---|---|
| Debt Reserves | $ - | $ 553,453 | $ - | $ 553,453 |
| Capital Projects | - | 4,736,286 | - | 4,736,286 |
| Legal/Contractual Obligations | 71,057,688 | - | - | 71,057,688 |
| Public Trustee Statutory Reserve | - | - | 394,248 | 394,248 |
| **Total Restricted Cash and Investments** | $ 71,057,688 | $ 5,289,739 | $ 394,248 | $ 76,741,675 |

### 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 more than 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, 2022, the County's carrying amount of cash deposits was $1,537,930. Of the County's bank balances totaling $17,956,951, $1,697,817 was covered by FDIC and $16,259,134 was collateralized under PDPA. The component units' carrying amounts of deposits with banks was $26,155,022 and the bank balance was $24,980,998.

**Investments**

Significant portions of cash in the discretely presented component units and the custodial 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 Custodial Funds.

**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, 2022, the County had the following investments:

| | Investment Maturities | | |
|---|---|---|---|
| **Investment Type** | **Less than 1 Year** | **1-5 Years** | **Total** |
| **Primary Government and Custodial Funds:** | | | |
| U.S. Agency Securities: | | | |
| Federal Agricultural Mortgage Corp | $ - | $ 4,810,400 | $ 4,810,400 |
| Federal Farm Credit Bank | 5,002,450 | 3,859,980 | 8,862,430 |
| Federal Home Loan Bank | 4,928,400 | 36,244,115 | 41,172,515 |
| Federal Home Loan Mortgage Corp | - | 1,885,880 | 1,885,880 |
| Federal National Mortgage Association | 9,871,500 | 27,037,610 | 36,909,110 |
| Municipal Agencies (Tennessee Valley Authority) | - | 10,181,430 | 10,181,430 |
| Local Government Investment Pools | 150,148,395 | - | 150,148,395 |
| Corporate Bonds | 5,931,650 | - | 5,931,650 |
| U.S. Treasury Obligations | 21,383,415 | 14,679,650 | 36,063,065 |
| U.S. Govt Money Market Funds | 102,500,000 | - | 102,500,000 |
| **Total Primary Government and Custodial Funds** | $ 299,765,810 | $ 98,699,065 | $ 398,464,875 |
| **Component Units:** | | | |
| Local Government Investment Pools | $ 69,156,005 | $ - | $ 69,156,005 |
| **Total Component Units** | $ 69,156,005 | $ - | $ 69,156,005 |

As of December 31, 2022, 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 like money market funds, with each share valued at $1.00.

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 regarding operations and investments. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period. As of December 31, 2022, the County, including component units, had $68,633,143 invested in COLOTRUST.

As of December 31, 2022, the County, including component units, had $5,436,872 invested in the Colorado Surplus Asset Fund Trust (CSAFE Cash). 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. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period.

As of December 31, 2022 the County, including component units, had $145,234,385, invested in the Colorado Surplus Asset Fund Trust Core fund (CSAFE Core). CSAFE Core 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 Core. Investments in the external investment pool are shown at net asset value (NAV) for financial reporting purposes. CSAFE Core is rated AAAf by Fitch. Investments of CSAFE Core are limited to those allowed by State statutes. A designated custodial bank provides the 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. There are no unfunded commitments, redemptions are limited to three redemptions per month, and there is a 24 hour notification required for redemption.

**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, 2022:

| Investment Type | S&P AAAm | S&P AAA | S&P AA+ | S&P N/A | A | Fitch AAAf | Total |
|---|---|---|---|---|---|---|---|
| **Primary Govt and Custodial Funds:** | | | | | | | |
| U.S. Agency Securities: | | | | | | | |
| Federal Agricultural Mortgage Corp | $ - | $ - | $ 4,810,400 | $ - | $ - | $ - | $ 4,810,400 |
| Federal Farm Credit Bank | - | - | 8,862,430 | - | - | - | 8,862,430 |
| Federal Home Loan Bank | - | - | 41,172,515 | - | - | - | 41,172,515 |
| Federal Home Loan Mortgage Corp | - | - | 1,885,880 | - | - | - | 1,885,880 |
| Federal National Mortgage Association | - | - | 36,909,110 | - | - | - | 36,909,110 |
| Municipal Agencies (Tennessee Valley Authority) | - | - | 10,181,430 | - | - | - | 10,181,430 |
| Local Government Investment Pools | 5,462,816 | - | - | - | - | 144,685,579 | 150,148,395 |
| Corporate Bonds | - | 4,944,050 | - | - | 987,600 | - | 5,931,650 |
| U.S. Govt Money Market Funds | 102,500,000 | - | - | - | - | - | 102,500,000 |
| U.S. Treasury Obligations | - | - | - | 36,063,065 | - | - | 36,063,065 |
| **Total Primary Govt and Custodial Funds** | $ 107,962,816 | $ 4,944,050 | $ 103,821,765 | $ 36,063,065 | $ 987,600 | $ 144,685,579 | $ 398,464,875 |
| **Component Units:** | | | | | | | |
| Local Government Investment Pools | $ 68,607,199 | $ - | $ - | $ - | $ - | $ 548,806 | $ 69,156,005 |
| **Total Component Units** | $ 68,607,199 | $ - | $ - | $ - | $ - | $ 548,806 | $ 69,156,005 |
| **Total Investments** | $ 176,570,015 | $ 4,944,050 | $ 103,821,765 | $ 36,063,065 | $ 987,600 | $ 145,234,385 | $ 467,620,880 |

### 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, 2022, 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 Farm Credit Banks | $ 8,862,430 | 6% |
| Municipal Agencies (Tennessee Valley Authority) | 10,181,430 | 7% |
| Federal National Mortgage Association | 36,909,110 | 26% |
| Federal Home Loan Bank | 41,172,515 | 29% |

As of December 31, 2022, 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 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.

**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 prices; Level 3 inputs are significant unobservable inputs. The County has the following fair value measurements as of December 31, 2022:

| Investment | 12/31/2022 | Level 1 | Level 2 |
|---|---|---|---|
| U.S. Agency Securities | $ 103,821,765 | $ 10,181,430 | $ 93,640,335 |
| U.S. Treasury Obligations | 36,063,065 | 36,063,065 | - |
| Corporate Bonds | 5,931,650 | - | 5,931,650 |
| | 145,816,480 | $ 46,244,495 | $ 99,571,985 |
| **Amortized Cost:** | | | |
| Local Government Investment Pools | 5,436,872 | | |
| Money Market Funds | 102,500,000 | | |
| | 107,936,872 | | |
| **Net Asset Value (NAV)** | | | |
| Local Government Investment Pools | 144,711,523 | | |
| | $ 398,464,875 | | |

The Component Unit investments include Local Government Investment Pools that have a fair value measurement of $68,607,199 at net asset value and $548,806 at amortized cost.

## 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, 2022, the balances are as follows:

| | Due To | Due From |
|---|---|---|
| General Fund | $ 3,015,750 | $ - |
| Non-Major Governmental Funds | - | 3,015,750 |
| **Total** | $ 3,015,750 | $ 3,015,750 |

During 2022, the County transferred monies among various funds with the principal being to support the ongoing operations of the receiving fund. The Transfers Out from General Fund is primary for $38 million that was transferred to Capital Expenditure Fund for the Detention Center medical expansion, a further $1.9 million that was transferred to the Capital Expenditure Fund for Infrastructure projects and an additional $1.35 million that was transferred to the Self-Insurance Liability Fund for increased premium Costs and the IBNR adjustment. The Grant Fund has transfer out of $38 million primarily due to $32.6 million transferred to General Fund as reimbursement of general government expenditures from ARPA funds, $2.7 million for eligible ARPA premium pay and $267,000 for employee gas stipend. The transfers between funds as of December 31, 2022 are as follows:

| | Transfers In | Transfers Out |
|---|---|---|
| General Fund | $ 39,350,459 | $ 47,314,629 |
| Social Services Fund | 501,418 | 3,515,494 |
| Open Spaces Sales Tax Fund | 663,361 | 277,430 |
| Grant Fund | - | 38,005,335 |
| Internal Service Funds | 4,779,716 | 303,018 |
| Non-Major Governmental Funds | 51,826,187 | 7,705,235 |
| **Total** | $ 97,121,141 | $ 97,121,141 |

## NOTE 6: CAPITAL ASSETS

### Primary Government

The capital asset activity for the Arapahoe County primary government as of December 31, 2022 was as follows:

| | Beginning Balance | Increases | Transfers | Decreases | Ending Balance |
|---|---|---|---|---|---|
| **Governmental Activities:** | | | | | |
| Capital Assets Not Being Depreciated: | | | | | |
| Land | $ 43,557,893 | $ 425,552 | $ - | $ - | $ 43,983,445 |
| Easements | 4,322,860 | - | - | - | 4,322,860 |
| Right of Ways | 316,926,339 | 1,147,294 | - | - | 318,073,633 |
| Water Rights | 51,616,042 | - | - | - | 51,616,042 |
| Construction in Progress | 20,613,997 | 23,123,371 | (12,424,233) | - | 31,313,135 |
| Total Capital Assets Not Being Depreciated | 437,037,131 | 24,696,217 | (12,424,233) | - | 449,309,115 |
| Capital Assets Being Depreciated: | | | | | |
| Land Improvements | 32,288,152 | 1,720,309 | 3,468,468 | - | 37,476,929 |
| Buildings | 329,805,018 | 775,834 | 5,266,594 | - | 335,847,446 |
| Furniture and Equipment | 85,274,553 | 4,997,633 | 1,452,227 | (2,711,267) | 89,013,146 |
| Infrastructure | 366,969,449 | 5,769,097 | 2,236,944 | - | 374,975,490 |
| Total Capital Assets Being Depreciated | 814,337,172 | 13,262,873 | 12,424,233 | (2,711,267) | 837,313,011 |
| Lease Assets | | | | | |
| Lease Assets - Land | 2,600,000 | - | - | - | 2,600,000 |
| Lease Assets - Building | 17,922,994 | - | - | - | 17,922,994 |
| Total Lease Assets | 20,522,994 | - | - | - | 20,522,994 |
| Less Accumulated Depreciation: | | | | | |
| Land Improvements | (11,297,837) | (1,819,698) | - | - | (13,117,535) |
| Buildings | (188,530,111) | (11,095,743) | - | - | (199,625,854) |
| Furniture and Equipment | (59,772,472) | (9,490,425) | - | 2,671,972 | (66,590,925) |
| Infrastructure | (186,452,930) | (8,841,041) | - | - | (195,293,971) |
| Lease Assets | (5,842,700) | (807,331) | - | - | (6,650,031) |
| Total Accumulated Depreciation | (451,896,050) | (32,054,238) | - | 2,671,972 | (481,278,316) |
| Total Capital Assets Being Depreciated, Net | 380,364,116 | (18,791,365) | 12,424,233 | (39,295) | 373,957,689 |
| Total Primary Government Capital Assets, Net | $ 820,001,247 | $ 5,904,852 | $ - | $ (39,295) | $ 825,866,804 |

Depreciation and amortization expense charged to functions/programs of the primary government during the year ended December 31, 2022 as follows:

| | |
|---|---|
| General Government | $ 9,441,911 |
| Public Safety | 7,380,872 |
| Judicial Services | 133,162 |
| Health and Welfare | 1,587,053 |
| Highways and Streets | 8,339,867 |
| Water and Wastewater | 3,449,990 |
| Culture and Recreation | 1,721,383 |
| Total Governmental Activities Depreciation and Amortization Expense | $ 32,054,238 |

**Discretely presented component units**

Capital asset activity for the 911 Authority for the year ended December 31, 2022 was as follows:

| | Beginning Balance | Increases | Decreases | Ending Balance |
|---|---|---|---|---|
| Capital Assets Being Depreciated: | | | | |
| Furniture and Equipment | $ 1,630,991 | $ 37,473 | $ (511,046) | $ 1,157,418 |
| Total Capital Assets Being Depreciated | 1,630,991 | 37,473 | - | 1,157,418 |
| Less Accumulated Depreciation: | | | | |
| Furniture and Equipment | (1,547,937) | (22,148) | 511,046 | (1,059,039) |
| Total Accumulated Depreciation | (1,547,937) | (22,148) | - | (1,059,039) |
| Total 911 Authority Capital Assets, Net | $ 83,054 | $ 15,325 | $ - | $ 98,379 |

Capital asset activity for the Arapahoe County Public Airport Authority for the year ended December 31, 2022 was as follows:

| | Beginning Balance | Increases | Transfers | Decreases | Ending Balance |
|---|---|---|---|---|---|
| Capital Assets Not Being Depreciated: | | | | | |
| Construction in Progress | $ 617,034 | $ 5,791,049 | $ (605,957) | $ - | $ 5,802,126 |
| Land | 21,824,163 | - | - | | 21,824,163 |
| Restrictive covenant on land | 1,000,000 | - | - | - | 1,000,000 |
| Total Capital Assets Not Being Depreciated | 23,441,197 | 5,791,049 | (605,957) | - | 28,626,289 |
| Capital Assets Being Depreciated: | | | | | |
| Site Improvements | 1,025,790 | - | - | - | 1,025,790 |
| Buildings and Improvements | 29,806,610 | 10,982 | 135,564 | (26,467) | 29,926,689 |
| Runways, Taxiways and Ramps | 64,075,027 | - | 470,393 | - | 64,545,420 |
| Furniture and Equipment | 9,823,466 | 1,231,618 | - | (278,274) | 10,776,810 |
| Total Capital Assets Being Depreciated | 104,730,893 | 1,242,600 | 605,957 | (304,741) | 106,274,709 |
| Less Accumulated Depreciation: | | | | | |
| Site Improvements | (745,382) | (26,004) | - | - | (771,386) |
| Buildings and Improvements | (16,958,790) | (667,394) | - | 19,586 | (17,606,598) |
| Runways, Taxiways and Ramps | (45,293,879) | (3,545,779) | - | - | (48,839,658) |
| Furniture and Equipment | (8,020,279) | (628,912) | - | 277,901 | (8,371,290) |
| Total Accumulated Depreciation | (71,018,330) | (4,868,089) | - | 297,487 | (75,588,932) |
| Total Capital Assets Being Depreciated, Net | 33,712,563 | (3,625,489) | 605,957 | (7,254) | 30,685,777 |
| Total Airport Authority Capital Assets, Net | $ 57,153,760 | $ 2,165,560 | $ - | $ (7,254) | $ 59,312,066 |

Capital Asset Activity for the Arapahoe County Water and Wastewater Authority for the year ended December 31, 2022 was as follows:

| | Beginning Balance | Increases | Decreases | Ending Balance |
|---|---|---|---|---|
| Capital Assets Not Being Depreciated: | | | | |
| Land | $ 2,162,149 | $ - | $ - | $ 2,162,149 |
| Water rights | 89,293,405 | 3,369,079 | - | 92,662,484 |
| Construction in progress | 34,303,427 | 3,472,514 | (7,314,329) | 30,461,612 |
| Total Capital Assets Not Being Depreciated | 125,758,981 | 6,841,593 | (7,314,329) | 125,286,245 |
| Capital Assets Being Depreciated: | | | | |
| Water system | 68,636,134 | 805,277 | (132,770) | 69,308,641 |
| Sewer system | 10,078,123 | 3,399,482 | (1,451,087) | 12,026,518 |
| Water rights | 34,238,858 | - | - | 34,238,858 |
| Building, equipment and projects | 2,283,073 | 29,568 | (44,347) | 2,268,294 |
| Total Capital Assets Being Depreciated | 115,236,188 | 4,234,327 | (1,628,204) | 117,842,311 |
| Less Accumulated Depreciation: | | | | |
| Water system | (23,327,390) | (2,039,036) | 121,089 | (25,245,337) |
| Sewer system | (7,872,609) | (324,358) | 1,068,081 | (7,128,886) |
| Water rights | (2,029,767) | (140,651) | - | (2,170,418) |
| Building, equipment and projects | (1,974,113) | (39,290) | 41,404 | (1,971,999) |
| Total Accumulated Depreciation | (35,203,879) | (2,543,335) | 1,230,574 | (36,516,640) |
| Total Capital Assets Being Depreciated, Net | 80,032,309 | 1,690,992 | (397,630) | 81,325,671 |
| Total Arapahoe County Water and Wastewater Authority Capital Assets, Net | $ 205,791,290 | $ 8,532,585 | $ (7,711,959) | $206,611,916 |

## 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, 2022, items considered unavailable to finance expenditures of the current fiscal period totaled $3,367,742.

## 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, 2022. 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 | $ 3,697,252 |
| Social Services | 204,974 |
| Open Spaces Sales Tax | 48,878,581 |
| Nonmajor Governmental | 33,680,101 |
| Total Governmental Funds | 86,460,908 |
| Central Services | 5,177,104 |
| Self-Insurance Liability Fund | 12,954 |
| Total Internal Service Funds | 5,190,058 |
| Grand Total | $ 91,650,966 |

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 2022, $1,485,082 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 2022, employees could voluntarily elect to have amounts withheld from their compensation up to age of 50 to $20,500 per year and above the age of 50 to $27,000 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.

## NOTE 10: CHANGES IN LONG-TERM LIABILITIES

Long-term liability activity for the year ended December 31, 2022 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 2012 Refunding Bonds | $ 45,875,000 | $ - | $ 2,585,000 | $ 43,290,000 | $ 2,865,000 |
| ACWWA PID 2015 Refunding Bonds | 25,085,000 | - | 135,000 | 24,950,000 | 1,380,000 |
| ACWWA PID 2019 Refunding Bonds | 51,710,000 | - | 565,000 | 51,145,000 | 595,000 |
| 2012 Series Premium | 675,112 | - | 96,409 | 578,703 | 90,737 |
| 2019 Refunding Premium | 3,162,052 | - | 237,014 | 2,925,038 | 233,002 |
| Total Bonds Payable | 126,507,164 | - | 3,618,423 | 122,888,741 | 5,163,739 |
| Notes payable - Direct Borrowings and Direct Placements | | | | | |
| ACWWA PID - 2006 | 1,359,980 | - | 1,359,980 | - | - |
| Premiums/Discounts | 5,602 | - | 5,602 | - | - |
| Total Notes Payable | 1,365,582 | - | 1,365,582 | - | - |
| Leases: | | | | | |
| Parkland Lease Purchase | 1,093,655 | - | 176,245 | 917,410 | 178,614 |
| Lima Ridge Lease Purchase | 5,585,000 | - | 595,000 | 4,990,000 | 600,000 |
| Fairgrounds Expansion Project Lease Purchase | 3,955,148 | - | 444,336 | 3,510,812 | 457,792 |
| Building Leases | 1,338,096 | - | 298,505 | 1,039,591 | 313,785 |
| Total Leases | 11,971,899 | - | 1,514,086 | 10,457,813 | 1,550,191 |
| Landfill - Post closure costs payable | 7,166,831 | 653,791 | 247,733 | 7,572,889 | 273,128 |
| Compensated absences | 19,016,823 | 16,408,701 | 15,401,631 | 20,023,893 | 1,962,781 |
| Total Long-term Liabilities | $ 166,028,299 | $ 17,062,492 | $ 8,562,357 | $ 160,943,336 | $ 8,949,839 |

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 from direct borrowings and direct placements related to governmental activities totaling $119,385,000. 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.

| Governmental Activities (Direct Borrowings and Direct Placements) | | | | |
|---|---|---|---|---|
| | Bonds | | Total | |
| | Principal | Interest | Principal | Interest |
| 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 | 5,305,000 | 3,533,175 | 5,305,000 | 3,533,175 |
| 2026 | 5,550,000 | 3,353,300 | 5,550,000 | 3,353,300 |
| 2027 | 5,810,000 | 3,159,800 | 5,810,000 | 3,159,800 |
| 2028-2032 | 33,150,000 | 12,703,938 | 33,150,000 | 12,703,938 |
| 2033-2037 | 40,980,000 | 6,605,469 | 40,980,000 | 6,605,469 |
| 2038-2039 | 18,685,000 | 846,000 | 18,685,000 | 846,000 |
| | $ 119,385,000 | $ 37,773,420 | $ 119,385,000 | $ 37,773,420 |

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, and Notes Payable:

- 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 of 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. The County has paid off the debt in 2022.

The County has no lines of credit.

## 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 $364,695 as of December 31, 2022 and amortized over the life of the new (refunding) debt. Future debt payments are as follows:

| Date | Principal | Interest | Total |
|---|---|---|---|
| 2023 | 2,865,000 | 1,240,575 | 4,105,575 |
| 2024 | 3,130,000 | 1,176,113 | 4,306,113 |
| 2025 | 3,415,000 | 1,101,775 | 4,516,775 |
| 2026 | 3,720,000 | 1,016,400 | 4,736,400 |
| 2027 | 4,060,000 | 904,800 | 4,964,800 |
| 2028-2032 | 26,100,000 | 2,472,450 | 28,572,450 |
| Total | $ 43,290,000 | $ 7,912,113 | $ 51,202,113 |

### 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 $22,751 as of December 31, 2022 and amortized over the life of the new (refunding) debt. Future debt payments are as follows:

| Date | Principal | Interest | Total |
|---|---|---|---|
| 2023 | 1,380,000 | 986,056 | 2,366,056 |
| 2024 | 1,320,000 | 917,056 | 2,237,056 |
| 2025 | 1,020,000 | 851,056 | 1,871,056 |
| 2026 | 960,000 | 800,056 | 1,760,056 |
| 2027 | 800,000 | 761,657 | 1,561,657 |
| 2028-2032 | 1,450,000 | 3,544,269 | 4,994,269 |
| 2033-2035 | 18,020,000 | 1,345,600 | 19,365,600 |
| Total | $ 24,950,000 | $ 9,205,750 | $ 34,155,750 |

**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 defeased, and the related liability for the Series 2009 A & B bonds has been removed from the County's liabilities.

The current refunding of the ACWW PID Series 2009 A & B Bonds resulted in a deferred outflow resources of $54,864 as of December 31, 2022 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 |
|---|---|---|---|
| 2023 | 595,000 | 1,640,844 | 2,235,844 |
| 2024 | 615,000 | 1,611,094 | 2,226,094 |
| 2025 | 870,000 | 1,580,344 | 2,450,344 |
| 2026 | 870,000 | 1,536,844 | 2,406,844 |
| 2027 | 950,000 | 1,493,343 | 2,443,343 |
| 2028-2032 | 5,600,000 | 6,687,219 | 12,287,219 |
| 2033-2037 | 22,960,000 | 5,259,868 | 28,219,868 |
| 2038-2039 | 18,685,000 | 846,000 | 19,531,000 |
| Total | $ 51,145,000 | $ 20,655,556 | $ 71,800,556 |

**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%. The Notes Payable is paid in full in 2022.

**Leases**

**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.

Payments including principal and interest accruing at 0.24%, are due semi-annually through November 2027.

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

| Date | Principal | Interest | Total |
|---|---|---|---|
| 2023 | 178,614 | 36,086 | 214,700 |
| 2024 | 181,016 | 28,677 | 209,693 |
| 2025 | 183,450 | 21,169 | 204,619 |
| 2026 | 185,916 | 13,559 | 199,475 |
| 2027 | 188,414 | 5,848 | 194,262 |
| Total | $ 917,410 | $ 105,339 | $ 1,022,749 |

**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.

On December 1, 2021, the 2011 Lease was amended to refinance the remaining amount at an interest rate of 1.1545% with an updated payment schedule from January 2022 through November 2030 to reflect the decreased interest costs from the previous interest rate of 4.50%. Fiscal charges of $77,520 associated with amending the lease agreement were added to the principal amount of the lease to be repaid over the remaining term of the lease agreement.

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

| Date | Principal | Interest | Total |
|---|---|---|---|
| 2023 | 600,000 | 57,610 | 657,609 |
| 2024 | 605,000 | 50,683 | 655,683 |
| 2025 | 615,000 | 43,698 | 658,698 |
| 2026 | 620,000 | 36,598 | 656,598 |
| 2027 | 625,000 | 29,440 | 654,440 |
| 2028-2030 | 1,925,000 | 44,621 | 1,969,621 |
| Total | $ 4,990,000 | $ 262,650 | $ 5,252,650 |

**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.

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 |
|---|---|---|---|
| 2023 | 457,792 | 102,108 | 559,900 |
| 2024 | 471,655 | 88,245 | 559,900 |
| 2025 | 485,937 | 73,963 | 559,900 |
| 2026 | 500,654 | 59,247 | 559,901 |
| 2027 | 515,814 | 44,086 | 559,900 |
| 2028-2029 | 1,078,960 | 40,839 | 1,119,799 |
| Total | $ 3,510,812 | $ 408,488 | $ 3,919,300 |

**Building Leases**

On March 31, 2017, the County entered into a lease agreement with City Center , LLC to lease office space within the City Center Market Place located at 15300 – 15390 Alameda Parkway and 402 – 586 S. Chambers Road, Aurora, Colorado. Monthly payments are due for the period July 2017 through June 2027.

On April 17, 2019, the County entered into a lease agreement with Limu, LLC to lease an office building located at 58 Inverness Drive East, Englewood, Colorado. Monthly payments are due for the period April 2019 through March 2024.

On July 30, 2020, the County entered into a lease agreement with the State of Colorado to lease office space within the building located at Arapahoe Community College Sturm Collaboration Campus, Castle Rock, Colorado. Quarterly payments are due for the period July 2020 through June 2024.

On October 27, 2005, the County entered into a lease agreement with Southfield Plaza, LLC, successor to the Jean Wilcox Price Living Trust to lease the office space located at 12649 East Caley Avenue, Suite 114, Centennial, Colorado. The lease was amended by Addendum I dated September 26, 2006, amended by Addendum II dated October 9, 2007, amended by Addendum III dated September 29, 2008, amended by Addendum IV dated September 30, 2009, amended by Addendum V dated July 2, 2012, amended by Addendum VI dated July 7, 2015, and amended by Addendum VII dated June 19, 2018. Monthly payments are due for the period November 2005 through October 2026.

The County's incremental borrowing rate for these leases is 1.1545% per annum.

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

| Date | Principal | Interest | Total |
|---|---|---|---|
| 2023 | 313,785 | 10,382 | 324,167 |
| 2024 | 285,733 | 6,818 | 292,551 |
| 2025 | 277,767 | 3,628 | 281,395 |
| 2026 | 162,306 | 638 | 162,944 |
| Total | $ 1,039,591 | $ 21,466 | $ 1,061,057 |

**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 2021 was $372,829 (paid in 2022) and $247,733 for 2022 (paid in 2023). When the landfill was closed in 1987, the State 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 $7,572,889 as of December 31, 2022, with $273,128 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 on the government-wide financial statements as of December 31, 2022.

## 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, 2022, is as follows:

| | Beginning Balance | Additions | Deletions | Ending Balance | Due Within One Year |
|---|---|---|---|---|---|
| Notes Payable | $ 5,803,788 | $ - | $ 768,975 | $ 5,034,813 | $ 788,200 |
| Total Long-term Liabilities | $ 5,803,788 | - | $ 768,975 | $ 5,034,813 | $ 788,200 |

**Note Payable**

In 2018, the Authority obtained a loan in the amount of $8 million 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 $914,070. The loan is secured with loan proceeds from financing a building. The outstanding balance as of December 31, 2022 is $5,034,813.

**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 |
|---|---|
| 2023 | 2,507,047 |
| 2024 | 2,580,732 |
| 2025 | 2,610,977 |
| 2026 | 2,645,082 |
| 2027 | 2,613,440 |
| Thereafter | 177,586,589 |
| | $ 190,543,867 |

Revenues under these leases amounted to $4,055,907 during 2022. Included in this amount are a percentage of revenue fees associated with these leases.

The Authority has entered into lease agreements with the FAA to lease approximately 2,100 square feet of the Authority's tower and approximately 4,050 square feet of the Authority's tower office building. The tower lease had an expiration date of July 9, 2006. The FAA did not exercise the option to purchase the tower. The 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 Authority entered into a new lease agreement with the FAA to lease approximately 4,050 square foot of the Authority's tower office building commencing on December 1, 2020. Rental income under these leases amounted to $197,431 and $197,431 during 2022 and 2021. The earning stream from these agreements 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, 2022:

| | Beginning Balance | Additions | Deletions | Ending Balance | Due Within One Year |
|---|---|---|---|---|---|
| Series 2012 Revenue Bonds | $ 1,150,000 | $ - | $ 1,150,000 | $ - | $ - |
| Series 2016 Revenue Bonds | 13,625,000 | - | 465,000 | 13,160,000 | 975,000 |
| 2016 Bond Premium | 1,494,726 | - | 125,432 | 1,369,294 | - |
| Series 2017 Revenue Bonds | 12,280,000 | - | 705,000 | 11,575,000 | 860,000 |
| 2017 Bond Premium | 899,733 | - | 75,502 | 824,231 | - |
| Series 2019 Revenue Bonds | 68,100,000 | - | 1,835,000 | 66,265,000 | 1,920,000 |
| 2019 Bond Premium | 10,510,934 | - | 586,657 | 9,924,277 | - |
| CWCB note payable | 2,500,000 | | - | 2,500,000 | - |
| Total Bonds Payable | 110,560,393 | - | 4,942,591 | 105,617,802 | 3,755,000 |
| Compensated Absences | 430,847 | 272,735 | 294,114 | 409,468 | - |
| Total Long-term Liabilities | $ 110,991,240 | $ 272,735 | $ 5,236,705 | $ 106,027,270 | $ 3,755,000 |

**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, 2021, $553,453 was held in reserves. As of December 31, 2022, there was no amount required to be held in reserve, as the bond was paid in full during the year.

**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 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 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 |
|---|---|---|---|
| 2023 | 3,755,000 | 3,752,700 | 7,507,700 |
| 2024 | 3,930,000 | 3,583,300 | 7,513,300 |
| 2025 | 4,085,000 | 3,423,950 | 7,508,950 |
| 2026 | 4,265,000 | 3,239,400 | 7,504,400 |
| 2027 | 4,465,000 | 3,046,650 | 7,511,650 |
| 2028-2032 | 25,455,000 | 12,098,350 | 37,553,350 |
| 2033-2037 | 30,850,000 | 6,620,000 | 37,470,000 |
| 2038-2039 | 14,195,000 | 859,800 | 15,054,800 |
| Total | $ 91,000,000 | $ 36,624,150 | $ 127,624,150 |

**Colorado Water Conservation Board Note Payable**

In August 2020, ACWWA entered into an agreement with the Colorado Water Conservation Board (CWCB) for a loan in the amount of $2,525,000 to be used for the Chambers Reservoir Line Rehabilitation project. The loan agreement calls for an interest rate of 1.9% payable over a period of 20 years. In 2021, ACWWA and CWCB amended this agreement and increased the amount to be drawn on loan to $4,040,000. A formal amortization schedule will be developed, and the note will begin payments upon project completion, which is expected to occur in 2023. ACWWA has drawn $2,500,000 of the loan proceeds, which is included in long-term notes payable at December 31, 2022.

## NOTE 12: 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, 2022. 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, 2022 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 administrating 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, 2022 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 claim's liabilities:

| | Liability | Worker's Comp | Dental | Total |
|---|---|---|---|---|
| Unpaid Claims, January 1, 2021 | $ 600,000 | $ 1,400,000 | $ 72,000 | $ 2,072,000 |
| Incurred Claims (including IBNR) | 2,251,309 | 1,557,123 | 1,351,434 | 5,159,866 |
| Claim Payments | (1,291,309) | (737,123) | (1,353,434) | (3,381,866) |
| Unpaid Claims, December 31, 2021 | 1,560,000 | 2,220,000 | 70,000 | 3,850,000 |
| Incurred Claims (including IBNR) | 1,641,435 | 1,237,630 | 1,523,884 | 4,402,949 |
| Claim Payments | (431,435) | (1,507,630) | (1,507,884) | (3,446,949) |
| Unpaid Claims, December 31, 2022 | $ 2,770,000 | $ 1,950,000 | $ 86,000 | $ 4,806,000 |
| Claims Expected to be Paid in 2023 | $ 830,000 | $ 585,000 | $ 86,000 | $ 1,501,000 |
| Claims Expected to be Paid after 2023 | 1,940,000 | 1,365,000 | - | 3,305,000 |
| Unpaid Claims, December 31, 2022 | $ 2,770,000 | $ 1,950,000 | $ 86,000 | $ 4,806,000 |

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 13: 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% |

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 fair 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.

**Employees Covered by Benefit Terms**

At December 31, 2022, the following employees were covered by the benefit terms:

| | |
|---|---|
| Retirees and beneficiaries | 1,189 |
| Inactive, Nonretired members | 417 |
| Active employees | 2,285 |
| | 3,891 |

**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, 2021, the contribution rate for employee/employer contributions was 9%. Pension liabilities are generally liquidated through the same funds where the payroll expenditures are recorded. Funds with contributions during 2021 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 2022, the County made contributions totaling $14,083,479.

**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, 2022 was measured as of December 31, 2021. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of January 1, 2022. The County has used Retirement Trust Fund in prior years to liquidate pension liabilities.

**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: 3.25% 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, 2022 (used to determine 2022 Actuarial Determined Contribution).

**Single Discount Rate**

A Single discount rate of 7.25% 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 4.75% and an inflation rate of 2.50%. 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.

**Investments**

All investment information disclosed in the Plan's financial statements, including investments held at December 31, 2022 and net appreciation in fair value of investments, interest, dividends for the years ended December 31, 2022, 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.

| | December 31, 2022 |
|---|---|
| Total Investments | $ 352,630,605 |
| Net Appreciation (Depreciation) in Fair Value of Investments | (42,479,013) |
| Interest and Dividend Income | 4,442,102 |

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 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, 2022, the Plan held the following fixed income investments:

| | December 31, 2022 |
|---|---|
| Western Core Plus Asset Management | |
| Core Plus Bond Fund - IS Shares | |
| Balance | $ 15,826,199 |
| Modified Duration (in Years) | 6.9 |
| JP Morgan | |
| Core Bond Fund | |
| Balance | $ 15,696,284 |
| Modified Duration (in Years) | 5.9 |

Investments in money market funds in the Operating Account of $3,058,751 at December 31, 2022 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.

The following is a summary of the Plan's fixed income investments on December 31, 2022, with average credit ratings based on Standard & Poor's rating scale:

| | December 31, 2022 |
|---|---|
| Western Core Asset Management | |
| Core Plus Bond Fund - IS Shares | |
| Fair Value | $ 15,826,199 |
| Average Rating of Underlying Investments | A |
| JP Morgan | |
| Core Bond Fund | |
| Fair Value | $ 15,696,284 |
| Average Rating of Underlying Investments | AA |
| US Bank Money Market | |
| Fair Value | $ 3,058,751 |
| 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, 2022:

| | 2022 |
|---|---|
| Vanguard Institutional Index | $ 88,219,438 |
| CBRE | 39,818,522 |
| Vanguard Total International Stock Index Fund | 29,957,863 |
| Dodge & Cox Global Stock Fund | 22,323,520 |
| New Perspective Fund/Euro-Pacific Growth Funds | 20,854,738 |
| Bain Senior Loan FD | 20,316,324 |

***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 allocation as of January 1, 2023, recent best estimates as supplied by the investment consultant are summarized in the following table:

| Asset Class | Target Allocation | Long-Term Expected Real Rate of Return |
|---|---|---|
| Developed Markets Equity | 46.50% | 6.05% |
| Private Equity - Real Estate | 10.00% | 3.67% |
| Value-Add Private Equity - Real Estate | 5.00% | 6.49% |
| Fixed Rate Debt - Investment Grade | 10.00% | -0.44% |
| Private Credit | 10.00% | 4.27% |
| Floating Rate Debt - Public | 5.00% | 0.79% |
| Private Equity | 10.00% | 7.79% |
| Emerging Markets Equity | 3.50% | 7.67% |
| | 100.00% | |

**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 7.25%, 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 (6.25%) or one percentage point higher (8.25%) than the current rate:

| | 1% Decrease 6.25% | Current Discount 7.25% | 1% Increase 8.25% |
|---|---|---|---|
| Net pension liability | $ 249,760,477 | $ 181,684,482 | $ 125,389,336 |

**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.

**Changes in Net Pension Liability**

| | Increase (Decrease) | | |
|---|---|---|---|
| | Total Pension Liability (a) | Plan Fiduciary Net Position (b) | Net Pension Liability (a) - (b) |
| Balances at December 31, 2021 | $ 556,258,114 | $ 348,603,594 | $ 207,654,520 |
| Changes for the year: | | | |
| Service cost | 15,698,725 | - | 15,698,725 |
| Interest on total pension liability | 39,614,882 | - | 39,614,882 |
| Changes on benefit terms | - | - | - |
| Difference between expected and actual experience of the Total Pension Liability | 9,458,193 | - | 9,458,193 |
| Changes of assumptions | - | - | - |
| Benefit payments, including refunds of employee contributions | (35,390,631) | (35,390,631) | - |
| Employer contributions | - | 13,341,693 | (13,341,693) |
| Member contributions | - | 13,323,865 | (13,323,865) |
| Net investment income | - | 64,556,357 | (64,556,357) |
| Administrative expenses | - | (480,077) | 480,077 |
| Net changes | 29,381,169 | 55,351,207 | (25,970,038) |
| Balances at December 31, 2022 | $ 585,639,283 | $ 403,954,801 | $ 181,684,482 |

For the year ended December 31, 2022, the County recognized pension expense of $14,207,586. At December 31, 2022, the County reported deferred outflows and inflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Difference between expected and actual experience | $ 10,943,916 | $ - |
| Changes in assumptions | 31,330,110 | 49,424,520 |
| Net difference between projected and actual earnings on pension plan investments | - | 41,389,990 |
| Contributions made subsequent to measurement date | 14,083,479 | - |
| Total | $ 56,357,505 | $ 90,814,510 |

The $14,083,479 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, 2023. 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 |
|---|---|
| 2023 | (2,529,905) |
| 2024 | (25,496,115) |
| 2025 | (15,229,860) |
| 2026 | (5,855,863) |
| 2027 | 571,259 |
| | $ (48,540,484) |

## NOTE 14: 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 15: 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 911 Authority.

Additionally, the Employee Flexible Benefit Fund, Self-Insurance Dental Plan, Conservation Trust Fund, Retirement Trust Fund, and the Treasurer's Custodial 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. For 2022, the mill levy was 11.762 due to refund/abatement, TABOR refund, and a temporary tax credit.

The Law Enforcement Authority levied 4.982 mills and the Recreation District levied 0.640 mills in 2022.

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. Based upon Arapahoe County's interpretation of the above Amendment, the County believes it falls within the TABOR limits for 2022.

## NOTE 16: 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, 2022, the aggregate principal amount payable for the bonds is $41,363,394.

## NOTE 17: 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 | Grants | Open Spaces Sales Tax | Other Governmental | Total |
| **Fund Balances** | | | | | | |
| **Nonspendable:** | | | | | | |
| Inventory | $ - | $ - | $ 135,246 | $ - | $ - | $ 135,246 |
| Prepaid expenditures | 978,169 | 70,934 | 136,641 | 5,490 | - | 1,191,234 |
| **Total Nonspendable** | 978,169 | 70,934 | 271,887 | 5,490 | - | 1,326,480 |
| **Restricted for:** | | | | | | |
| Emergencies (TABOR) | 7,615,631 | - | - | - | 588,431 | 8,204,062 |
| Parks, Recreation & Open Space | - | - | - | - | 2,266,826 | 2,266,826 |
| Park Development | - | - | - | - | 1,268,524 | 1,268,524 |
| Law Enforcement | - | - | - | - | 7,315,667 | 7,315,667 |
| Electronic Filing Technology | - | - | - | - | 160,042 | 160,042 |
| Transportation Projects | - | - | - | - | 4,915,228 | 4,915,228 |
| Open Space, Parks and Trails | - | - | - | 56,149,282 | - | 56,149,282 |
| **Total Restricted** | 7,615,631 | - | - | 56,149,282 | 16,514,718 | 80,279,631 |
| **Committed to:** | | | | | | |
| Emergencies | - | - | - | - | 603,465 | 603,465 |
| Capital Projects/Replacements | - | - | - | - | 47,019,834 | 47,019,834 |
| Highways & Streets | - | - | - | - | 23,235,501 | 23,235,501 |
| Law Enforcement | - | - | - | - | 1,715,403 | 1,715,403 |
| Parks, Recreation & Open Space | - | - | - | - | 102,791 | 102,791 |
| Radio Telecommunication | - | - | - | - | 144,943 | 144,943 |
| Water Projects | - | - | - | - | 2,765,842 | 2,765,842 |
| **Total Committed** | - | - | - | - | 75,587,779 | 75,587,779 |
| **Assigned to:** | | | | | | |
| Contracted Services | 1,582,338 | - | - | - | - | 1,582,338 |
| Parks and Recreation | 94,655 | - | - | - | 1,862,048 | 1,956,703 |
| Debt Service | - | - | - | - | 924,117 | 924,117 |
| Health and Welfare Programs | - | 11,147,010 | 45,287 | - | 689,237 | 11,881,534 |
| Information Technology Projects | 279,827 | - | - | - | - | 279,827 |
| Law Enforcement | 862,402 | - | - | - | - | 862,402 |
| Public Works Projects | 874,798 | - | - | - | - | 874,798 |
| Recording | 3,232 | - | - | - | - | 3,232 |
| Subsequent Year Expenditures | 217,274 | 151,267 | - | - | 2,438,196 | 2,806,737 |
| **Total Assigned** | 3,914,526 | 11,298,277 | 45,287 | - | 5,913,598 | 21,171,688 |
| **Unassigned** | 62,807,492 | - | (459,045) | - | (263,123) | 62,085,324 |
| **Total Fund Balance** | $ 75,315,818 | $ 11,369,211 | $ (141,871) | $ 56,154,772 | $ 97,752,972 | $ 240,450,902 |

**NOTE 18: 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, 2022.

| | |
|---|---|
| **Revenues** | |
| Actual amounts "revenues" from the General Fund budgetary comparison schedule | $ 207,654,306 |
| Adjustments: | |
| The County reports revenues 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. | - |
| Total General Fund revenues as reported in the Statement of Revenues, Expenditures, and Changes in Fund Balance | $ 207,654,306 |
| **Expenditures** | |
| Actual amounts "expenditures" from the General Fund budgetary comparison schedule | $ 206,551,825 |
| 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. | 2,292,947 |
| Total General Fund expenditures as reported in the Statement of Revenues, Expenditures, and Changes in Fund Balance | $ 208,844,772 |
| **Other financing sources (uses)** | |
| Actual amounts "other financing sources (uses)" from the General Fund budgetary comparison schedule | $ (10,642,170) |
| Adjustments: | |
| The County reports revenues and 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. | 2,678,000 |
| Total General Fund other financing sources (uses) as reported in the Statement of Revenues, Expenditures, and Changes in Fund Balance | $ (7,964,170) |

## NOTE 19: TAX ABATEMENTS

Arapahoe County enters 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, 2022, the County abated personal property taxes totaling $629,323 under this program, including the following agreements that each exceeded 10 percent of the total amount abated:

- Company A: A 100 percent rebate of the personal property taxes paid to the County, for 10 years beginning with the 2018 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 Company A during fiscal year 2022 totaled $171,452.
- Company B: A 100 percent rebate of the personal property taxes paid to the County, for 5 years beginning with the 2018 tax year, for an expansion which constitutes a new businesses facility located in Greenwood Village, CO. Also, a 100 percent rebate of the personal property taxes paid to the County, for 5 years beginning with the 2018 tax year, for a new business facility located in Greenwood Village, CO. In addition, a 100 percent rebate of the personal property taxes paid to the County, for 5 years beginning with the 2019 tax year, for a new business facility located in Greenwood Village, CO. The only provision for recapturing the abated taxes is in the event of a default. The rebated amount to Company B for all agreements during fiscal year 2022 totaled $446,613.

**Arapahoe County, Colorado**
**Schedule of Changes in the Net Pension Liability and Related Ratios**
**Required Supplementary Information**
**Fiscal Years 2013 - 2022**

| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
|---|---|---|---|---|---|---|---|---|---|---|
| Measurement Date | 1/1/2022 | 1/1/2021 | 1/1/2020 | 1/1/2019 | 1/1/2018 | 1/1/2017 | 1/1/2016 | 1/1/2015 | | |
| Total pension liability | | | | | | | | | | |
| Service cost | $ 15,698,725 | $ 15,402,103 | $ 19,176,282 | $ 13,374,426 | $ 11,895,316 | $ 11,551,817 | $ 10,966,993 | $ 10,186,256 | $ - | $ - |
| Interest | 39,614,882 | 38,107,210 | 34,299,146 | 34,381,543 | 32,588,637 | 31,505,044 | 29,854,357 | 27,803,874 | - | - |
| Effect of plan changes | - | | - | - | - | - | - | - | - | - |
| Effect of changes of experience | 9,458,193 | 500,023 | 1,173,265 | 9,440,968 | 578,291 | (2,292,612) | 6,279,309 | 3,758,718 | - | - |
| Effect of changes of assumptions | - | 3,456,246 | (111,802,963) | 108,378,573 | 22,230,845 | - | - | 8,605,204 | - | - |
| Benefit payments | (29,561,506) | (28,439,622) | (26,890,753) | (25,146,993) | (23,818,183) | (22,421,338) | (21,311,701) | (19,218,734) | - | - |
| Refunds | (5,829,125) | (2,894,103) | (4,341,376) | (4,060,659) | (3,613,409) | (3,123,281) | (3,911,473) | (2,367,372) | - | - |
| Net change in pension liability | 29,381,169 | 26,131,857 | (88,386,399) | 136,367,858 | 39,861,497 | 15,219,630 | 21,877,485 | 28,767,946 | - | - |
| Total pension liability-beginning | 556,258,114 | 530,126,257 | 618,512,656 | 482,144,798 | 442,283,301 | 427,063,671 | 405,186,186 | 376,418,240 | - | - |
| Total pension liability-ending (a) | $ 585,639,283 | $ 556,258,114 | $ 530,126,257 | $ 618,512,656 | $ 482,144,798 | $ 442,283,301 | $ 427,063,671 | $ 405,186,186 | $ - | $ - |
| Plan fiduciary net position | | | | | | | | | | |
| Employer contributions | $ 13,341,693 | $ 12,642,439 | $ 11,669,706 | $ 10,442,318 | $ 9,660,642 | $ 9,298,210 | $ 8,749,813 | $ 8,451,497 | $ - | $ - |
| Member contributions | 13,323,865 | 12,628,547 | 11,645,850 | 10,436,036 | 9,670,411 | 9,288,083 | 8,738,077 | 8,444,077 | | |
| Net investment income | 64,556,357 | 33,392,944 | 46,120,308 | (12,287,634) | 35,237,379 | 20,473,577 | (2,242,209) | 18,236,018 | - | - |
| Benefit payments | (29,561,506) | (28,439,622) | (26,890,753) | (25,146,993) | (23,818,184) | (22,421,338) | (21,311,701) | (19,218,734) | - | - |
| Refunds | (5,829,125) | (2,894,103) | (4,341,376) | (4,060,659) | (3,613,409) | (3,123,281) | (3,911,473) | (2,367,372) | | |
| Administrative expense | (480,077) | (478,314) | (500,288) | (393,580) | (373,368) | (396,050) | (334,662) | (493,482) | - | - |
| Net change in plan fiduciary net position | 55,351,207 | 26,851,891 | 37,703,447 | (21,010,512) | 26,763,471 | 13,119,201 | (10,312,155) | 13,052,004 | - | - |
| Plan fiduciary net position-beginning | 348,603,594 | 321,751,703 | 284,048,256 | 305,058,768 | 278,295,297 | 265,176,096 | 275,488,251 | 262,436,247 | - | - |
| Plan fiduciary net position-ending (b) | $ 403,954,801 | $ 348,603,594 | $ 321,751,703 | $ 284,048,256 | $ 305,058,768 | $ 278,295,297 | $ 265,176,096 | $ 275,488,251 | $ - | $ - |
| Net pension liability-ending (a)-(b) | $ 181,684,482 | $ 207,654,520 | $ 208,374,554 | $ 334,464,400 | $ 177,086,030 | $ 163,988,004 | $ 161,887,575 | $ 129,697,935 | $ - | $ - |
| Plan fiduciary net position as a percentage of the total pension liability | 68.98% | 62.67% | 60.69% | 45.92% | 63.27% | 62.92% | 62.09% | 67.99% | - | - |
| Covered payroll | $ 148,042,944 | $ 144,326,251 | $ 137,010,000 | $ 126,497,406 | $ 121,286,909 | $ 116,636,709 | $ 109,225,963 | $ 105,550,963 | - | - |
| Net pension liability as a percentage of covered payroll | 122.72% | 143.88% | 152.09% | 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**
**2013 - 2022**

| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
|---|---|---|---|---|---|---|---|---|---|---|
| Actuarially determined contribution | $ 19,016,458 | $ 18,483,326 | $ 18,027,937 | $ 17,545,850 | $ 16,096,665 | $ 13,238,956 | $ 13,283,879 | $ 12,267,139 | $ 10,875,990 | $ 13,572,119 |
| Contributions in relation to the actuarially determined contribution | 14,083,479 | 13,341,693 | 12,642,439 | 11,669,706 | 10,442,318 | 9,660,642 | 9,298,210 | 8,749,814 | 8,451,497 | 7,723,973 |
| Contribution deficiency (excess) | $ 4,932,979 | $ 5,141,633 | $ 5,385,498 | $ 5,876,144 | $ 5,654,347 | $ 3,578,314 | $ 3,985,669 | $ 3,517,325 | $ 2,424,493 | $ 5,848,146 |
| Covered payroll | $ 156,163,923 | $ 148,042,944 | $ 144,326,251 | $ 137,010,000 | $ 126,497,406 | $ 121,286,909 | $ 116,636,709 | $ 109,225,963 | $ 105,550,963 | $ 102,793,733 |
| Contributions as a percentage of covered payroll | 9.02% | 9.01% | 8.76% | 8.52% | 8.25% | 7.97% | 7.97% | 8.01% | 8.01% | 7.51% |

**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: 3.25% to 6.75% |
| Investment rate of return | 7.25% |
| Retirement age | Age-based with consideration for eligibility for special early retirement |
| Mortality | Healthy: 65/35 blend of Combined RP-2014 Tables adjusted backward to 2006 with MP-2014 White Collar and Blue Collar Adjustment; projected with Scale MP-2016<br>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, 2022**

| | Special Revenue | Capital Projects | Debt Service | Total |
|---|---|---|---|---|
| **Assets** | | | | |
| Cash and investments | $ 19,960,143 | $ 79,703,460 | $ 924,117 | $ 100,587,720 |
| Accounts receivable | 5,921,478 | 4,748,758 | - | 10,670,236 |
| Taxes receivable, net | 27,843,345 | 15,359,520 | - | 43,202,865 |
| Total assets | $ 53,724,966 | $ 99,811,738 | $ 924,117 | $ 154,460,821 |
| **Liabilities** | | | | |
| Accounts payable | $ 1,385,732 | $ 4,432,845 | $ - | $ 5,818,577 |
| Accrued expenditures | 1,342,694 | 31,647 | - | 1,374,341 |
| Due to other funds | 3,015,750 | - | - | 3,015,750 |
| Unearned revenue - other | 276,276 | - | - | 276,276 |
| Total liabilities | 6,020,448 | 4,464,492 | - | 10,484,944 |
| **Deferred inflows of resources** | | | | |
| Deferred property tax revenue | 27,843,345 | 15,359,520 | - | 43,202,865 |
| Unavailable revenue-grants | 663,790 | 2,356,250 | - | 3,020,040 |
| Total deferred inflows of resources | 28,507,135 | 17,715,770 | - | 46,222,905 |
| **Fund balances (deficits)** | | | | |
| Restricted | 16,204,663 | 310,055 | - | 16,514,718 |
| Committed | 2,566,602 | 73,021,177 | - | 75,587,779 |
| Assigned | 689,237 | 4,300,244 | 924,117 | 5,913,598 |
| Unassigned | (263,123) | - | - | (263,123) |
| Total fund balances (deficits) | 19,197,379 | 77,631,476 | 924,117 | 97,752,972 |
| Total liabilities, deferred inflows of resources and fund balance | $ 53,724,966 | $ 99,811,738 | $ 924,117 | $ 154,460,821 |

**Arapahoe County, Colorado**
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balance**
**Nonmajor Governmental Funds**
**For the Year Ended December 31, 2022**

| | Special Revenue | Capital Projects | Debt Service | Total |
|---|---|---|---|---|
| **Revenues** | | | | |
| Taxes | | | | |
| Property taxes | $ 27,694,599 | $ 15,411,514 | $ - | $ 43,106,113 |
| Other taxes | 3,186,180 | 931,726 | - | 4,117,906 |
| Licenses and permits | 361,673 | 584,677 | - | 946,350 |
| Intergovernmental | 25,072,421 | 10,114,252 | - | 35,186,673 |
| Charges for services | 2,588,610 | 45,008 | - | 2,633,618 |
| Fines and forfeitures | 329,405 | - | - | 329,405 |
| Investment earnings | 213,438 | 200,925 | 109,924 | 524,287 |
| Developer contributions | - | 1,485,082 | - | 1,485,082 |
| Miscellaneous | 2,522,175 | 6,002 | - | 2,528,177 |
| Total revenue | 61,968,501 | 28,779,186 | 109,924 | 90,857,611 |
| **Expenditures** | | | | |
| **Current** | | | | |
| General government | 449,580 | 3,745 | - | 453,325 |
| Public safety | 12,398,912 | 13,605 | - | 12,412,517 |
| Health and welfare | 29,781,205 | - | - | 29,781,205 |
| Highways and streets | 18,101,238 | 2,046,534 | - | 20,147,772 |
| Water and wastewater | - | 114,679 | - | 114,679 |
| Airport | - | - | 1,611,898 | 1,611,898 |
| Culture and recreation | 876,020 | 1,027,126 | - | 1,903,146 |
| Total current | 61,606,955 | 3,205,689 | 1,611,898 | 66,424,542 |
| **Capital** | | | | |
| General government | 161,574 | 2,749,360 | - | 2,910,934 |
| Public safety | - | 1,105,122 | - | 1,105,122 |
| Judicial services | - | 1,687,794 | - | 1,687,794 |
| Health and welfare | - | 54,192 | - | 54,192 |
| Highways and streets | - | 16,651,768 | - | 16,651,768 |
| Total capital | 161,574 | 22,248,236 | - | 22,409,810 |
| **Debt** | | | | |
| Principal | - | 4,644,981 | 1,215,581 | 5,860,562 |
| Interest | - | 4,000,145 | 179,696 | 4,179,841 |
| Debt administration fees | - | 1,200 | - | 1,200 |
| Total debt service | - | 8,646,326 | 1,395,277 | 10,041,603 |
| Total expenditures | 61,768,529 | 34,100,251 | 3,007,175 | 98,875,955 |
| Excess (deficiency) of revenues over (under) expenditures | 199,972 | (5,321,065) | (2,897,251) | (8,018,344) |
| **Other financing sources (uses)** | | | | |
| Transfers in | 954,255 | 49,459,173 | 1,412,759 | 51,826,187 |
| Transfers out | (1,914,322) | (5,790,913) | - | (7,705,235) |
| Total other financing sources (uses) | (960,067) | 43,668,260 | 1,412,759 | 44,120,952 |
| Net change in fund balance | (760,095) | 38,347,195 | (1,484,492) | 36,102,608 |
| Fund balance - beginning | 19,957,474 | 39,284,281 | 2,408,609 | 61,650,364 |
| Fund balance - ending | $ 19,197,379 | $ 77,631,476 | $ 924,117 | $ 97,752,972 |

## 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.

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**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 are 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.

**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.

**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, 2022**

| | Nonmajor Special Revenue | | | |
|---|---|---|---|---|
| | Electronic Filing | Cash-In-Lieu | Law Enforc. Authority | Arapahoe/Doug. Works! |
| **Assets** | | | | |
| Cash and investments | $ 239,111 | $ 1,268,524 | $ 7,961,818 | $ - |
| Accounts receivable | - | - | 10,328 | 4,625,852 |
| Taxes receivable, net | - | - | 9,011,956 | - |
| Total assets | $ 239,111 | $ 1,268,524 | $ 16,984,102 | $ 4,625,852 |
| **Liabilities** | | | | |
| Accounts payable | $ 79,069 | $ - | $ 19,168 | $ 530,948 |
| Accrued expenditures | - | - | 488,938 | 492,794 |
| Due to other funds | - | - | - | 2,824,414 |
| Unearned revenue - other | - | - | - | 9,808 |
| Total liabilities | 79,069 | - | 508,106 | 3,857,964 |
| **Deferred inflows of resources** | | | | |
| Deferred property tax revenue | - | - | 9,011,956 | - |
| Unavailable revenue-grants | - | - | - | 324,349 |
| Total deferred inflows of resources | - | - | 9,011,956 | 324,349 |
| **Fund balances (deficits)** | | | | |
| Restricted | 160,042 | 1,268,524 | 7,464,040 | - |
| Committed | - | - | - | - |
| Assigned | - | - | - | 443,539 |
| Unassigned | - | - | - | - |
| Total fund balances (deficits) | 160,042 | 1,268,524 | 7,464,040 | 443,539 |
| Total liabilities, deferred inflows of resources and fund balance | $ 239,111 | $ 1,268,524 | $ 16,984,102 | $ 4,625,852 |

**Arapahoe County, Colorado**
**Combining Balance Sheet**
**Nonmajor Special Revenue (continued)**
**December 31, 2022**

| Nonmajor Special Revenue | | | | | |
|---|---|---|---|---|---|
| Road and Bridge | Conservation Trust | Contingent | Comm. Network Replacement | | |
| | | | | **Assets** | |
| $ 4,966,175 | $ 2,266,826 | $ 603,465 | $ 144,943 | Cash and investments | |
| 579,362 | - | - | - | Accounts receivable | |
| 5,775,222 | - | - | - | Taxes receivable, net | |
| $ 11,320,759 | $ 2,266,826 | $ 603,465 | $ 144,943 | Total assets | |
| | | | | **Liabilities** | |
| $ 374,697 | $ - | $ - | $ - | Accounts payable | |
| 255,612 | - | - | - | Accrued expenditures | |
| - | - | - | - | Due to other funds | |
| - | - | - | - | Unearned revenue - other | |
| 630,309 | - | - | - | Total liabilities | |
| | | | | **Deferred inflows of resources** | |
| 5,775,222 | - | - | - | Deferred property tax revenue | |
| - | - | - | - | Unavailable revenue-grants | |
| 5,775,222 | - | - | - | Total deferred inflows of resources | |
| | | | | **Fund balances (deficits)** | |
| 4,915,228 | 2,266,826 | - | - | Restricted | |
| - | - | 603,465 | 144,943 | Committed | |
| - | - | - | - | Assigned | |
| - | - | - | - | Unassigned | |
| 4,915,228 | 2,266,826 | 603,465 | 144,943 | Total fund balances (deficits) | |
| $ 11,320,759 | $ 2,266,826 | $ 603,465 | $ 144,943 | Total liabilities, deferred inflows of resources and fund balance | |

**Arapahoe County, Colorado**
**Combining Balance Sheet**
**Nonmajor Special Revenue (continued)**
**December 31, 2022**

| | Nonmajor Special Revenue | | | |
|---|---|---|---|---|
| | Sheriff's Commissary | Community Development | Forfeited Property | Developmental Disabilities |
| **Assets** | | | | |
| Cash and investments | $ 1,771,555 | $ 492,161 | $ 130,003 | $ - |
| Accounts receivable | - | 371,448 | - | 1,108 |
| Taxes receivable, net | - | - | - | 13,056,167 |
| Total assets | $ 1,771,555 | $ 863,609 | $ 130,003 | $ 13,057,275 |
| **Liabilities** | | | | |
| Accounts payable | $ 24,206 | $ 284,664 | $ - | $ - |
| Accrued expenditures | 31,946 | 61,320 | - | - |
| Due to other funds | - | - | - | 1,108 |
| Unearned revenue - other | - | 265,866 | - | - |
| Total liabilities | 56,152 | 611,850 | - | 1,108 |
| **Deferred inflows of resources** | | | | |
| Deferred property tax revenue | - | - | - | 13,056,167 |
| Unavailable revenue-grants | - | 6,061 | - | - |
| Total deferred inflows of resources | - | 6,061 | - | 13,056,167 |
| **Fund balances (deficits)** | | | | |
| Restricted | - | - | 130,003 | - |
| Committed | 1,715,403 | - | - | - |
| Assigned | - | 245,698 | - | - |
| Unassigned | - | - | - | - |
| Total fund balances (deficits) | 1,715,403 | 245,698 | 130,003 | - |
| Total liabilities, deferred inflows of resources and fund balance | $ 1,771,555 | $ 863,609 | $ 130,003 | $ 13,057,275 |

**Arapahoe County, Colorado**
**Combining Balance Sheet**
**Nonmajor Special Revenue (continued)**
**December 31, 2022**

| Nonmajor Special Revenue | | | | |
|---|---|---|---|---|
| Homeland Security Grant | Fair | Total | | |
| | | | **Assets** | |
| $ - | $ 115,562 | $ 19,960,143 | Cash and investments | |
| 333,380 | - | 5,921,478 | Accounts receivable | |
| - | - | 27,843,345 | Taxes receivable, net | |
| $ 333,380 | $ 115,562 | $ 53,724,966 | Total assets | |
| | | | **Liabilities** | |
| $ 60,209 | $ 12,771 | $ 1,385,732 | Accounts payable | |
| 12,084 | - | 1,342,694 | Accrued expenditures | |
| 190,228 | - | 3,015,750 | Due to other funds | |
| 602 | - | 276,276 | Unearned revenue - other | |
| 263,123 | 12,771 | 6,020,452 | Total liabilities | |
| | | | **Deferred inflows of resources** | |
| - | - | 27,843,345 | Deferred property tax revenue | |
| 333,380 | - | 663,790 | Unavailable revenue-grants | |
| 333,380 | - | 28,507,135 | Total deferred inflows of resources | |
| | | | **Fund balances (deficits)** | |
| - | - | 16,204,663 | Restricted | |
| - | 102,791 | 2,566,602 | Committed | |
| - | - | 689,237 | Assigned | |
| (263,123) | - | (263,123) | Unassigned | |
| (263,123) | 102,791 | 19,197,379 | Total fund balances (deficits) | |
| | | | Total liabilities, deferred inflows of resources and fund balance | |
| $ 333,380 | $ 115,561 | $ 53,724,966 | | |

**Arapahoe County, Colorado**
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balance**
**Nonmajor Special Revenue Funds**
**For the Year Ended December 31, 2022**

| | Nonmajor Special Revenue | | | |
|---|---|---|---|---|
| | Electronic Filing | Cash-In-Lieu | Law Enforc. Authority | Arapahoe/Doug. Works! |
| **Revenues** | | | | |
| Taxes | | | | |
| Property taxes | $ - | $ - | $ 8,837,768 | $ - |
| Other taxes | - | - | 562,264 | - |
| Licenses and permits | - | - | - | - |
| Intergovernmental | - | - | 29,611 | 12,206,218 |
| Charges for services | 116,547 | 88,411 | 218,461 | - |
| Fines and forfeitures | - | - | 232,820 | - |
| Investment earnings | - | - | 179,423 | - |
| Miscellaneous | - | - | - | 2,215,241 |
| Total revenue | 116,547 | 88,411 | 10,060,347 | 14,421,459 |
| **Expenditures** | | | | |
| **Current** | | | | |
| General government | 398,993 | - | - | - |
| Public safety | - | - | 10,150,432 | - |
| Health and welfare | - | - | - | 14,771,289 |
| Highways and streets | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Total current | 398,993 | - | 10,150,432 | 14,771,289 |
| **Capital** | | | | |
| General government | - | - | - | - |
| Total capital | - | - | - | - |
| Total expenditures | 398,993 | - | 10,150,432 | 14,771,289 |
| Excess (deficiency) of revenues over (under) expenditures | (282,446) | 88,411 | (90,085) | (349,830) |
| **Other financing sources (uses)** | | | | |
| Transfers in | - | - | 236,203 | - |
| Transfers out | - | (651,000) | (62,154) | (1,000) |
| Total other financing sources (uses) | - | (651,000) | 174,049 | (1,000) |
| Net change in fund balance | (282,446) | (562,589) | 83,964 | (350,830) |
| Fund balance - beginning | 442,488 | 1,831,113 | 7,380,076 | 794,369 |
| Fund balance - ending | $ 160,042 | $ 1,268,524 | $ 7,464,040 | $ 443,539 |

**Arapahoe County, Colorado**
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balance**
**Nonmajor Special Revenue Funds (continued)**
**For the Year Ended December 31, 2022**

| Nonmajor Special Revenue | | | | |
|---|---|---|---|---|
| Road and Bridge | Conservation Trust | Contingent | Comm. Network Replacement | |
| | | | | **Revenues** |
| $ 5,805,345 | $ - | $ - | $ - | Taxes<br>Property taxes |
| 2,623,916 | - | - | - | Other taxes |
| 361,673 | - | - | - | Licenses and permits |
| 8,965,852 | 896,399 | - | 63,650 | Intergovernmental |
| - | - | - | - | Charges for services |
| - | - | - | - | Fines and forfeitures |
| - | 32,646 | - | - | Investment earnings |
| 19,067 | - | - | - | Miscellaneous |
| 17,775,853 | 929,045 | - | 63,650 | Total revenue |
| | | | | **Expenditures** |
| | | | | **Current** |
| - | - | - | 50,587 | General government |
| - | - | - | - | Public safety |
| - | - | - | - | Health and welfare |
| 18,101,238 | - | - | - | Highways and streets |
| - | - | - | - | Culture and recreation |
| 18,101,238 | - | - | 50,587 | Total current |
| | | | | **Capital** |
| - | - | - | 161,574 | General government |
| - | - | - | 161,574 | Total capital |
| 18,101,238 | - | - | 212,161 | Total expenditures |
| (325,385) | 929,045 | - | (148,511) | Excess (deficiency) of revenues over (under) expenditures |
| | | | | **Other financing sources (uses)** |
| 591,564 | - | - | 57,775 | Transfers in |
| (556,468) | (559,900) | - | - | Transfers out |
| 35,096 | (559,900) | - | 57,775 | Total other financing sources (uses) |
| (290,289) | 369,145 | - | (90,736) | Net change in fund balance |
| 5,205,517 | 1,897,681 | 603,465 | 235,679 | Fund balance - beginning |
| $ 4,915,228 | $ 2,266,826 | $ 603,465 | $ 144,943 | 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, 2022**

| | Nonmajor Special Revenue | | | |
|---|---|---|---|---|
| | Sheriff's Commissary | Community Development | Forfeited Property | Developmental Disabilities |
| **Revenues** | | | | |
| Taxes | | | | |
| Property taxes | $ - | $ - | $ - | $ 13,051,486 |
| Other taxes | - | - | - | - |
| Licenses and permits | - | - | - | - |
| Intergovernmental | - | 1,639,014 | 31,908 | 606 |
| Charges for services | 1,373,657 | - | - | - |
| Fines and forfeitures | - | - | 96,585 | - |
| Investment earnings | - | - | 1,369 | - |
| Miscellaneous | 10,166 | 277,701 | - | - |
| Total revenue | 1,383,823 | 1,916,715 | 129,862 | 13,052,092 |
| **Expenditures** | | | | |
| **Current** | | | | |
| General government | - | - | - | - |
| Public safety | 1,210,955 | - | - | - |
| Health and welfare | - | 1,957,824 | - | 13,052,092 |
| Highways and streets | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Total current | 1,210,955 | 1,957,824 | - | 13,052,092 |
| **Capital** | | | | |
| General government | - | - | - | - |
| Total capital | - | - | - | - |
| Total expenditures | 1,210,955 | 1,957,824 | - | 13,052,092 |
| Excess (deficiency) of revenues over (under) expenditures | 172,868 | (41,109) | 129,862 | - |
| **Other financing sources (uses)** | | | | |
| Transfers in | 30,013 | 30,000 | - | - |
| Transfers out | (800) | - | (83,000) | - |
| Total other financing sources (uses) | 29,213 | 30,000 | (83,000) | - |
| Net change in fund balance | 202,081 | (11,109) | 46,862 | - |
| Fund balance - beginning | 1,513,322 | 256,807 | 83,141 | - |
| Fund balance - ending | $ 1,715,403 | $ 245,698 | $ 130,003 | $ - |

**Arapahoe County, Colorado**
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balance**
**Nonmajor Special Revenue Funds (continued)**
**For the Year Ended December 31, 2022**

| Nonmajor Special Revenue | | | |
|---|---|---|---|
| Homeland Security Grant | Fair | Total | |
| | | | **Revenues** |
| $ - | $ - | $ 27,694,599 | Taxes |
| - | - | 3,186,180 | Property taxes |
| - | - | 361,673 | Other taxes |
| 1,239,163 | - | 25,072,421 | Licenses and permits |
| - | 791,534 | 2,588,610 | Intergovernmental |
| - | - | 329,405 | Charges for services |
| - | - | 213,438 | Fines and forfeitures |
| - | - | 2,522,175 | Investment earnings |
| | | | Miscellaneous |
| 1,239,163 | 791,534 | 61,968,501 | Total revenue |
| | | | **Expenditures** |
| | | | **Current** |
| - | - | 449,580 | General government |
| 1,037,525 | - | 12,398,912 | Public safety |
| - | - | 29,781,205 | Health and welfare |
| - | - | 18,101,238 | Highways and streets |
| - | 876,020 | 876,020 | Culture and recreation |
| 1,037,525 | 876,020 | 61,606,955 | Total current |
| | | | **Capital** |
| - | - | 161,574 | General government |
| - | - | 161,574 | Total capital |
| 1,037,525 | 876,020 | 61,768,529 | Total expenditures |
| 201,638 | (84,486) | 199,972 | Excess (deficiency) of revenues over (under) expenditures |
| | | | **Other financing sources (uses)** |
| - | 8,700 | 954,255 | Transfers in |
| - | - | (1,914,322) | Transfers out |
| - | 8,700 | (960,067) | Total other financing sources (uses) |
| 201,638 | (75,786) | (760,095) | Net change in fund balance |
| (464,761) | 178,577 | 19,957,474 | Fund balance - beginning |
| $ (263,123) | $ 102,791 | $ 19,197,379 | Fund balance - ending |

## 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 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, 2022**

| | Nonmajor Capital Projects | | | |
|---|---|---|---|---|
| | Capital Expenditure | Infrastructure | Arap. County Rec. District | Arap. County Water and Wastewater PID |
| **Assets** | | | | |
| Cash and investments | $ 47,731,309 | $ 26,624,788 | $ 2,309,110 | $ 3,038,253 |
| Accounts receivable | - | 4,738,008 | 6,000 | 4,750 |
| Taxes receivable, net | 5,865,460 | - | 1,180,703 | 8,313,357 |
| Total assets | $ 53,596,769 | $ 31,362,796 | $ 3,495,813 | $ 11,356,360 |
| **Liabilities** | | | | |
| Accounts payable | $ 711,475 | $ 3,667,096 | $ 54,274 | $ - |
| Accrued expenditures | - | - | 31,647 | - |
| Total liabilities | 711,475 | 3,667,096 | 85,921 | - |
| **Deferred inflows of resources** | | | | |
| Deferred property tax revenue | 5,865,460 | - | 1,180,703 | 8,313,357 |
| Unavailable revenue-grants | - | 2,356,250 | - | - |
| Total deferred inflows of resources | 5,865,460 | 2,356,250 | 1,180,703 | 8,313,357 |
| **Fund balances (deficits)** | | | | |
| Restricted | - | - | 43,413 | 266,642 |
| Committed | 47,019,834 | 23,235,501 | - | 2,765,842 |
| Assigned | - | 2,103,949 | 2,185,776 | 10,519 |
| Total fund balances (deficits) | 47,019,834 | 25,339,450 | 2,229,189 | 3,043,003 |
| Total liabilities, deferred inflows of resources and fund balance | $ 53,596,769 | $ 31,362,796 | $ 3,495,813 | $ 11,356,360 |

**Arapahoe County, Colorado**
**Combining Balance Sheet**
**Nonmajor Capital Projects (continued)**
**December 31, 2022**

| | Total |
|---|---|
| **Assets** | |
| Cash and investments | $ 79,703,460 |
| Accounts receivable | 4,748,758 |
| Taxes receivable, net | 15,359,520 |
| Total assets | $ 99,811,738 |
| **Liabilities** | |
| Accounts payable | $ 4,432,845 |
| Accrued expenditures | 31,647 |
| Total liabilities | 4,464,492 |
| **Deferred inflows of resources** | |
| Deferred property tax revenue | 15,359,520 |
| Unavailable revenue-grants | 2,356,250 |
| Total deferred inflows of resources | 17,715,770 |
| **Fund balances (deficits)** | |
| Restricted | 310,055 |
| Committed | 73,021,177 |
| Assigned | 4,300,244 |
| Total fund balances (deficits) | 77,631,476 |
| Total liabilities, deferred inflows of resources and fund balance | $ 99,811,738 |

**Arapahoe County, Colorado**
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balance**
**Nonmajor Capital Projects**
**For the Year Ended December 31, 2022**

| | Nonmajor Capital Projects | | | |
|---|---|---|---|---|
| | Capital Expenditure | Infrastructure | Arap. County Rec. District | Arap. County Water and Wastewater PID |
| **Revenues** | | | | |
| Taxes | | | | |
| Property taxes | $ 5,897,188 | $ - | $ 1,107,515 | $ 8,406,811 |
| Other taxes | 379,786 | - | 70,688 | 481,252 |
| Licenses and permits | - | 584,677 | - | - |
| Intergovernmental | - | 9,933,071 | 181,181 | - |
| Charges for services | - | 1,501 | 43,507 | - |
| Investment earnings | - | 158,257 | 42,668 | - |
| Developer contributions | - | 1,485,082 | - | - |
| Miscellaneous | - | - | 6,002 | - |
| Total revenue | 6,276,974 | 12,162,588 | 1,451,561 | 8,888,063 |
| **Expenditures** | | | | |
| **Current** | | | | |
| General government | 3,745 | - | - | - |
| Public safety | 13,605 | - | - | - |
| Highways and streets | - | 2,046,534 | - | - |
| Water and wastewater | - | - | - | 114,679 |
| Culture and recreation | - | - | 1,027,126 | - |
| Total current | 17,350 | 2,046,534 | 1,027,126 | 114,679 |
| **Capital** | | | | |
| General government | 2,749,360 | - | - | - |
| Public safety | 1,105,122 | - | - | - |
| Judicial services | 1,687,794 | - | - | - |
| Health and welfare | 54,192 | - | - | - |
| Highways and streets | 36,302 | 16,615,466 | - | - |
| Total capital | 5,632,770 | 16,615,466 | - | - |
| **Debt** | | | | |
| Principal | - | - | - | 4,644,981 |
| Interest | - | - | - | 4,000,145 |
| Debt administration fees | - | - | - | 1,200 |
| Total debt service | - | - | - | 8,646,326 |
| Total expenditures | 5,650,120 | 18,662,000 | 1,027,126 | 8,761,005 |
| Excess (deficiency) of revenues over (under) expenditures | 626,854 | (6,499,412) | 424,435 | 127,058 |
| **Other financing sources (uses)** | | | | |
| Transfers in | 43,859,425 | 5,594,668 | 5,080 | - |
| Transfers out | (5,594,668) | - | (196,245) | - |
| Total other financing sources (uses) | 38,264,757 | 5,594,668 | (191,165) | - |
| Net change in fund balance | 38,891,611 | (904,744) | 233,270 | 127,058 |
| Fund balance - beginning | 8,128,223 | 26,244,194 | 1,995,919 | 2,915,945 |
| Fund balance - ending | $ 47,019,834 | $ 25,339,450 | $ 2,229,189 | $ 3,043,003 |

**Arapahoe County, Colorado**
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balance**
**Nonmajor Capital Projects (continued)**
**For the Year Ended December 31, 2022**

| | Total |
|---|---|
| | **Revenues** |
| $ 15,411,514 | Taxes |
| 931,726 | Property taxes |
| 584,677 | Other taxes |
| 10,114,252 | Licenses and permits |
| 45,008 | Intergovernmental |
| 200,925 | Charges for services |
| 1,485,082 | Investment earnings |
| 6,002 | Developer contributions |
| | Miscellaneous |
| 28,779,186 | Total revenue |
| | **Expenditures** |
| | **Current** |
| 3,745 | General government |
| 13,605 | Public safety |
| 2,046,534 | Highways and streets |
| 114,679 | Water and wastewater |
| 1,027,126 | Culture and recreation |
| 3,205,689 | Total current |
| | **Capital** |
| 2,749,360 | General government |
| 1,105,122 | Public safety |
| 1,687,794 | Judicial services |
| 54,192 | Health and welfare |
| 16,651,768 | Highways and streets |
| 22,248,236 | Total capital |
| | **Debt** |
| 4,644,981 | Principal |
| 4,000,145 | Interest |
| 1,200 | Debt administration fees |
| 8,646,326 | Total debt service |
| 34,100,251 | Total expenditures |
| (5,321,065) | Excess (deficiency) of revenues over (under) expenditures |
| | **Other financing sources (uses)** |
| 49,459,173 | Transfers in |
| (5,790,913) | Transfers out |
| 43,668,260 | Total other financing sources (uses) |
| 38,347,195 | Net change in fund balance |
| 39,284,281 | Fund balance - beginning |
| $ 77,631,476 | Fund balance - ending |

## 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 lease purchases. In 2022, 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, 2022**

| | Nonmajor Debt Service | | |
|---|---|---|---|
| | Lease Purchase | Arap. County Building Finance Corp. | Total |
| **Assets** | | | |
| Cash and investments | $ 278,746 | $ 645,371 | $ 924,117 |
| Total assets | $ 278,746 | $ 645,371 | $ 924,117 |
| **Liabilities** | | | |
| Total liabilities | - | - | - |
| **Fund balances (deficits)** | | | |
| Assigned | 278,746 | 645,371 | 924,117 |
| Total fund balances (deficits) | 278,746 | 645,371 | 924,117 |
| Total liabilities, deferred inflows of resources and fund balance | $ 278,746 | $ 645,371 | $ 924,117 |

**Arapahoe County, Colorado**
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balance**
**Nonmajor Debt Service**
**For the Year Ended December 31, 2022**

| | Nonmajor Debt Service | | |
|---|---|---|---|
| | Lease Purchase | Arap. County Building Finance Corp. | Total |
| **Revenues** | | | |
| Investment earnings | $ - | $ 109,924 | $ 109,924 |
| Total revenue | - | 109,924 | 109,924 |
| **Expenditures** | | | |
| **Current** | | | |
| Airport | - | 1,611,898 | 1,611,898 |
| Total current | - | 1,611,898 | 1,611,898 |
| **Debt** | | | |
| Principal | 1,215,581 | - | 1,215,581 |
| Interest | 179,696 | - | 179,696 |
| Total debt service | 1,395,277 | - | 1,395,277 |
| Total expenditures | 1,395,277 | 1,611,898 | 3,007,175 |
| Excess (deficiency) of revenues over (under) expenditures | (1,395,277) | (1,501,974) | (2,897,251) |
| **Other financing sources (uses)** | | | |
| Transfers in | 1,412,759 | - | 1,412,759 |
| Total other financing sources (uses) | 1,412,759 | - | 1,412,759 |
| Net change in fund balance | 17,482 | (1,501,974) | (1,484,492) |
| Fund balance - beginning | 261,264 | 2,147,345 | 2,408,609 |
| Fund balance - ending | $ 278,746 | $ 645,371 | $ 924,117 |

**Arapahoe County, Colorado**
**Electronic Filing Technology**
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**
**For the Year Ended December 31, 2022**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | Original | Final | Actual | Variance with Final Budget |
| **Revenues** | | | | |
| Charges for services | $ 160,000 | $ 160,000 | $ 116,547 | $ (43,453) |
| Total revenue | 160,000 | 160,000 | 116,547 | (43,453) |
| **Expenditures** | | | | |
| **Current** | | | | |
| General government | 158,000 | 600,488 | 398,993 | 201,495 |
| **Capital** | | | | |
| General government | 2,000 | 2,000 | - | 2,000 |
| Total expenditures | 160,000 | 602,488 | 398,993 | 203,495 |
| Excess (deficiency) of revenues over (under) expenditures | - | (442,488) | (282,446) | 160,042 |
| Fund balance - beginning | 442,488 | 442,488 | 442,488 | - |
| Fund balance - ending | $ 442,488 | $ - | $ 160,042 | $ 160,042 |

**Arapahoe County, Colorado**
**Cash-In-Lieu**
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**
**For the Year Ended December 31, 2022**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | Original | Final | Actual | Variance with Final Budget |
| **Revenues** | | | | |
| Charges for services | $ - | $ - | $ 88,411 | $ 88,411 |
| Total revenue | - | - | 88,411 | 88,411 |
| **Expenditures** | | | | |
| **Current** | | | | |
| General government | - | 1,180,113 | - | 1,180,113 |
| Total expenditures | - | 1,180,113 | - | 1,180,113 |
| Excess (deficiency) of revenues over (under) expenditures | - | (1,180,113) | 88,411 | 1,268,524 |
| **Other financing sources (uses)** | | | | |
| Transfers out | - | (651,000) | (651,000) | - |
| Total other financing sources (uses) | - | (651,000) | (651,000) | - |
| Net change in fund balance | - | (1,831,113) | (562,589) | 1,268,524 |
| Fund balance - beginning | 1,831,113 | 1,831,113 | 1,831,113 | - |
| Fund balance - ending | $ 1,831,113 | $ - | $ 1,268,524 | $ 1,268,524 |

**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, 2022**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | Original | Final | Actual | Variance with Final Budget |
| **Revenues** | | | | |
| Taxes | | | | |
| Property taxes | $ 8,817,117 | $ 8,817,117 | $ 8,837,768 | $ 20,651 |
| Other taxes | 475,000 | 475,000 | 562,264 | 87,264 |
| Intergovernmental | 33,800 | 33,800 | 29,611 | (4,189) |
| Charges for services | 170,915 | 170,915 | 218,461 | 47,546 |
| Fines and forfeitures | 296,500 | 296,500 | 232,820 | (63,680) |
| Investment earnings | 100,000 | 100,000 | 179,423 | 79,423 |
| Total revenue | 9,893,332 | 9,893,332 | 10,060,347 | 167,015 |
| **Expenditures** | | | | |
| **Current** | | | | |
| Public safety | 9,534,872 | 10,222,795 | 10,150,432 | 72,363 |
| Total expenditures | 9,534,872 | 10,222,795 | 10,150,432 | 72,363 |
| Excess (deficiency) of revenues over (under) expenditures | 358,460 | (329,463) | (90,085) | 239,378 |
| **Other financing sources (uses)** | | | | |
| Transfers in | - | 236,203 | 236,203 | - |
| Transfers out | (62,154) | (62,154) | (62,154) | - |
| Total other financing sources (uses) | (62,154) | 174,049 | 174,049 | - |
| Net change in fund balance | 296,306 | (155,414) | 83,964 | 239,378 |
| Fund balance - beginning | 7,380,076 | 7,380,076 | 7,380,076 | - |
| Fund balance - ending | $ 7,676,382 | $ 7,224,662 | $ 7,464,040 | $ 239,378 |

**Arapahoe County, Colorado**
**Arapahoe / Douglas Works!**
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**
**For the Year Ended December 31, 2022**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | Original | Final | Actual | Variance with Final Budget |
| **Revenues** | | | | |
| Intergovernmental | $ 11,253,575 | $ 11,253,575 | $ 12,206,218 | $ 952,643 |
| Charges for services | 237,654 | 237,654 | - | (237,654) |
| Miscellaneous | 9,623,074 | 9,623,074 | 2,215,241 | (7,407,833) |
| Total revenue | 21,114,303 | 21,114,303 | 14,421,459 | (6,692,844) |
| **Expenditures** | | | | |
| **Current** | | | | |
| Health and welfare | 21,102,303 | 21,424,608 | 14,771,289 | 6,653,319 |
| Total expenditures | 21,102,303 | 21,424,608 | 14,771,289 | 6,653,319 |
| Excess (deficiency) of revenues over (under) expenditures | 12,000 | (310,305) | (349,830) | (39,525) |
| **Other financing sources (uses)** | | | | |
| Transfers out | (12,000) | (12,000) | (1,000) | 11,000 |
| Total other financing sources (uses) | (12,000) | (12,000) | (1,000) | 11,000 |
| Net change in fund balance | - | (322,305) | (350,830) | (28,525) |
| Fund balance - beginning | 794,369 | 794,369 | 794,369 | - |
| Fund balance - ending | $ 794,369 | $ 472,064 | $ 443,539 | $ (28,525) |

**Arapahoe County, Colorado**
**Road and Bridge**
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**
**For the Year Ended December 31, 2022**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | Original | Final | Actual | Variance with Final Budget |
| **Revenues** | | | | |
| Taxes | | | | |
| Property taxes | $ 5,779,957 | $ 5,779,957 | $ 5,805,345 | $ 25,388 |
| Other taxes | 2,656,000 | 2,656,000 | 2,623,916 | (32,084) |
| Licenses and permits | 337,000 | 337,000 | 361,673 | 24,673 |
| Intergovernmental | 9,245,069 | 9,245,069 | 8,965,852 | (279,217) |
| Miscellaneous | 50,000 | 64,409 | 19,067 | (45,342) |
| Total revenue | 18,068,026 | 18,082,435 | 17,775,853 | (306,582) |
| **Expenditures** | | | | |
| **Current** | | | | |
| Highways and streets | 18,692,362 | 20,528,789 | 18,101,238 | 2,427,551 |
| Total expenditures | 18,692,362 | 20,528,789 | 18,101,238 | 2,427,551 |
| Excess (deficiency) of revenues over (under) expenditures | (624,336) | (2,446,354) | (325,385) | 2,120,969 |
| **Other financing sources (uses)** | | | | |
| Transfers in | - | 1,439,303 | 591,564 | (847,739) |
| Transfers out | (556,468) | (556,468) | (556,468) | - |
| Total other financing sources (uses) | (556,468) | 882,835 | 35,096 | (847,739) |
| Net change in fund balance | (1,180,804) | (1,563,519) | (290,289) | 1,273,230 |
| Fund balance - beginning | 5,205,517 | 5,205,517 | 5,205,517 | - |
| Fund balance - ending | $ 4,024,713 | $ 3,641,998 | $ 4,915,228 | $ 1,273,230 |

**Arapahoe County, Colorado**
**Conservation Trust**
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**
**For the Year Ended December 31, 2022**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | Original | Final | Actual | Variance with Final Budget |
| **Revenues** | | | | |
| Intergovernmental | $ 750,000 | $ 750,000 | $ 896,399 | $ 146,399 |
| Investment earnings | - | - | 32,646 | 32,646 |
| Total revenue | 750,000 | 750,000 | 929,045 | 179,045 |
| **Expenditures** | | | | |
| **Capital** | | | | |
| Culture and recreation | - | 1,897,681 | - | 1,897,681 |
| Total expenditures | - | 1,897,681 | - | 1,897,681 |
| Excess (deficiency) of revenues over (under) expenditures | 750,000 | (1,147,681) | 929,045 | 2,076,726 |
| **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 | 190,100 | (1,707,581) | 369,145 | 2,076,726 |
| Fund balance - beginning | 1,897,681 | 1,897,681 | 1,897,681 | - |
| Fund balance - ending | $ 2,087,781 | $ 190,100 | $ 2,266,826 | $ 2,076,726 |

**Arapahoe County, Colorado**
**Contingent**
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**
**For the Year Ended December 31, 2022**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | Original | Final | Actual | Variance 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, 2022**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | Original | Final | Actual | Variance with Final Budget |
| **Revenues** | | | | |
| Intergovernmental | $ 64,250 | $ 64,250 | $ 63,650 | $ (600) |
| Total revenue | 64,250 | 64,250 | 63,650 | (600) |
| **Expenditures** | | | | |
| **Current** | | | | |
| General government | 122,025 | 166,061 | 50,587 | 115,474 |
| **Capital** | | | | |
| General government | - | 191,643 | 161,574 | 30,069 |
| Total expenditures | 122,025 | 357,704 | 212,161 | 145,543 |
| Excess (deficiency) of revenues over (under) expenditures | (57,775) | (293,454) | (148,511) | 144,943 |
| **Other financing sources (uses)** | | | | |
| Transfers in | 57,775 | 57,775 | 57,775 | - |
| Total other financing sources (uses) | 57,775 | 57,775 | 57,775 | - |
| Net change in fund balance | - | (235,679) | (90,736) | 144,943 |
| Fund balance - beginning | 235,679 | 235,679 | 235,679 | - |
| Fund balance - ending | $ 235,679 | $ - | $ 144,943 | $ 144,943 |

**Arapahoe County, Colorado**
**Sheriff's Commissary**
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**
**For the Year Ended December 31, 2022**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | Original | Final | Actual | Variance with Final Budget |
| **Revenues** | | | | |
| Charges for services | $ 1,138,984 | $ 1,138,984 | $ 1,373,657 | $ 234,673 |
| Fines and forfeitures | 16,973 | 16,974 | - | (16,974) |
| Miscellaneous | - | - | 10,166 | 10,166 |
| Total revenue | 1,155,957 | 1,155,958 | 1,383,823 | 227,865 |
| **Expenditures** | | | | |
| **Current** | | | | |
| Public safety | 1,309,280 | 2,698,493 | 1,210,955 | 1,487,538 |
| Total expenditures | 1,309,280 | 2,698,493 | 1,210,955 | 1,487,538 |
| Excess (deficiency) of revenues over (under) expenditures | (153,323) | (1,542,535) | 172,868 | 1,715,403 |
| **Other financing sources (uses)** | | | | |
| Transfers in | - | 30,013 | 30,013 | - |
| Transfers out | (800) | (800) | (800) | - |
| Total other financing sources (uses) | (800) | 29,213 | 29,213 | - |
| Net change in fund balance | (154,123) | (1,513,322) | 202,081 | 1,715,403 |
| Fund balance - beginning | 1,513,322 | 1,513,322 | 1,513,322 | - |
| Fund balance - ending | $ 1,359,199 | $ - | $ 1,715,403 | $ 1,715,403 |

**Arapahoe County, Colorado**
**Community Development**
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**
**For the Year Ended December 31, 2022**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | Original | Final | Actual | Variance with Final Budget |
| **Revenues** | | | | |
| Intergovernmental | $ 4,217,861 | $ 4,217,861 | $ 1,639,014 | $ (2,578,847) |
| Miscellaneous | 948,588 | 948,588 | 277,701 | (670,887) |
| Total revenue | 5,166,449 | 5,166,449 | 1,916,715 | (3,249,734) |
| **Expenditures** | | | | |
| **Current** | | | | |
| Health and welfare | 5,195,649 | 5,442,649 | 1,957,824 | 3,484,825 |
| Total expenditures | 5,195,649 | 5,442,649 | 1,957,824 | 3,484,825 |
| Excess (deficiency) of revenues over (under) expenditures | (29,200) | (276,200) | (41,109) | 235,091 |
| **Other financing sources (uses)** | | | | |
| Transfers in | 30,000 | 30,000 | 30,000 | - |
| Transfers out | (800) | (800) | - | 800 |
| Total other financing sources (uses) | 29,200 | 29,200 | 30,000 | 800 |
| Net change in fund balance | - | (247,000) | (11,109) | 235,891 |
| Fund balance - beginning | 256,807 | 256,807 | 256,807 | - |
| Fund balance - ending | $ 256,807 | $ 9,807 | $ 245,698 | $ 235,891 |

**Arapahoe County, Colorado**
**Forfeited Property**
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**
**For the Year Ended December 31, 2022**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | Original | Final | Actual | Variance with Final Budget |
| **Revenues** | | | | |
| Intergovernmental | $ - | $ 31,908 | $ 31,908 | $ - |
| Fines and forfeitures | - | 96,584 | 96,585 | 1 |
| Investment earnings | - | - | 1,369 | 1,369 |
| Total revenue | - | 128,492 | 129,862 | 1,370 |
| **Expenditures** | | | | |
| **Current** | | | | |
| Public safety | - | 128,633 | - | 128,633 |
| Total expenditures | - | 128,633 | - | 128,633 |
| Excess (deficiency) of revenues over (under) expenditures | - | (141) | 129,862 | 130,003 |
| **Other financing sources (uses)** | | | | |
| Transfers out | (60,000) | (83,000) | (83,000) | - |
| Total other financing sources (uses) | (60,000) | (83,000) | (83,000) | - |
| Net change in fund balance | (60,000) | (83,141) | 46,862 | 130,003 |
| Fund balance - beginning | 83,141 | 83,141 | 83,141 | - |
| Fund balance - ending | $ 23,141 | $ - | $ 130,003 | $ 130,003 |

**Arapahoe County, Colorado**
**Developmental Disabilities**
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**
**For the Year Ended December 31, 2022**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | Original | Final | Actual | Variance with Final Budget |
| **Revenues** | | | | |
| Taxes | | | | |
| Property taxes | $ 13,124,383 | $ 13,124,383 | $ 13,051,486 | $ (72,897) |
| Intergovernmental | - | - | 606 | 606 |
| Total revenue | 13,124,383 | 13,124,383 | 13,052,092 | (72,291) |
| **Expenditures** | | | | |
| **Current** | | | | |
| Health and welfare | 13,124,383 | 13,124,383 | 13,052,092 | 72,291 |
| Total expenditures | 13,124,383 | 13,124,383 | 13,052,092 | 72,291 |
| Excess (deficiency) of revenues over (under) expenditures | - | - | - | - |
| Fund balance - beginning | - | - | - | - |
| Fund balance - ending | $ - | $ - | $ - | $ - |

**Arapahoe County, Colorado**
**Homeland Security Grant**
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**
**For the Year Ended December 31, 2022**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | Original | Final | Actual | Variance with Final Budget |
| **Revenues** | | | | |
| Intergovernmental | $ 472,930 | $ 3,337,380 | $ 1,239,163 | $ (2,098,217) |
| Total revenue | 472,930 | 3,337,380 | 1,239,163 | (2,098,217) |
| **Expenditures** | | | | |
| **Current** | | | | |
| Public safety | 499,262 | 3,363,712 | 1,037,525 | 2,326,187 |
| Total expenditures | 499,262 | 3,363,712 | 1,037,525 | 2,326,187 |
| Excess (deficiency) of revenues over (under) expenditures | (26,332) | (26,332) | 201,638 | 227,970 |
| Fund balance - beginning | (464,761) | (464,761) | (464,761) | - |
| Fund balance - ending | $ (491,093) | $ (491,093) | $ (263,123) | $ 227,970 |

**Arapahoe County, Colorado**
**Fair**
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**
**For the Year Ended December 31, 2022**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | Original | Final | Actual | Variance with Final Budget |
| **Revenues** | | | | |
| Charges for services | $ 568,700 | $ 768,700 | $ 791,534 | $ 22,834 |
| Interfund revenues and rentals | 8,000 | 8,000 | - | (8,000) |
| Miscellaneous | 7,500 | 7,503 | - | (7,503) |
| Total revenue | 584,200 | 784,203 | 791,534 | 7,331 |
| **Expenditures** | | | | |
| **Current** | | | | |
| Culture and recreation | 592,900 | 971,480 | 876,020 | 95,460 |
| Total expenditures | 592,900 | 971,480 | 876,020 | 95,460 |
| Excess (deficiency) of revenues over (under) expenditures | (8,700) | (187,277) | (84,486) | 102,791 |
| **Other financing sources (uses)** | | | | |
| Transfers in | 8,700 | 8,700 | 8,700 | - |
| Total other financing sources (uses) | 8,700 | 8,700 | 8,700 | - |
| Net change in fund balance | - | (178,577) | (75,786) | 102,791 |
| Fund balance - beginning | 178,577 | 178,577 | 178,577 | - |
| Fund balance - ending | $ 178,577 | $ - | $ 102,791 | $ 102,791 |

**Arapahoe County, Colorado**
**Capital Expenditure**
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**
**For the Year Ended December 31, 2022**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | Original | Final | Actual | Variance with Final Budget |
| **Revenues** | | | | |
| Taxes | | | | |
| Property taxes | $ 5,870,673 | $ 5,870,673 | $ 5,897,188 | $ 26,515 |
| Other taxes | 415,167 | 415,167 | 379,786 | (35,381) |
| Total revenue | 6,285,840 | 6,285,840 | 6,276,974 | (8,866) |
| **Expenditures** | | | | |
| **Current** | | | | |
| General government | 88,060 | 88,060 | 3,745 | 84,315 |
| Public safety | - | - | 13,605 | (13,605) |
| **Capital** | | | | |
| General government | 2,335,000 | 44,958,014 | 2,749,360 | 42,208,654 |
| Public safety | 1,400,000 | 3,913,622 | 1,105,122 | 2,808,500 |
| Judicial services | 1,790,000 | 1,947,257 | 1,687,794 | 259,463 |
| Health and welfare | 125,000 | 125,000 | 54,192 | 70,808 |
| Highways and streets | - | 136,302 | 36,302 | 100,000 |
| Total expenditures | 5,738,060 | 51,168,255 | 5,650,120 | 45,518,135 |
| Excess (deficiency) of revenues over (under) expenditures | 547,780 | (44,882,415) | 626,854 | 45,509,269 |
| **Other financing sources (uses)** | | | | |
| Transfers in | 3,180,220 | 43,884,665 | 43,859,425 | (25,240) |
| Transfers out | (3,728,000) | (5,594,668) | (5,594,668) | - |
| Total other financing sources (uses) | (547,780) | 38,289,997 | 38,264,757 | (25,240) |
| Net change in fund balance | - | (6,592,418) | 38,891,611 | 45,484,029 |
| Fund balance - beginning | 8,128,223 | 8,128,223 | 8,128,223 | - |
| Fund balance - ending | $ 8,128,223 | $ 1,535,805 | $ 47,019,834 | $ 45,484,029 |

**Arapahoe County, Colorado**
**Infrastructure**
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**
**For the Year Ended December 31, 2022**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | Original | Final | Actual | Variance with Final Budget |
| **Revenues** | | | | |
| Licenses and permits | $ - | $ 579,613 | $ 584,677 | $ 5,064 |
| Intergovernmental | - | 30,607,741 | 9,933,071 | (20,674,670) |
| Charges for services | - | 1,453 | 1,501 | 48 |
| Investment earnings | - | - | 158,257 | 158,257 |
| Developer contributions | - | 1,487,612 | 1,485,082 | (2,530) |
| Total revenue | - | 32,676,419 | 12,162,588 | (20,513,831) |
| **Expenditures** | | | | |
| **Current** | | | | |
| Highways and streets | - | 56,364,087 | 2,046,534 | 54,317,553 |
| **Capital** | | | | |
| Highways and streets | 3,728,000 | 6,785,417 | 16,615,466 | (9,830,049) |
| Total expenditures | 3,728,000 | 63,149,504 | 18,662,000 | 44,487,504 |
| Excess (deficiency) of revenues over (under) expenditures | (3,728,000) | (30,473,085) | (6,499,412) | 23,973,673 |
| **Other financing sources (uses)** | | | | |
| Transfers in | 3,728,000 | 5,594,668 | 5,594,668 | - |
| Total other financing sources (uses) | 3,728,000 | 5,594,668 | 5,594,668 | - |
| Net change in fund balance | - | (24,878,417) | (904,744) | 23,973,673 |
| Fund balance - beginning | 26,244,194 | 26,244,194 | 26,244,194 | - |
| Fund balance - ending | $ 26,244,194 | $ 1,365,777 | $ 25,339,450 | $ 23,973,673 |

**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, 2022**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | Original | Final | Actual | Variance with Final Budget |
| **Revenues** | | | | |
| Taxes | | | | |
| Property taxes | $ 1,109,559 | $ 1,109,559 | $ 1,107,515 | $ (2,044) |
| Other taxes | 68,254 | 68,254 | 70,688 | 2,434 |
| Intergovernmental | 170,000 | 170,000 | 181,181 | 11,181 |
| Charges for services | 65,000 | 65,000 | 43,507 | (21,493) |
| Investment earnings | 24,000 | 24,000 | 42,668 | 18,668 |
| Miscellaneous | - | - | 6,002 | 6,002 |
| Total revenue | 1,436,813 | 1,436,813 | 1,451,561 | 14,748 |
| **Expenditures** | | | | |
| **Current** | | | | |
| Culture and recreation | 1,500,406 | 1,517,599 | 1,027,126 | 490,473 |
| Total expenditures | 1,500,406 | 1,517,599 | 1,027,126 | 490,473 |
| Excess (deficiency) of revenues over (under) expenditures | (63,593) | (80,786) | 424,435 | 505,221 |
| **Other financing sources (uses)** | | | | |
| Transfers in | - | 5,082 | 5,080 | (2) |
| Transfers out | (196,245) | (196,245) | (196,245) | - |
| Total other financing sources (uses) | (196,245) | (191,163) | (191,165) | (2) |
| Net change in fund balance | (259,838) | (271,949) | 233,270 | 505,219 |
| Fund balance - beginning | 1,995,919 | 1,995,919 | 1,995,919 | - |
| Fund balance - ending | $ 1,736,081 | $ 1,723,970 | $ 2,229,189 | $ 505,219 |

**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, 2022**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | Original | Final | Actual | Variance with Final Budget |
| **Revenues** | | | | |
| Taxes | | | | |
| Property taxes | $ 8,204,270 | $ 8,204,270 | $ 8,406,811 | $ 202,541 |
| Other taxes | 570,000 | 570,000 | 481,252 | (88,748) |
| Total revenue | 8,774,270 | 8,774,270 | 8,888,063 | 113,793 |
| **Expenditures** | | | | |
| **Current** | | | | |
| Water and wastewater | 127,764 | 127,764 | 114,679 | 13,085 |
| **Debt** | | | | |
| Principal | 4,616,950 | 4,616,950 | 4,644,981 | (28,031) |
| Interest | 4,028,176 | 4,028,176 | 4,000,145 | 28,031 |
| Debt administration fees | 2,000 | 2,000 | 1,200 | 800 |
| Total expenditures | 8,774,890 | 8,774,890 | 8,761,005 | 13,885 |
| Excess (deficiency) of revenues over (under) expenditures | (620) | (620) | 127,058 | 127,678 |
| Net change in fund balance | (620) | (620) | 127,058 | 127,678 |
| Fund balance - beginning | 2,915,945 | 2,915,945 | 2,915,945 | - |
| Fund balance - ending | $ 2,915,325 | $ 2,915,325 | $ 3,043,003 | $ 127,678 |

**Arapahoe County, Colorado**
**Lease Purchase**
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**
**For the Year Ended December 31, 2022**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | Original | Final | Actual | Variance with Final Budget |
| **Revenues** | | | | |
| Total revenue | $ - | $ - | $ - | $ - |
| **Expenditures** | | | | |
| **Current** | | | | |
| Health and welfare | 4,500 | 4,500 | - | 4,500 |
| **Debt** | | | | |
| Principal | 1,221,100 | 1,221,100 | 1,215,581 | 5,519 |
| Interest | 191,659 | 191,659 | 179,696 | 11,963 |
| Total expenditures | 1,417,259 | 1,417,259 | 1,395,277 | 21,982 |
| Excess (deficiency) of revenues over (under) expenditures | (1,417,259) | (1,417,259) | (1,395,277) | 21,982 |
| **Other financing sources (uses)** | | | | |
| Transfers in | 1,412,759 | 1,412,759 | 1,412,759 | - |
| Total other financing sources (uses) | 1,412,759 | 1,412,759 | 1,412,759 | - |
| Net change in fund balance | (4,500) | (4,500) | 17,482 | 21,982 |
| Fund balance - beginning | 261,264 | 261,264 | 261,264 | - |
| Fund balance - ending | $ 256,764 | $ 256,764 | $ 278,746 | $ 21,982 |

**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, 2022**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | Original | Final | Actual | Variance with Final Budget |
| **Revenues** | | | | |
| Investment earnings | $ - | $ - | $ 109,924 | $ 109,924 |
| Total revenue | - | - | 109,924 | 109,924 |
| **Expenditures** | | | | |
| **Current** | | | | |
| Airport | - | 1,611,898 | 1,611,898 | - |
| Total expenditures | - | 1,611,898 | 1,611,898 | - |
| Excess (deficiency) of revenues over (under) expenditures | - | (1,611,898) | (1,501,974) | 109,924 |
| Fund balance - beginning | 2,147,345 | 2,147,345 | 2,147,345 | - |
| Fund balance - ending | $ 2,147,345 | $ 535,447 | $ 645,371 | $ 109,924 |

## 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, 2022**

| | Governmental Activities - Internal Service Funds | | | |
|---|---|---|---|---|
| | Central Service | Self Insurance Liability | Employee Flex Benefit | Worker's Compensation |
| **Assets** | | | | |
| Current assets: | | | | |
| Cash and investments | $ 31,813,949 | $ 2,822,136 | $ 691,329 | $ 4,237,014 |
| Accounts receivable | 33,116 | 210 | - | - |
| Deposit | - | - | - | 200,000 |
| Inventory | 458,973 | - | - | - |
| Total current assets | 32,306,038 | 2,822,346 | 691,329 | 4,437,014 |
| **Noncurrent assets:** | | | | |
| Capital assets: | | | | |
| Buildings and improvements | 17,628 | - | - | - |
| Vehicles and equipment | 46,143,938 | - | - | - |
| Computer systems | 8,176,523 | - | - | - |
| Furniture and office equipment | 108,300 | - | - | - |
| Less: accumulated depreciation | (42,196,533) | - | - | - |
| Total noncurrent assets (net of accum. dep.) | 12,249,856 | - | - | - |
| Total assets | $ 44,555,894 | $ 2,822,346 | $ 691,329 | $ 4,437,014 |
| **Liabilities** | | | | |
| Current liabilities | | | | |
| Accounts payable | $ 259,732 | $ 13,347 | $ - | $ 159,177 |
| Estimated claims payable | - | 830,000 | - | 585,000 |
| Noncurrent claims payable | - | 1,940,000 | - | 1,365,000 |
| Total liabilities | 259,732 | 2,783,347 | - | 2,109,177 |
| **Net position** | | | | |
| Net investment in capital assets | 12,249,856 | - | - | - |
| Unrestricted | 32,046,306 | 38,999 | 691,329 | 2,327,837 |
| Total net position | $ 44,296,162 | $ 38,999 | $ 691,329 | $ 2,327,837 |

**Arapahoe County Government**
**Combining Statement of Net Position**
**Proprietary Funds**
**December 31, 2022**

| Self Insurance Dental | Total | |
|---|---|---|
| | | **Assets** |
| | | Current assets: |
| $ 1,104,069 | $ 40,668,497 | Cash and investments |
| - | 33,326 | Accounts receivable |
| - | 200,000 | Deposit |
| - | 458,973 | Inventory |
| 1,104,069 | 41,360,796 | Total current assets |
| | | **Noncurrent assets:** |
| | | Capital assets: |
| - | 17,628 | Buildings and improvements |
| - | 46,143,938 | Vehicles and equipment |
| - | 8,176,523 | Computer systems |
| - | 108,300 | Furniture and office equipment |
| - | (42,196,533) | Less: accumulated depreciation |
| - | 12,249,856 | Total noncurrent assets (net of accum. dep.) |
| $ 1,104,069 | $ 53,610,652 | Total assets |
| | | **Liabilities** |
| | | Current liabilities |
| $ 40,317 | $ 472,573 | Accounts payable |
| 86,000 | 1,501,000 | Estimated claims payable |
| - | 3,305,000 | Noncurrent claims payable |
| 126,317 | 5,278,573 | Total liabilities |
| | | **Net position** |
| - | 12,249,856 | Net investment in capital assets |
| 977,752 | 36,082,223 | Unrestricted |
| $ 977,752 | $ 48,332,079 | Total net position |

**Arapahoe County Government**
**Combining Statement of Revenues, Expenses and Changes in Net Position**
**Proprietary Funds**
**For the Year Ended December 31, 2022**

| | Governmental Activities - Internal Service Funds | | | |
|---|---|---|---|---|
| | Central Service | Self Insurance Liability | Employee Flex Benefit | Worker's Compensation |
| **Operating revenues** | | | | |
| Charges for sales and service | $ 7,041,762 | $ 637,200 | $ 970,308 | $ 1,522,658 |
| Total operating revenue | 7,041,762 | 637,200 | 970,308 | 1,522,658 |
| **Operating expenses** | | | | |
| Cost of sales and services | 1,583,432 | 3,219,268 | 931,201 | 1,485,650 |
| Administration | - | 11,427 | - | 47,837 |
| Depreciation | 5,458,330 | - | - | - |
| Total operating expenses | 7,041,762 | 3,230,695 | 931,201 | 1,533,487 |
| Operating income (loss) | - | (2,593,495) | 39,107 | (10,829) |
| **Nonoperating revenue (expenses)** | | | | |
| Insurance recoveries | - | 37,166 | - | 17,697 |
| Gain on sale of assets | 367,509 | - | - | - |
| Loss on sale of assets | (29,631) | - | - | - |
| Income (loss) before contributions and transfers | 337,878 | (2,556,329) | 39,107 | 6,868 |
| Transfers in | 1,578,290 | 2,862,850 | 35,482 | - |
| Transfers out | (11,300) | (291,718) | - | - |
| Change in net position | 1,904,868 | 14,803 | 74,589 | 6,868 |
| Total net position - beginning | 42,391,294 | 24,196 | 616,740 | 2,320,969 |
| Total net position - ending | $ 44,296,162 | $ 38,999 | $ 691,329 | $ 2,327,837 |

**Arapahoe County Government**
**Combining Statement of Revenues, Expenses and Changes in Net Position**
**Proprietary Funds**
**For the Year Ended December 31, 2022**

| Self Insurance Dental | Total | |
|---|---|---|
| | | **Operating revenues** |
| $ 1,459,127 | $ 11,631,055 | Charges for sales and service |
| 1,459,127 | 11,631,055 | Total operating revenue |
| | | **Operating expenses** |
| 1,712,607 | 8,932,158 | Cost of sales and services |
| - | 59,264 | Administration |
| - | 5,458,330 | Depreciation |
| 1,712,607 | 14,449,752 | Total operating expenses |
| (253,480) | (2,818,697) | Operating income (loss) |
| | | **Nonoperating revenue (expenses)** |
| - | 54,863 | Insurance recoveries |
| - | 367,509 | Gain on sale of assets |
| - | (29,631) | Loss on sale of assets |
| (253,480) | (2,425,956) | Income (loss) before contributions and transfers |
| 303,094 | 4,779,716 | Transfers in |
| - | (303,018) | Transfers out |
| 49,614 | 2,050,742 | Change in net position |
| 928,138 | 46,281,337 | Total net position - beginning |
| $ 977,752 | $ 48,332,079 | Total net position - ending |

**Arapahoe County, Colorado**
**Combining Statement of Cash Flows**
**Proprietary Funds**
**For the Year Ended December 31, 2022**

| | Governmental Activities - Internal Service Funds | | |
|---|---|---|---|
| | Central Service | Self Insurance Liability | Employee Flex Benefit |
| **Cash flows from operating activities** | | | |
| Cash received for interfund services provided | $ 7,227,094 | $ 636,990 | $ 970,308 |
| Cash payments for services and supplies | (2,001,209) | (2,007,349) | (931,201) |
| Net cash provided by (used for) operating activities | 5,225,885 | (1,370,359) | 39,107 |
| **Cash flows from noncapital financing activities** | | | |
| Transfers in from other funds | 1,578,290 | 2,862,850 | 35,482 |
| Transfers out to other funds | (11,300) | (291,718) | - |
| Net cash provided by (used for) non capital financing activities | 1,566,990 | 2,571,132 | 35,482 |
| **Cash flows from capital and related financing activities** | | | |
| Acquisition of property and equipment | (4,230,709) | - | - |
| Proceeds from sale of capital assets | 377,174 | - | - |
| Insurance Proceeds | - | 37,166 | - |
| Net cash provided by (used for) by capital and related financing activities | (3,853,535) | 37,166 | - |
| Net increase (decrease) in cash and investments | 2,939,340 | 1,237,939 | 74,589 |
| Cash and Investments, January 1, 2022 | 28,874,609 | 1,584,197 | 616,740 |
| Cash and Investments, December 31, 2022 | $ 31,813,949 | $ 2,822,136 | $ 691,329 |
| **Reconciliation of operating income (loss) to net cash provided by (used for) by operating activities:** | | | |
| Operating income (loss) | $ - | $ (2,593,495) | $ 39,107 |
| Adjustments to reconcile operating income (loss) to net cash provided by (used for) by operating activities: | | | |
| Depreciation expense | 5,458,330 | - | - |
| (Increase) decrease in current assets: | | | |
| Accounts receivable | 185,332 | (210) | - |
| Inventory | 37,893 | - | - |
| Increase (decrease) in current liabilities: | | | |
| Accounts payable | (455,670) | 13,346 | - |
| Claims payable | - | 1,210,000 | - |
| Total adjustments | 5,225,885 | 1,223,136 | - |
| Net cash provided by (used for) operating activities | $ 5,225,885 | $ (1,370,359) | $ 39,107 |

**Arapahoe County, Colorado**
**Combining Statement of Cash Flows**
**Proprietary Funds**
**For the Year Ended December 31, 2022**

| Governmental Activities - Internal Service Funds | | | |
|---|---|---|---|
| Worker's Compensation | Self Insurance Dental | Total | |
| | | | **Cash flows from operating activities** |
| $ 1,522,658 | $ 1,459,127 | $ 11,816,177 | Cash received for interfund services provided |
| (1,704,686) | (1,711,560) | (8,356,005) | Cash payments for services and supplies |
| (182,028) | (252,433) | 3,460,172 | Net cash provided by (used for) operating activities |
| | | | **Cash flows from noncapital financing activities** |
| - | 303,094 | 4,779,716 | Transfers in from other funds |
| - | - | (303,018) | Transfers out to other funds |
| - | 303,094 | 4,476,698 | Net cash provided by (used for) non capital financing activities |
| | | | **Cash flows from capital and related financing activities** |
| - | - | (4,230,709) | Acquisition of property and equipment |
| - | - | 377,174 | Proceeds from sale of capital assets |
| 17,696 | - | 54,862 | Insurance Proceeds |
| 17,696 | - | (3,798,673) | Net cash provided by (used for) by capital and related financing activities |
| (164,332) | 50,661 | 4,138,197 | Net increase (decrease) in cash and investments |
| 4,401,346 | 1,053,408 | 36,530,300 | Cash and Investments, January 1, 2022 |
| $ 4,237,014 | $ 1,104,069 | $ 40,668,497 | Cash and Investments, December 31, 2022 |
| | | | **Reconciliation of operating income (loss) to net cash provided by (used for) by operating activities:** |
| $ (10,829) | $ (253,480) | $ (2,818,697) | Operating income (loss) |
| | | | Adjustments to reconcile operating income (loss) to net cash provided by (used for) by operating activities: |
| - | - | 5,458,330 | Depreciation expense |
| | | | (Increase) decrease in current assets: |
| - | - | 185,122 | Accounts receivable |
| - | - | 37,893 | Inventory |
| | | | Increase (decrease) in current liabilities: |
| 98,801 | (14,953) | (358,476) | Accounts payable |
| (270,000) | 16,000 | 956,000 | Claims payable |
| (171,199) | 1,047 | 6,278,869 | Total adjustments |
| $ (182,028) | $ (252,433) | $ 3,460,172 | Net cash provided by (used for) operating activities |

**Arapahoe County, Colorado**
**Schedule of Budgetary Compliance**
**Proprietary Funds**
**For the Year Ended December 31, 2022**

| | Final Budget | Actual | Variance |
|---|---|---|---|
| **Budgeted proprietary funds:** | | | |
| Central Service Fund (1,2) | $ 11,424,919 | $ 7,041,762 | $ 4,383,157 |
| Self Insurance Liability Fund | 3,600,050 | 3,230,695 | 369,355 |
| Employee Flex Benefit Fund | 1,001,382 | 931,201 | 70,181 |
| Worker's Compensation Fund | 2,872,361 | 1,533,487 | 1,338,874 |
| Self Insurance Dental Fund | 2,019,408 | 1,712,607 | 306,801 |
| Total | $ 20,918,120 | $ 14,449,752 | $ 6,468,368 |

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 2022 is as follows:

| | |
|---|---|
| Central Service Fund | $ 5,458,330 |

**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 2022 are as follows:

| | |
|---|---|
| Central Service Fund | $ 4,230,708 |

## CUSTODIAL FUNDS

Custodial 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 custodial 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.

**Arapahoe County, Colorado**
**Combining Statement of Fiduciary Net Position**
**Custodial Funds**
**December 31, 2022**

| | Treasurer's Fund | Arapahoe County Public Trustee Custodial Fund | Inmate Sentencing Fund | Total Custodial Funds |
|---|---|---|---|---|
| **Assets** | | | | |
| Cash and investments | $ 18,781,032 | $ - | $ 484,292 | $ 19,265,324 |
| Restricted escrow | - | 394,248 | - | 394,248 |
| Total cash and investments | 18,781,032 | 394,248 | 484,292 | 19,659,572 |
| Receivables: | | | | |
| Accounts receivable | - | 4,361 | - | 4,361 |
| Property taxes receivable | 1,086,154,566 | - | - | 1,086,154,566 |
| Total receivables | 1,086,154,566 | 4,361 | - | 1,086,158,927 |
| Total assets | 1,104,935,598 | 398,609 | 484,292 | 1,105,818,499 |
| **Liabilities** | | | | |
| Due to other governments and organizations | 16,799,750 | - | - | 16,799,750 |
| Total liabilities | 16,799,750 | - | - | 16,799,750 |
| **Deferred inflows of resources** | | | | |
| Property taxes | 1,086,154,566 | - | - | 1,086,154,566 |
| Total deferred inflows of resources | 1,086,154,566 | - | - | 1,086,154,566 |
| **Net Position** | | | | |
| Restricted for: | | | | |
| Individuals, organizations, and other governments | 1,981,282 | 398,609 | 484,292 | 2,864,183 |
| Total net position | $ 1,981,282 | $ 398,609 | $ 484,292 | $ 2,864,183 |

**Arapahoe County, Colorado**
**Combining Statement of Changes in Fiduciary Net Position**
**Custodial Funds**
**For the Year Ended December 31, 2022**

| | Treasurer's Fund | Arapahoe County Public Trustee Custodial Fund | Inmate Sentencing Fund | Total Custodial Funds |
|---|---|---|---|---|
| **Additions** | | | | |
| Inmate Deposits | $ - | $ - | $ 4,412,776 | $ 4,412,776 |
| Foreclosure escrow amounts received | - | 12,817,397 | - | 12,817,397 |
| Collection of taxes and fees for other governments | 1,558,024,655 | - | - | 1,558,024,655 |
| Total Additions | 1,558,024,655 | 12,817,397 | 4,412,776 | 1,575,254,828 |
| **Deductions** | | | | |
| Foreclosure escrow amounts disbursed | - | 13,266,571 | | 13,266,571 |
| Commissary - Sales and Services | - | - | 4,397,871 | 4,397,871 |
| Payments of Taxes and Fees to Other Governments and Organizations | 1,557,976,126 | - | - | 1,557,976,126 |
| Miscellaneous Disbursements | 216,437 | | | 216,437 |
| Total Deductions | 1,558,192,563 | 13,266,571 | 4,397,871 | 1,575,857,005 |
| Net Increase (Decrease) in Fiduciary Net Position | (167,908) | (449,174) | 14,905 | (602,177) |
| Net Position - Beginning | 2,149,190 | 847,783 | 469,387 | 3,466,360 |
| Net Position - Ending | $ 1,981,282 | $ 398,609 | $ 484,292 | $ 2,864,183 |

**Arapahoe County, Colorado**
**911 Authority - Component Unit**
**Governmental Funds Balance Sheet/Statement of Net Position**
**December 31, 2022**

| | 911 Authority Fund | Adjustments | Statement of Net Position |
|---|---|---|---|
| **Assets** | | | |
| Cash | $ 11,126,233 | $ - | $ 11,126,233 |
| Accounts receivable | 780,510 | - | 780,510 |
| Total current assets | 11,906,743 | - | 11,906,743 |
| Capital assets, depreciable | - | 1,157,418 | 1,157,418 |
| Less accumulated depreciation | - | (1,059,039) | (1,059,039) |
| Net capital assets | - | 98,379 | 98,379 |
| Total assets | $ 11,906,743 | $ 98,379 | $ 12,005,122 |
| **Liabilities** | | | |
| Accounts payable | $ 220,069 | $ - | $ 220,069 |
| Total liabilities | 220,069 | - | 220,069 |
| **Fund balance** | | | |
| Assigned | 11,686,674 | (11,686,674) | - |
| Total fund balance | 11,686,674 | (11,686,674) | - |
| Total liabilities and fund balances | $ 11,906,743 | | |
| **Net position** | | | |
| Net investment in capital assets | | 98,379 | 98,379 |
| Unrestricted | | 11,686,674 | 11,686,674 |
| Total net position | | $ 11,785,053 | $ 11,785,053 |

**Arapahoe County, Colorado**
**911 Authority - Component Unit**
**Statement of Governmental Fund Revenues**
**Expenditures, and Changes in Fund Balance**
**Statement of Activities**
**For the Year Ended December 31, 2022**

| | 911 Authority Fund | Adjustments | Statement of Activities |
|---|---|---|---|
| **Program revenues** | | | |
| Charges for services | $ 5,379,804 | $ - | $ 5,379,804 |
| **General revenues** | | | |
| Investment earnings | 183,689 | - | 183,689 |
| Total revenues | 5,563,493 | - | 5,563,493 |
| | | | |
| **Expenditures/expenses** | | | |
| Governmental activities | | | |
| Public safety | 3,354,519 | - | 3,354,519 |
| Capital | 37,473 | (37,473) | - |
| Depreciation | - | 22,148 | 22,148 |
| Total expenditures/expenses | 3,391,992 | (15,325) | 3,376,667 |
| | | | |
| Excess of revenues over expenditures | 2,171,501 | (2,171,501) | - |
| | | | |
| Change in net position | - | (2,186,826) | 2,186,826 |
| | | | |
| Fund balance/net position - beginning | 9,515,173 | | 9,598,227 |
| Fund balance/net position - ending | $ 11,686,674 | $ - | $ 11,785,053 |

**Arapahoe County, Colorado**
**911 Authority - Component Unit**
**Schedule of Revenues, Expenditures and Changes in Fund Balance**
**Budget and Actual**
**For the Year Ended December 31, 2022**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | Original | Final | Actual | Variance with Final Budget |
| **Revenues** | | | | |
| Charges for services | $ 4,785,194 | $ 4,785,194 | $ 5,379,804 | $ 594,610 |
| Investment earnings | 100,000 | 100,000 | 183,689 | 83,689 |
| Total revenues | 4,885,194 | 4,885,194 | 5,563,493 | 678,299 |
| **Expenditures** | | | | |
| **Current** | | | | |
| Public safety | 5,593,952 | 5,593,952 | 3,354,519 | 2,239,433 |
| **Capital** | | | | |
| Public safety | 242,000 | 242,000 | 37,473 | 204,527 |
| Total expenditures | 5,835,952 | 5,835,952 | 3,391,992 | 2,443,960 |
| Excess of revenues over expenditures | (950,758) | (950,758) | 2,171,501 | 3,122,259 |
| Fund balance - beginning | 9,515,173 | 9,515,173 | 9,515,173 | - |
| Fund balance - ending | $ 8,564,415 | $ 8,564,415 | $ 11,686,674 | $ 3,122,259 |

**ARAPAHOE COUNTY, COLORADO**
**SOCIAL SERVICES FUND**
**SCHEDULE OF EBT AUTHORIZATIONS, WARRANT EXPENDITURES AND TOTAL EXPENDITURES**
**FOR YEAR ENDING DECEMBER 31, 2022**

| | 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 | $ - | $ - | $ 1,613,789 | $ 1,613,789 | $ 1,613,789 |
| Aid to Blind | 98.00 | 19.60 | - | 98.00 | 19.60 |
| Aid to Needy Disabled | 762,659.53 | 152,531.92 | - | 762,659.53 | 152,531.92 |
| Child Support Grants | - | - | 2,245.00 | 2,245.00 | 2,245.00 |
| Child Support Services | 27,180.56 | 28,053.06 | 6,959,367.67 | 6,986,548.23 | 6,987,420.73 |
| Child Welfare | 9,378,253.02 | 1,804,384.20 | 25,325,944.67 | 34,704,197.69 | 27,130,328.87 |
| Child Welfare Discretionary Grants | - | 64,285.98 | 460,446.97 | 460,446.97 | 524,732.95 |
| Child Welfare IV-E Waiver Interventions | - | - | - | - | - |
| Child Welfare Staffing | - | - | 4,454,761.76 | 4,454,761.76 | 4,454,761.76 |
| Child Welfare Subsidized Adoption | 5,198,841.40 | 530,563.29 | - | 5,198,841.40 | 530,563.29 |
| Colorado Child Care Assistance Program (CCCAP) | 17,513,514.78 | 1,766,610.89 | 1,243,735.56 | 18,757,250.34 | 3,010,346.45 |
| Colorado Works (TANF) | 10,681,450.25 | 2,376,294.46 | 7,429,407.66 | 18,110,857.91 | 9,805,702.12 |
| Core Services | 2,142,095.50 | 2,187.07 | 1,981,396.40 | 4,123,491.90 | 1,983,583.47 |
| County Administration | - | - | 13,929,558.87 | 13,929,558.87 | 13,929,558.87 |
| County Wide Cost Allocation Plan Pass Thru | - | - | 8,082,645.50 | 8,082,645.50 | 8,082,645.50 |
| Food Assistance Benefits (SNAP) | 190,587,894.03 | - | - | 190,587,894.03 | - |
| Food Assistance Job Search (Employment First) | 527,029.30 | 263,514.56 | 859,167.45 | 1,386,196.75 | 1,122,682.01 |
| Home Care Allowance | 610,706.35 | 30,535.30 | - | 610,706.35 | 30,535.30 |
| IV-E Independent Living | - | - | 71,671.07 | 71,671.07 | 71,671.07 |
| Low-Income Energy Assistance | 6,871,003.35 | - | 41,578.75 | 6,912,582.10 | 41,578.75 |
| Non-Allocated Programs | 4,415,055.52 | 78,850.58 | 981,290.79 | 5,396,346.31 | 1,060,141.37 |
| Old Age Pension | 8,180,907.87 | - | 441,626.62 | 8,622,534.49 | 441,626.62 |
| TANF Collections IV-D Retained | (683,861.10) | (136,772.21) | - | (683,861.10) | (136,772.21) |
| Title IV-B Sub Part 2 (PSSF) | - | - | - | - | - |
| Title XX Caseworker Training | - | - | - | - | - |
| Miscellaneous | (334,704.16) | - | 5,939.32 | (328,764.84) | 5,939.32 |
| **GRAND TOTAL** | ***$ 255,878,124*** | ***$ 6,961,059*** | ***$ 73,884,573*** | ***$ 329,762,698*** | ***$ 80,845,632*** |

| **DIFFERENCES NOTED:** | |
|---|---|
| COUNTY EXPENDITURES NOT RECORDED TO COUNTY FINANCIAL MANAGEMENT SYSTEM (CFMS) | 1,270,502 |
| COUNTY WIDE COST ALLOCATION PLAN COSTS NOT RECORDED TO FUND 11 | (7,836,687) |
| FUND TO FUND TRANSFERS NOT RECORDED TO CFMS | 3,500,000 |
| PSSF NOT RECORDED TO SAP | - |
| ITEMS RECORDED IN EXPENDITURE AND NOT AS OFFSET TO REVENUE | - |
| ITEMS RECORDED IN REVENUE AND NOT AS OFFSET TO EXPENDITURE | 30,864 |
| IV-D BALANCE SHEET ITEMS AND REFUNDS | (16,107) |
| PAYROLL & OTHER EXPENDITURE ACCRUALS | 70,404 |
| **COUNTY HUMAN SERVICES TOTALS** | **$ 77,864,609** |

| | | |
|---|---|---|
| ***** CONTROL TOTALS** | **$ 329,762,698** | **$ 77,864,609** |

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 can 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.

The public report burden for this information collection is estimated to average 380 hours annually. Form # 350-050-36

| LOCAL HIGHWAY FINANCE REPORT | City or County: Arapahoe |
|---|---|
| | YEAR ENDING : December 2022 |
| This Information From The Records Of (example - City of _ or County of _) | Prepared By: Katie Curtis<br>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

| ITEM | AMOUNT |
|---|---|
| **A. Receipts from local sources:** | |
| 1. Local highway-user taxes | |
| a. Motor Fuel (from Item I.A.5.) | |
| b. Motor Vehicle (from Item I.B.5.) | |
| c. Total (a.+b.) | |
| 2. General fund appropriations | 5,629,764 |
| 3. Other local imposts (from page 2) | 6,255,569 |
| 4. Miscellaneous local receipts (from page 2) | 395,527 |
| 5. Transfers from toll facilities | 0 |
| 6. Proceeds of sale of bonds and notes: | |
| a. Bonds - Original Issues | 0 |
| b. Bonds - Refunding Issues | 0 |
| c. Notes | 0 |
| d. Total (a. + b. + c.) | 0 |
| 7. Total (1 through 6) | 12,280,860 |
| **B. Private Contributions** | 1,485,082 |
| **C. Receipts from State government** (from page 2) | 9,356,951 |
| **D. Receipts from Federal Government** (from page 2) | 9,686,944 |
| **E. Total receipts (A.7 + B + C + D)** | 32,809,837 |

## III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

| ITEM | AMOUNT |
|---|---|
| **A. Local highway disbursements:** | |
| 1. Capital outlay (from page 2) | 16,615,466 |
| 2. Maintenance: | 8,054,384 |
| 3. Road and street services: | |
| a. Traffic control operations | 87,718 |
| b. Snow and ice removal | 66,814 |
| c. Other | 0 |
| d. Total (a. through c.) | 154,533 |
| 4. General administration & miscellaneous | 9,180,487 |
| 5. Highway law enforcement and safety | 0 |
| 6. Total (1 through 5) | 34,004,869 |
| **B. Debt service on local obligations:** | |
| 1. Bonds: | |
| a. Interest | 0 |
| b. Redemption | 0 |
| c. Total (a. + b.) | 0 |
| 2. Notes: | |
| a. Interest | 0 |
| 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)** | 34,004,869 |

## 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 |
|---|---|---|---|---|
| 31,449,711 | 32,809,837 | 34,004,869 | 30,254,678 | 0 |

**Notes and Comments:**

**FORM FHWA-536 (Rev. 1-05)** PREVIOUS EDITIONS OBSOLETE (Next Page)

| LOCAL HIGHWAY FINANCE REPORT | STATE: Colorado |
|---|---|
| | YEAR ENDING (mm/yy): December 2022 |

## 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 | 3,046,976 | a. Interest on investments | 158,257 |
| b. Other local imposts: | | b. Traffic Fines & Penalties | 0 |
| 1. Sales Taxes | 0 | c. Parking Garage Fees | 0 |
| 2. Infrastructure & Impact Fees | 584,677 | d. Parking Meter Fees | 0 |
| 3. Liens | 0 | e. Sale of Surplus Property | 0 |
| 4. Licenses | 0 | f. Charges for Services | 1,501 |
| 5. Specific Ownership &/or Other | 2,623,916 | g. Other Misc. Receipts | 216,702 |
| 6. Total (1. through 5.) | 3,208,593 | h. Other | 19,067 |
| c. Total (a. + b.) | 6,255,569 | i. Total (a. through h.) | 395,527 |
| | (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 | 8,777,805 | 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 | 246,128 | c. HUD | |
| c. Motor Vehicle Registration | 333,019 | d. Federal Transit Admin | |
| d. Other (Specify) - DOLA Grant | 0 | e. U.S. Corps of Engineers | |
| e. Other (Specify) | 0 | f. Other Federal | 9,686,944 |
| f. Total (a. through e.) | 333,019 | g. Total (a. through f.) | 9,686,944 |
| 4. Total (1. + 2. + 3.f) | 9,356,951 | 3. Total (1. + 2.g) | 9,686,944 |
| | | | (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 | 1,124,407 | 22,887 | 1,147,294 |
| b. Engineering Costs | 3,255,675 | 776,391 | 4,032,066 |
| c. Construction: | | | |
| (1). New Facilities | 0 | 0 | 0 |
| (2). Capacity Improvements | 10,411,791 | 195,569 | 10,607,361 |
| (3). System Preservation | 0 | 0 | 0 |
| (4). System Enhancement & Operation | 0 | 828,745 | 828,745 |
| (5). Total Construction (1) + (2) + (3) + (4) | 10,411,791 | 1,024,314 | 11,436,106 |
| d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5) | 14,791,873 | 1,823,593 | 16,615,466 |
| | | | (Carry forward to page 1) |

**Notes and Comments:**

**FORM FHWA-536 (Rev.1-05)** PREVIOUS EDITIONS OBSOLETE

**Arapahoe County, Colorado**
**Building Maintenance Administration**
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**
**For the Year Ended December 31, 2022**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | Original | Final | Actual | Variance with Final Budget |
| **Revenues** | | | | |
| Total revenue | $ - | $ - | $ - | $ - |
| **Expenditures** | | | | |
| **Current** | | | | |
| General government | 2,738,269 | 2,762,947 | 1,519,543 | 1,243,404 |
| Public safety | - | 173,291 | - | 173,291 |
| **Capital** | | | | |
| General government | - | - | 600,575 | (600,575) |
| Public safety | - | - | 172,829 | (172,829) |
| Total expenditures | 2,738,269 | 2,936,238 | 2,292,947 | 643,291 |
| Excess (deficiency) of revenues over (under) expenditures | (2,738,269) | (2,936,238) | (2,292,947) | 643,291 |
| **Other financing sources (uses)** | | | | |
| Transfers in | 2,678,000 | 2,678,000 | 2,678,000 | - |
| Total other financing sources (uses) | 2,678,000 | 2,678,000 | 2,678,000 | - |
| Net change in fund balance | (60,269) | (258,238) | 385,053 | 643,291 |
| Fund balance - beginning | 1,521,036 | 1,521,036 | 1,521,036 | - |
| Fund balance - ending | $ 1,460,767 | $ 1,262,798 | $ 1,906,089 | $ 643,291 |

**Arapahoe County, Colorado**
**Board Designated**
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**
**For the Year Ended December 31, 2022**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | Original | Final | Actual | Variance 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 annual comprehensive 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 Outstanding 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

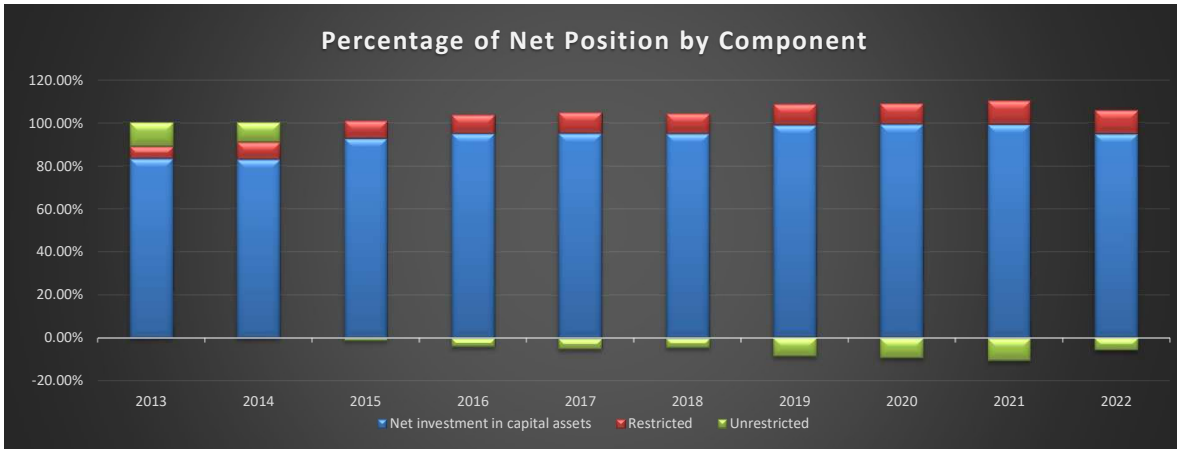

### Data Source:

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

Table 1

**ARAPAHOE COUNTY, COLORADO**
**Net Position by Component**
**Last Ten Fiscal Years**
**December 31, 2022**

| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Governmental Activities** | | | | | | | | | | |
| Net investment in capital assets | $ 644,821,342 | $ 645,575,320 | $ 659,544,853 | $ 661,699,298 | $ 661,399,167 | $ 662,881,767 | $ 665,383,529 | $ 676,596,791 | $ 679,531,606 | $ 689,887,585 |
| Restricted | 43,700,491 | 62,204,672 | 58,164,427 | 61,025,576 | 67,832,163 | 65,523,120 | 65,514,966 | 65,947,473 | 75,549,964 | 80,279,631 |
| Unrestricted | 86,712,911 | 71,421,463 | (7,440,134) | (27,017,353) | (34,147,538) | (30,739,972) | (58,482,934) | (63,175,972) | (71,344,581) | (41,972,333) |
| Total governmental activities net position | $ 775,234,744 | $ 779,201,455 | $ 710,269,146 | $ 695,707,521 | $ 695,083,792 | $ 697,664,915 | $ 672,415,561 | $ 679,368,292 | $ 683,736,989 | $ 728,194,883 |




Data Source:
Applicable years' Annual Comprehensive Financial Report

Table 2

**ARAPAHOE COUNTY, COLORADO**
**Changes in Net Position**
**Last Ten Fiscal Years**
**December 31, 2022**

| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Expenses Governmental Activities** | | | | | | | | | | |
| General Government | $ 64,146,957 | $ 64,507,824 | $ 62,981,999 | $ 67,198,166 | $ 75,487,675 | $ 69,320,281 | $ 83,051,860 | $ 141,800,450 | $ 92,282,280 | $ 91,847,812 |
| Public Safety | 80,106,733 | 82,886,786 | 86,598,340 | 93,906,901 | 92,591,674 | 99,859,375 | 124,944,437 | 121,307,621 | 117,839,247 | 123,382,169 |
| Judicial Services | 12,389,454 | 12,474,361 | 13,392,562 | 14,435,062 | 14,879,697 | 15,143,028 | 15,888,842 | 16,146,113 | 16,545,082 | 17,281,465 |
| Health & Welfare | 82,262,092 | 84,017,656 | 89,673,316 | 96,670,273 | 98,713,590 | 106,223,692 | 116,509,490 | 146,855,313 | 121,766,911 | 137,068,712 |
| Highways & Streets | 21,739,230 | 23,309,365 | 28,620,234 | 32,878,027 | 27,985,852 | 28,882,804 | 27,870,648 | 37,371,967 | 25,859,910 | 28,524,891 |
| Water & Wastewater | 3,450,708 | 3,525,230 | 3,567,857 | 3,565,064 | 3,565,414 | 3,559,558 | 3,562,136 | 3,565,580 | 3,562,559 | 3,565,869 |
| Airport | 1,563 | 8,268 | - | 1,585,550 | 591 | - | - | - | - | 1,611,898 |
| Culture & Recreation | 18,398,769 | 20,022,505 | 20,602,042 | 25,427,434 | 24,625,180 | 27,661,147 | 33,265,464 | 29,575,359 | 31,867,675 | 33,775,486 |
| Interest on long-term debt | 9,397,859 | 9,114,034 | 8,542,246 | 7,606,467 | 7,508,707 | 7,045,569 | 7,139,524 | 4,294,706 | 4,246,473 | 3,902,455 |
| Total expenses | $ 291,893,365 | $ 299,866,029 | $ 313,978,596 | $ 343,272,944 | $ 345,358,380 | $ 357,695,454 | $ 412,232,401 | $ 500,917,109 | $ 413,970,137 | $ 440,960,757 |
| **Program Revenues Governmental Activities** | | | | | | | | | | |
| Charges for Services | | | | | | | | | | |
| General Government | $ 20,250,845 | $ 22,196,883 | $ 23,989,832 | $ 24,764,618 | $ 25,740,484 | $ 29,533,354 | $ 28,279,158 | $ 31,534,814 | $ 34,793,163 | $ 30,124,786 |
| Public Safety | 25,860,963 | 26,375,646 | 27,738,753 | 29,725,654 | 29,943,245 | 31,738,589 | 35,800,426 | 36,136,992 | 37,850,173 | 38,938,964 |
| Health & Welfare | 445,771 | 634,870 | 755,207 | 628,911 | 647,231 | 565,584 | 623,005 | 658,963 | 792,048 | 384,154 |
| Highways & Streets | 713,619 | 758,650 | 927,621 | 860,617 | 893,530 | 939,266 | 1,163,994 | 1,212,473 | 1,060,963 | 947,851 |
| Airport | - | - | 571,911 | - | - | - | - | - | - | - |
| Culture & Recreation | 712,210 | 575,644 | - | 942,446 | 924,663 | 1,049,356 | 1,205,946 | 24,721 | 1,330,103 | 1,521,424 |
| Operating Grants and Contributions | | | | | | | | | | |
| General Government | 198,373 | 130,532 | 116,151 | 142,214 | 1,175,081 | 332,855 | 392,675 | 57,524,843 | 19,150,785 | 56,946,175 |
| Public Safety | 3,470,396 | 3,282,826 | 2,577,121 | 2,200,898 | 2,433,452 | 1,893,598 | 1,920,058 | 2,997,179 | 3,383,419 | 4,608,833 |
| Judicial Services | | | | | | | 291,080 | 120,492 | 23,873 | 90,964 |
| Health & Welfare | 55,446,824 | 54,827,686 | 59,144,977 | 64,420,988 | 64,723,939 | 130,023 | 71,616,324 | 131,985,737 | 73,596,832 | 83,968,978 |
| Highways & Streets | 9,110,175 | 9,210,239 | 9,421,948 | 10,092,021 | 14,217,769 | 72,177,853 | 17,347,267 | 16,508,054 | 13,610,646 | 18,913,192 |
| Water & Wastewater | - | - | - | - | - | 11,113,339 | - | - | - | - |
| Culture & Recreation | 221,769 | 163,276 | 154,106 | 150,694 | 275,193 | 595,963 | 414,048 | 270,530 | 259,427 | 2,756,077 |
| Capital grants and Contributions | | | | | | | | | | |
| General Government | 8,411 | - | - | - | - | - | - | - | 2,531 | 5,000 |
| Public Safety | 62,207 | 23,650 | - | 137,985 | 35,612 | 431,223 | 20,915 | 41,024 | 61,091 | 6,324 |
| Health & Welfare | 5,461 | 6,816 | 6,951 | 8,460 | 7,469 | 8,938 | 7,058 | 8,166 | 6,657 | 3,512 |
| Highways & Streets | 279,095 | 1,990,573 | 512,927 | 578,392 | 1,758,232 | 1,841,745 | 2,530,471 | 3,752,426 | 3,087,055 | 1,597,868 |
| Culture & Recreation | 667,655 | 606,114 | 610,925 | 720,904 | 675,487 | 684,236 | 773,048 | 702,301 | 850,278 | 896,449 |
| Total program revenues | $ 117,453,774 | $ 120,783,405 | $ 126,528,430 | $ 135,374,802 | $ 143,451,387 | $ 153,035,922 | $ 162,385,473 | $ 283,478,715 | $ 189,859,044 | $ 241,710,551 |
| **Net (Expense)/Revenue Governmental Activities** | | | | | | | | | | |
| Total primary government net expense | $ (174,439,591) | $ (179,082,624) | $ (187,450,166) | $ (208,273,142) | $ (201,906,993) | $ (204,659,532) | $ (249,846,928) | $ (217,438,394) | $ (224,111,093) | $ (199,250,206) |
| **General Revenues Governmental Activities** | | | | | | | | | | |
| Property taxes | $ 137,284,487 | $ 140,623,343 | $ 140,088,056 | $ 146,327,277 | $ 150,346,537 | $ 156,874,600 | $ 164,054,460 | $ 170,583,122 | $ 174,986,183 | $ 184,502,717 |
| Sales taxes | 21,058,410 | 22,557,783 | 24,593,215 | 25,647,538 | 26,557,828 | 27,911,710 | 30,334,481 | 31,526,629 | 36,677,742 | 39,976,934 |
| Other taxes | 9,140,147 | 9,778,605 | 10,149,831 | 10,735,626 | 12,163,187 | 10,811,204 | 13,170,907 | 10,409,174 | 11,373,935 | 10,977,264 |
| Investment income | 533,928 | 1,559,611 | 2,198,875 | 1,950,443 | 2,794,250 | 4,704,611 | 10,372,294 | 7,552,178 | (876,774) | 285,749 |
| Build America Bonds Credit | 1,057,602 | 1,074,398 | 1,076,715 | 1,079,032 | 1,080,190 | 1,084,245 | 1,088,299 | - | - | - |
| Miscellaneous | 7,531,559 | 7,455,595 | 7,700,202 | 7,971,601 | 8,341,272 | 5,854,285 | 5,577,133 | 6,207,643 | 6,318,704 | 7,965,436 |
| Total general revenues | $ 176,606,133 | $ 183,049,335 | $ 185,806,894 | $ 193,711,517 | $ 201,283,264 | $ 207,240,655 | $ 224,597,574 | $ 226,278,746 | $ 228,479,790 | $ 243,708,100 |
| **Change in Net Position** | | | | | | | | | | |
| Governmental activities | $ 2,166,542 | $ 3,966,711 | $ (1,643,272) | $ (14,561,625) | $ (623,729) | $ 2,581,123 | $ (25,249,354) | $ 8,840,352 | $ 4,368,697 | $ 44,457,894 |

Data Source:
Applicable years' Annual Comprehensive Financial Report

Table 3

**ARAPAHOE COUNTY, COLORADO**
**Fund Balances Governmental Funds**
**Last Ten Fiscal Years**
**December 31, 2022**

| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|---|---|---|---|---|---|---|---|---|---|---|
| **General Fund** | | | | | | | | | | |
| Nonspendable | $ 14,497 | $ 29,126 | $ 21,446 | $ 89,763 | $ 6,944 | $ 7,215 | $ 18,109 | $ 271,381 | $ 1,136,860 | $ 978,169 |
| Restricted | 5,721,746 | 5,880,269 | 6,237,852 | 6,525,720 | 6,870,489 | 7,258,016 | 8,352,668 | 7,864,114 | 7,659,084 | 7,615,631 |
| Assigned | 6,715,072 | 3,187,951 | 8,943,657 | 8,011,437 | 11,731,823 | 9,137,938 | 11,511,037 | 7,911,434 | 6,311,182 | 3,914,526 |
| Unassigned | 38,051,806 | 36,372,605 | 33,670,399 | 36,996,292 | 37,222,085 | 45,059,519 | 49,422,184 | 72,276,067 | 69,363,328 | 62,807,492 |
| Total General Fund | $ 50,503,121 | $ 45,469,951 | $ 48,873,354 | $ 51,623,212 | $ 55,831,341 | $ 61,462,688 | $ 69,303,998 | $ 88,322,996 | $ 84,470,454 | $ 75,315,818 |
| **All Other Governmental Funds** | | | | | | | | | | |
| Nonspendable | $ 151,614 | $ 159,433 | $ 91,153 | $ 85,940 | $ 92,636 | $ 94,435 | $ 78,085 | $ 120,418 | $ 1,158,352 | $ 348,311 |
| Restricted | 40,297,435 | 65,837,389 | 56,231,919 | 56,029,200 | 61,203,487 | 58,265,103 | 57,162,298 | 58,083,359 | 67,890,880 | 72,664,000 |
| Committed | 32,769,338 | 42,156,672 | 29,309,109 | 24,348,429 | 26,474,074 | 33,517,748 | 43,331,425 | 37,777,300 | 39,557,389 | 75,587,779 |
| Assigned | 29,311,879 | 12,928,127 | 16,790,588 | 14,510,748 | 14,690,081 | 18,069,776 | 17,439,522 | 18,386,065 | 18,031,564 | 17,257,162 |
| Unassigned | (463,024) | (889,882) | (856,529) | (540,719) | (1,069,249) | (855,742) | (810,362) | (1,110,692) | (841,967) | (722,168) |
| Total all other governmental funds | $ 102,067,242 | $ 120,191,739 | $ 101,566,240 | $ 94,433,598 | $ 101,391,029 | $ 109,091,320 | $ 117,200,968 | $ 113,256,450 | $ 125,796,218 | $ 165,135,084 |
| Total General and all other governmental funds | $ 152,570,363 | $ 165,661,690 | $ 150,439,594 | $ 146,056,810 | $ 157,222,370 | $ 170,554,008 | $ 186,504,966 | $ 201,579,446 | $ 210,266,672 | $ 240,450,902 |

Data Source:
Applicable years' Annual Comprehensive Financial Report

Table 4

**ARAPAHOE COUNTY, COLORADO**
**Changes in Fund Balances Governmental Funds**
**Last Ten Fiscal Years**
**December 31, 2022**

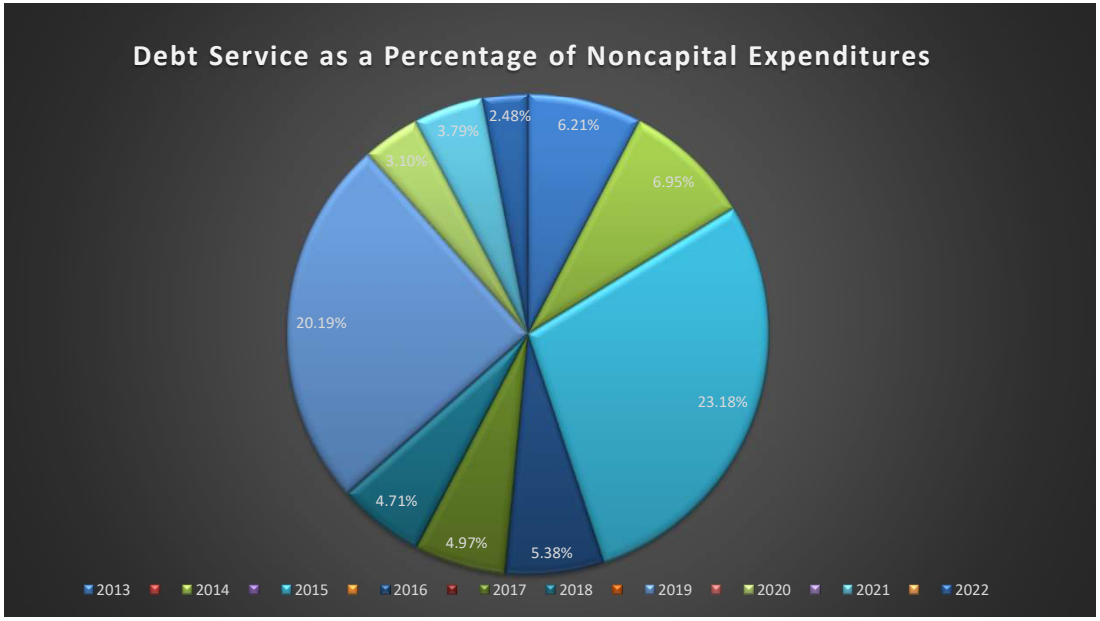
| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Revenues** | | | | | | | | | | |
| Taxes | $ 167,427,334 | $ 172,983,923 | $ 174,843,027 | $ 182,717,914 | $ 189,064,942 | $ 195,592,692 | $ 207,569,973 | $ 212,513,367 | $ 223,044,381 | $ 235,458,161 |
| Licenses and Permits | 6,291,499 | 7,071,899 | 7,679,491 | 6,862,319 | 6,938,686 | 8,265,521 | 8,139,175 | 7,693,350 | 9,419,993 | 8,162,132 |
| Intergovernmental | 70,868,970 | 67,743,648 | 71,714,313 | 77,683,616 | 82,377,314 | 88,157,459 | 92,613,456 | 208,214,654 | 110,388,787 | 166,305,453 |
| Charges for Services | 42,460,957 | 43,049,570 | 45,554,064 | 48,754,388 | 48,098,474 | 52,059,969 | 55,883,731 | 59,662,666 | 64,203,123 | 61,829,051 |
| Fines | 1,672,267 | 1,582,379 | 1,472,027 | 1,333,331 | 1,116,890 | 959,499 | 796,019 | 505,971 | 564,409 | 552,501 |
| Investment Earnings | 533,928 | 1,559,611 | 2,198,875 | 1,950,442 | 2,794,250 | 4,704,611 | 10,372,294 | 7,552,178 | (876,774) | 285,749 |
| Interfund Revenues and Rentals | 4,024,310 | 3,812,158 | 3,885,296 | 4,175,841 | 4,015,236 | 4,165,304 | 4,286,950 | 3,904,081 | 3,188,180 | 3,272,592 |
| Interest on Loan to Component Unit | 1,591,390 | 1,596,342 | 1,594,761 | 1,632,137 | - | - | - | - | - | - |
| Developer Contributions | 242,452 | 150,421 | 488,890 | 305,860 | 516,303 | 882,710 | 606,560 | 1,940,073 | 997,410 | 1,485,082 |
| Build America Bonds credit | 1,057,602 | 1,074,398 | 1,076,715 | 1,079,032 | 1,080,190 | 1,084,245 | 1,088,299 | - | - | - |
| Miscellaneous | 2,263,215 | 3,457,709 | 4,467,072 | 4,499,116 | 4,966,928 | 5,703,655 | 5,974,047 | 6,886,507 | 7,047,456 | 9,121,939 |
| Total Revenues | 298,433,924 | 304,082,058 | 314,974,531 | 330,993,996 | 340,969,213 | 361,575,665 | 387,330,504 | 508,872,847 | 417,976,965 | 486,472,660 |
| **Expenditures** | | | | | | | | | | |
| General Government | 57,720,320 | 61,033,179 | 60,935,571 | 62,611,284 | 63,141,881 | 64,884,087 | 68,438,168 | 131,582,571 | 85,874,707 | 86,640,218 |
| Public Safety | 74,622,220 | 77,598,486 | 79,051,015 | 82,748,708 | 83,150,402 | 89,267,881 | 98,955,247 | 103,883,234 | 106,136,874 | 115,192,547 |
| Judicial Services | 12,319,363 | 12,417,783 | 13,269,108 | 14,313,223 | 14,784,134 | 14,979,860 | 15,699,764 | 16,059,858 | 16,282,078 | 17,031,779 |
| Health and Welfare | 83,417,958 | 83,174,922 | 86,631,696 | 93,767,618 | 94,276,722 | 102,785,922 | 105,015,413 | 140,458,951 | 118,224,231 | 135,032,644 |
| Highways and Streets | 14,754,234 | 16,077,366 | 21,008,487 | 24,938,875 | 20,127,897 | 20,709,299 | 18,913,639 | 28,849,960 | 17,431,278 | 20,147,772 |
| Water and Wastewater | 115,122 | 113,935 | 117,138 | 114,024 | 114,375 | 108,518 | 111,096 | 114,640 | 111,870 | 114,679 |
| Airport | 1,563 | 8,268 | - | 550 | 591 | - | - | - | - | 1,611,898 |
| Culture and Recreation | 17,875,463 | 19,377,236 | 19,802,789 | 24,410,962 | 23,185,225 | 26,464,210 | 31,677,103 | 28,308,270 | 30,332,291 | 32,070,580 |
| Capital Outlay | 16,461,656 | 9,542,868 | 29,224,035 | 14,024,761 | 13,430,781 | 13,538,293 | 14,520,498 | 25,533,146 | 17,429,803 | 33,615,598 |
| Debt Service | | | | | | | | | | |
| Principal | 7,780,421 | 10,988,043 | 8,605,357 | 9,069,781 | 7,731,226 | 8,193,408 | 8,043,776 | 9,300,771 | 10,034,279 | 6,159,067 |
| Interest | 9,486,734 | 9,154,339 | 8,703,895 | 8,144,791 | 7,903,906 | 7,586,761 | 7,298,167 | 5,081,422 | 4,713,371 | 4,193,750 |
| Debt Issuance/Admin Costs | 6,080 | 56,373 | 500,519 | 3,558 | 3,550 | 3,550 | 499,386 | 3,450 | 70,150 | 1,200 |
| Total Expenditures | 294,561,134 | 299,542,798 | 327,849,610 | 334,148,135 | 327,850,690 | 348,521,789 | 369,172,257 | 489,176,273 | 406,640,932 | 451,811,732 |
| Excess of revenues over (under) expenditures | 3,872,790 | 4,539,260 | (12,875,079) | (3,154,139) | 13,118,523 | 13,053,876 | 18,158,247 | 19,696,574 | 11,336,033 | 34,660,928 |
| **Other Financing Sources (Uses)** | | | | | | | | | | |
| Transfers In | 16,374,015 | 22,221,040 | 8,611,624 | 24,256,236 | 20,179,682 | 24,167,219 | 17,778,109 | 42,122,171 | 20,493,623 | 92,341,425 |
| Transfers Out | (17,096,115) | (23,112,366) | (11,365,506) | (25,484,881) | (22,132,645) | (25,867,360) | (20,491,881) | (44,856,644) | (23,219,950) | (96,818,123) |

Table 4 (continued)

# ARAPAHOE COUNTY, COLORADO

**Changes in Fund Balances Government Funds**
**Last Ten Fiscal Years**
**December 31, 2022**

| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|---|---|---|---|---|---|---|---|---|---|---|
| Debt issued | - | - | 48,940,000 | - | - | - | - | - | - | - |
| Leases | - | 9,443,393 | - | - | - | - | - | - | 77,520 | - |
| Refunding Bonds Issued | - | - | - | - | - | - | 53,120,000 | - | - | - |
| Payment to Bond Agent | - | - | (51,909,890) | - | - | - | (56,251,695) | - | - | - |
| Premium (discount) on Bonds | - | - | 3,376,755 | - | - | - | 3,638,178 | - | - | - |
| Total other financing sources (uses) | (722,100) | 8,552,067 | (2,347,017) | (1,228,645) | (1,952,963) | (1,700,141) | (2,207,289) | (2,734,473) | (2,648,807) | (4,476,698) |
| **Net Change in Fund Balances** | $ 3,150,690 | $ 13,091,327 | $ (15,222,096) | $ (4,382,784) | $ 11,165,560 | $ 11,353,735 | $ 15,950,958 | $ 16,962,101 | $ 8,687,226 | $ 30,184,230 |
| Debt service as a percentage of noncapital expenditures | 6.21% | 6.95% | 23.18% | 5.38% | 4.97% | 4.71% | 20.19% | 3.10% | 3.79% | 2.48% |

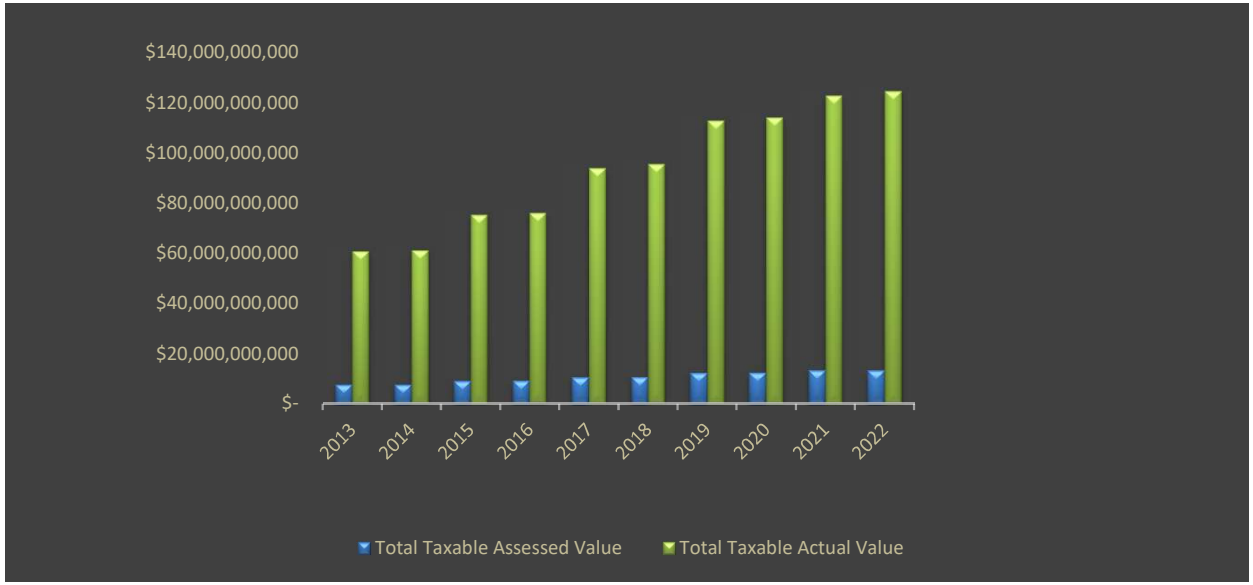



Data Source:
Applicable years' Annual Comprehensive Financial Report

Table 5

**ARAPAHOE COUNTY, COLORADO**
**Assessed Value and Actual Value of Taxable Property**
**Last Ten Fiscal Years**
**December 31, 2022**

| 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 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 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 |
| 2020 | 6,780,444,221 | 4,730,124,131 | 49,565,596 | 238,381,645 | 19,115,437 | 141,085,531 | 441,521,800 | 1,772,991,707 | 12,400,238,361 | 113,922,629,991 | 23.805 |
| 2021 | 7,287,376,447 | 5,185,966,855 | 53,941,542 | 240,588,151 | 18,787,371 | 73,796,910 | 453,323,100 | 1,838,624,644 | 13,313,780,376 | 122,564,924,302 | 23.534 |
| 2022 | 7,184,491,720 | 5,172,652,129 | 50,497,106 | 218,882,190 | 17,521,770 | 135,383,320 | 489,727,500 | 1,843,007,505 | 13,269,155,735 | 124,387,020,522 | 24.503 |




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, 2022**

| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|---|---|---|---|---|---|---|---|---|---|---|
| **County Direct Rates** | | | | | | | | | | |
| General | 13.134 | 12.976 | 11.310 | 11.477 | 10.521 | 10.963 | 9.649 | 9.945 | 9.563 | 10.429 |
| Special Revenue | 3.996 | 3.974 | 3.546 | 3.562 | 3.296 | 3.338 | 3.036 | 3.068 | 3.199 | 3.321 |
| L.E.A.D. & Library | 9.843 | 9.776 | 10.898 | 10.908 | 10.835 | 10.827 | 10.781 | 10.792 | 10.772 | 10.753 |
| Total direct rate | 26.973 | 26.726 | 25.754 | 25.947 | 24.652 | 25.128 | 23.466 | 23.805 | 23.534 | 24.503 |
| **City & Town Rates** | | | | | | | | | | |
| Aurora | 10.290 | 8.886 | 8.569 | 8.605 | 8.605 | 8.605 | 8.605 | 8.076 | 8.073 | 7.816 |
| Bennett | 11.950 | 11.950 | 11.950 | 11.950 | 11.950 | 11.950 | 11.950 | 11.950 | 11.950 | 11.950 |
| Bow-Mar | 18.879 | 25.389 | 24.280 | 25.185 | 25.373 | 26.142 | 25.112 | 26.021 | 24.421 | 25.650 |
| Centennial | 5.073 | 5.015 | 5.030 | 5.026 | 5.006 | 5.003 | 5.002 | 5.033 | 5.013 | 5.008 |
| Cherry Hills | 13.374 | 13.360 | 13.557 | 13.559 | 13.559 | 13.813 | 14.722 | 14.722 | 14.722 | 14.722 |
| Columbine Valley | 9.316 | 9.316 | 7.891 | 8.172 | 8.133 | 7.751 | 6.567 | 7.949 | 9.417 | 9.353 |
| Deer Trail | 17.104 | 17.104 | 14.597 | 15.821 | 14.585 | 15.050 | 13.453 | 14.088 | 13.453 | 11.430 |
| Englewood | 8.124 | 8.124 | 7.804 | 11.613 | 10.745 | 10.710 | 9.438 | 9.576 | 9.510 | 9.011 |
| Foxfield | 20.400 | 20.400 | 20.400 | 20.400 | 4.982 | 4.982 | 4.982 | 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 | 2.000 | 2.000 | 2.000 | 2.000 |
| Sheridan | 8.366 | 8.131 | 23.363 | 26.196 | 24.109 | 23.844 | 20.310 | 20.640 | 18.513 | 19.149 |
| **School Districts** | | | | | | | | | | |
| Aurora | 67.323 | 67.635 | 66.648 | 69.685 | 69.006 | 82.014 | 81.275 | 82.034 | 78.918 | 77.846 |
| Bennett | 33.399 | 32.950 | 32.387 | 32.594 | 32.303 | 32.296 | 24.882 | 22.494 | 23.501 | 24.321 |
| Byers | 30.726 | 30.695 | 32.812 | 33.096 | 26.230 | 26.261 | 26.121 | 27.338 | 28.418 | 29.728 |
| Cherry Creek | 57.492 | 56.702 | 49.703 | 53.232 | 49.687 | 49.995 | 46.997 | 49.724 | 49.012 | 49.863 |
| Deer Trail | 27.221 | 27.237 | 27.204 | 27.243 | 42.826 | 41.817 | 38.851 | 38.936 | 37.036 | 36.759 |
| Englewood | 46.874 | 47.018 | 44.268 | 54.561 | 52.372 | 52.373 | 49.852 | 49.854 | 47.257 | 49.075 |
| Littleton | 56.985 | 56.601 | 53.424 | 53.030 | 51.166 | 56.945 | 59.266 | 64.744 | 64.936 | 67.061 |
| Sheridan | 42.823 | 40.854 | 38.308 | 38.744 | 35.259 | 50.798 | 46.502 | 44.903 | 43.481 | 43.481 |
| Strasburg | 39.952 | 39.655 | 38.646 | 38.725 | 38.315 | 38.373 | 37.656 | 46.684 | 44.041 | 44.136 |
| **Special Districts** | .027-90.0 | .027-90.0 | .027-90.0 | .027-90.0 | .021-98.9 | .010-100.3 | .010-102.1 | .010-123.2 | .010-126.3 | 0.01 -122.3 |

Data Source:
Arapahoe County Assessor's Office

Table 7

**ARAPAHOE COUNTY, COLORADO**
**Principal Property Taxpayers**
**Current Year and Nine Years Ago**
**December 31, 2022**

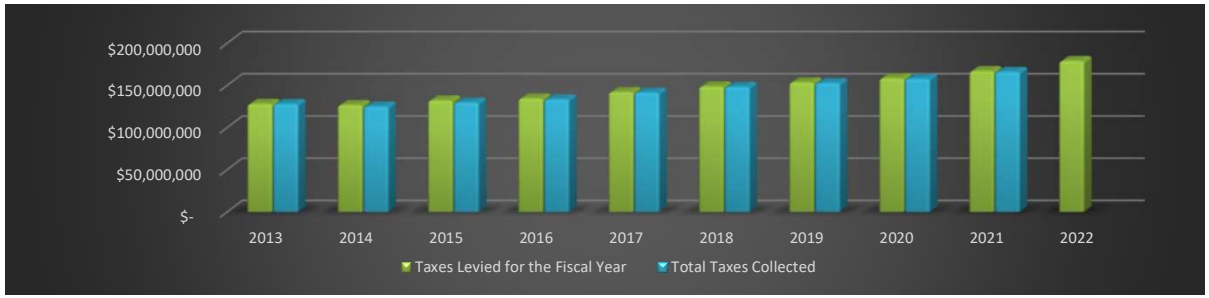
| | 2022 | | | 2013 | | |
|---|---|---|---|---|---|---|
| **Taxpayer** | **Taxable Assessed Value** | **Rank** | **Percentage of Total County Taxable Assessed Value** | **Taxable Assessed Value** | **Rank** | **Percentage of Total County Taxable Assessed Value** |
| Public Svc Co (Xcel Energy) | $ 211,943,077 | 1 | 1.40% | $ 141,626,610 | 1 | 1.59% |
| Verizon Wireless (CellCo) | 52,366,300 | 2 | 0.35% | 71,829,600 | 3 | 0.81% |
| CenturyLink (Qwest Corp.) | 51,213,272 | 3 | 0.34% | 102,258,600 | 2 | 1.15% |
| NP Stafford II LLC | 38,378,310 | 4 | 0.25% | - | | - |
| Granite Place LLC | 37,578,780 | 5 | 0.25% | - | | - |
| Denver CB Center 2 LLC (6340 Fiddlers Green Circle LP) | 33,938,410 | 6 | 0.22% | - | | - |
| Columbia HealthOne LLC | 33,819,471 | 7 | 0.22% | 43,500,000 | 4 | 0.49% |
| Greenwood Property Corp | 33,495,000 | 8 | 0.22% | 33,350,000 | 5 | 0.32% |
| Prime US-Village Center Station, LLC | 33,264,160 | 9 | 0.22% | - | | - |
| GPI Plaza Tower LP | 25,559,150 | 10 | 0.17% | 23,925,000 | 6 | 0.27% |
| GK Peakview Tower LLC | - | | - | 14,210,000 | 7 | 0.16% |
| Palazzo Verdi LLC | - | | - | 13,920,000 | 8 | 0.16% |
| CREF Tuscany Plaza LLC | - | | - | 13,630,001 | 9 | 0.15% |
| National Digital Television Ctr. Inc | - | | - | 13,488,484 | 10 | 0.15% |
| Total | $ 551,555,930 | | 3.65% | $ 471,738,295 | | 5.24% |

Data Source:
Arapahoe County Assessor's Office

Table 8

**ARAPAHOE COUNTY, COLORADO**
**Property Tax Levies and Collections**
**Last Ten Fiscal Years**
**December 31, 2022**

| 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 |
| 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 | 152,572,991 | 99.3% | 250,000 | 152,822,991 | 99.5% |
| 2020 | 158,558,190 | 157,817,755 | 99.5% | 19,547 | 157,837,302 | 99.5% |
| 2021 | 167,095,045 | 164,412,768 | 98.4% | 1,737,855 | 166,150,623 | 99.4% |
| 2022 | 179,073,290 | - | - | - | - | - |




(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.)

Data Sources:

Arapahoe County Treasurer's Office

Arapahoe County Annual Budget

Table 9

**ARAPAHOE COUNTY, COLORADO**
**Ratios of Outstanding Debt by Type**
**Last Ten Fiscal Years**
**December 31, 2022**

| Fiscal Year | Total Bonds Payable[1] | Total Notes Payable[1] | Total Certificates of Participation Payable[1] | Total Leases[1] | Total Primary Government[1] | Percentage of Personal Income[2] | Percentage of Actual Value of Taxable Property[3] | Total Outstanding Debt Per Capita |
|---|---|---|---|---|---|---|---|---|
| 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 |
| 2020 | 129,941,621 | 2,664,894 | 4,474,686 | 11,647,046 | 148,728,247 | 0.36% | 0.13% | 226.44 |
| 2021 | 126,507,164 | 1,365,581 | - | 11,971,899 | 139,844,644 | 0.34% | 0.11% | 213.48 |
| 2022 | 122,888,741 | - | - | 10,457,813 | 133,346,554 | 0.27% | 0.11% | 203.40 |

Note: Details regarding the County's outstanding debt can be found in Notes to the Financial Statements.

Data Sources:

(1) Applicable years' Annual Comprehensive Financial Report
(2) Estimates obtained from the state of Colorado Department of Local Affairs
(3) Arapahoe County Assessor's Office

Table 10

**ARAPAHOE COUNTY, COLORADO**
**Ratios of Outstanding Bonded Debt by Type**
**Last Ten Fiscal Years**
**December 31, 2022**

| Fiscal Year | Total Bonds Payable[1] | Less: Amounts Available in Restricted Resources | Net Bonded Debt[2] | Net Bonded Debt as Percent of Estimated Actual Taxable Value of Property[3] | Total Bonded Debt Per Capita |
|---|---|---|---|---|---|
| 2013 | $ 115,868,284 | $ 1,200,000 | $ 114,668,284 | 0.19% | 189.72 |
| 2014 | 114,832,794 | 1,200,000 | 113,632,794 | 0.19% | 187.18 |
| 2015 | 140,581,034 | 1,200,000 | 139,381,034 | 0.19% | 225.41 |
| 2016 | 138,905,723 | 1,200,000 | 137,705,723 | 0.18% | 216.09 |
| 2017 | 137,059,731 | 1,200,000 | 135,859,731 | 0.14% | 210.07 |
| 2018 | 135,007,822 | 1,200,000 | 133,807,822 | 0.14% | 205.95 |
| 2019 | 133,470,844 | - | 133,470,844 | 0.12% | 202.82 |
| 2020 | 129,941,621 | - | 129,941,621 | 0.11% | 197.83 |
| 2021 | 126,507,164 | - | 126,507,164 | 0.10% | 193.12 |
| 2022 | 122,888,741 | - | 122,888,741 | 0.10% | 187.45 |

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

Data Sources:

(1) Applicable years' Annual Comprehensive Financial Report

(2) Net bonded debt equals: General Obligation bonds, less restricted resources.

(3) Arapahoe County Assessor's Office

Table 11

# ARAPAHOE COUNTY, COLORADO
## Computation of Direct and Overlapping Debt
## December 31, 2022

| Governmental Unit | General Obligation Debt Outstanding | Percentage Applicable to County | Direct and Overlapping Debt |
|---|---|---|---|
| **Cities & Towns:** | | | |
| City of Englewood | $ 30,590,000 | 100% | $ 30,590,000 |
| City of Sheridan | 26,240,000 | 100% | 26,240,000 |
| **Total Cities & Towns** | | | $ 56,830,000 |
| **School Districts:** | | | |
| Aurora | $ 413,810,352 | 64% | $ 264,838,625 |
| Bennett | 0.00 | 50% | - |
| Cherry Creek | 607,430,000 | 100% | 607,430,000 |
| Deer Trail | 5,760,000 | 95% | 5,472,000 |
| Englewood | 131,390,000 | 100% | 131,390,000 |
| Littleton | 382,571,195 | 100% | 382,571,195 |
| Sheridan | 14,895,847 | 100% | 14,895,847 |
| Strasburg | 22,074,534 | 27% | 5,960,124 |
| **Total School Districts** | | | $ 1,412,557,791 |
| **Special Districts:** | | | |
| Adonea Metropolitan District #2 | $ 23,700,000 | 100% | $ 23,700,000 |
| Antelope Water System GID | 1,795,000 | 100% | 1,795,000 |
| Arapahoe Lake Public Park District | 845,900 | 100% | 845,900 |
| Arapahoe Water and Wastewater PID | 124,001,951 | 92% | 113,461,785 |
| Aurora Crossroads Metro District #2 | 45,000,000 | 100% | 45,000,000 |
| Aspen Grove Business Improvement - Bonds | 3,705,000 | 100% | 3,705,000 |
| Aurora Centretech Metropolitan District | 7,230,000 | 100% | 7,230,000 |
| Aspen Grove Business Improvement - Bonds | 3,705,000 | 100% | 3,705,000 |
| Beacon Point Metropolitan District | 19,400,000 | 100% | 19,400,000 |
| Belleview Place Metro District | 3,199,853 | 100% | 3,199,853 |
| Bijou Creek Metropolitan District | 2,139,000 | 100% | 2,139,000 |
| Bristol Metropolitan District | 3,135,000 | 100% | 3,135,000 |
| Centennial Downs Metropolitan District | 2,995,000 | 100% | 2,995,000 |
| Charlou Park 3rd Flg GID | 278,000 | 100% | 278,000 |
| Cherry Creek Racquet Club GID | 325,000 | 100% | 325,000 |
| Cherry Creek Vista Park and Recreational District A | 1,628,000 | 100% | 1,628,000 |
| Cherry Creek Vista Park and Recreational District B | 4,884,000 | 100% | 4,884,000 |
| Cherry Hills City Metropolitan District | 3,002,000 | 100% | 3,002,000 |
| Citadel on Colfax BID | 11,600,000 | 100% | 11,600,000 |
| Cornerstar Metro District | 32,475,000 | 100% | 32,475,000 |
| Cobblewood GID | 263,000 | 100% | 263,000 |
| Commons at East Creek Metro | 1,495,000 | 100% | 1,495,000 |
| Conservatory Metropolitan District | 18,565,000 | 100% | 18,565,000 |
| Copperleaf Metropolitan District #2 | 28,410,000 | 100% | 28,410,000 |
| Copperleaf Metropolitan District #3 | 7,370,000 | 100% | 7,370,000 |
| Copperleaf Metropolitan District #4 | 24,410,000 | 100% | 24,410,000 |
| Copperleaf Metropolitan District #6 | 13,410,000 | 100% | 13,410,000 |
| Cornerstar Metro District Bonds | 32,475,000 | 100% | 32,475,000 |
| Country Homes Metropolitan District P-A | 28,000 | 100% | 28,000 |
| Country Homes Metropolitan District P-B | 28,000 | 100% | 28,000 |
| Cross Creek Metropolitan District #2 | 10,205,000 | 100% | 10,205,000 |
| Dove Valley Metropolitan District | 36,405,000 | 100% | 36,405,000 |
| Dove Valley Metropolitan District Bonds Only | 36,405,000 | 100% | 36,405,000 |
| Eagle Bend Metropolitan District | 23,769,000 | 100% | 23,769,000 |
| Eagle's Nest Metropolitan District | 1,027,000 | 100% | 1,027,000 |
| East Creek Metropolitan District #1 | 4,315,000 | 100% | 4,315,000 |
| East Smoky Hill Metropolitan District #1 | 2,695,000 | 100% | 2,695,000 |
| East Smoky Hill Metropolitan District #2 | 2,976,000 | 100% | 2,976,000 |
| East Valley Metropolitan District | 184,270 | 100% | 184,270 |
| Estancia Metropolitan District | 4,110,000 | 100% | 4,110,000 |
| Fiddlers Business IM District | 51,369,000 | 100% | 51,369,000 |
| Fitzsimons Village Metropolitan District #1 | 6,240,000 | 100% | 6,240,000 |
| Forest Trace Metropolitan District #3 | 14,629,000 | 100% | 14,629,000 |
| Foxridge General Improvement District | 1,780,000 | 100% | 1,780,000 |
| Galleria Metropolitan District | 1,625,368 | 100% | 1,625,368 |
| Galleria Metropolitan District Bonds | 1,625,368 | 100% | 1,625,368 |
| Gardens at East Iliff Metropolitan District | 2,740,000 | 100% | 2,740,000 |
| Gardens on Havana Metro District #3 - Bonds | 13,745,000 | 100% | 13,745,000 |
| Heather Gardens Metropolitan District | 7,685,000 | 100% | 7,685,000 |
| Blackstone Metropolitan District (formerly High Plains Metro District) | 26,905,000 | 100% | 26,905,000 |
| Heather Ridge Metropolitan District #1 | 5,165,000 | 100% | 5,165,000 |
| Heritage Greens Metropolitan District | 1,960,000 | 100% | 1,960,000 |

Table 11 (continued)

**ARAPAHOE COUNTY, COLORADO**
**Computation of Direct and Overlapping Debt**
**December 31, 2022**

| Special Districts | General Obligation Debt Outstanding | Percentage Applicable to County | Direct and Overlapping Debt |
|---|---|---|---|
| Highline Crossing Metropolitan District | 1,886,000 | 100% | 1,886,000 |
| Hills At Cherry Creek Metro District | 1,210,000 | 100% | 1,210,000 |
| Iliff Commons Metropolitan District #2 | 4,133,000 | 100% | 4,133,000 |
| Iliff Commons Metropolitan District #3 | 1,900,000 | 100% | 1,900,000 |
| Inverness Water and Sanitation District | 2,778,045 | 68% | 1,889,071 |
| Iron Works Village Metropolitan District | 3,850,000 | 100% | 3,850,000 |
| Kent Place Metropolitan District #2 | 1,745,000 | 100% | 1,745,000 |
| Liverpool Metropolitan District | 1,225,000 | 100% | 1,225,000 |
| Marvella Metropolitan District | 5,160,000 | 100% | 5,160,000 |
| Meadow Hills County Club GID | 270,000 | 100% | 270,000 |
| Murphy Creek Metropolitan District #3 | 33,203,994 | 100% | 33,203,994 |
| Parkside at City Centre BID | 13,990,000 | 100% | 13,990,000 |
| Orchard Valley Metropolitan District | 4,920,000 | 100% | 4,920,000 |
| Panorama Metropolitan District Bond Only | 955,000 | 100% | 955,000 |
| Panorama Metropolitan District | 955,000 | 100% | 955,000 |
| Parker Jordan Metropolitan | 2,000,000 | 100% | 2,000,000 |
| Parker Jordan Metropolitan Bonds | 2,000,000 | 100% | 2,000,000 |
| Peoria Park GID | 273,803 | 100% | 273,803 |
| Pier Point 7 GID | 1,445,000 | 100% | 1,445,000 |
| Piney Creek Village Metropolitan District | 4,545,000 | 100% | 4,545,000 |
| Pioneer Hills Metropolitan District | 3,155,000 | 100% | 3,155,000 |
| Pronghorn Valley Metro District | 20,449,000 | 100% | 20,449,000 |
| Sable Altura Fire Protection District | 600,000 | 65% | 390,000 |
| Saddle Rock Metropolitan District | 6,694,450 | 100% | 6,694,450 |
| Saddle Rock South Metropolitan District #4 | 10,825,000 | 100% | 10,825,000 |
| Serenity Ridge Metropolitan District #2 | 16,980,000 | 100% | 16,980,000 |
| Sorrel Ranch Metropolitan District | 14,550,113 | 100% | 14,550,113 |
| South Glenn Metropolitan District | 60,255,000 | 100% | 60,255,000 |
| Southmoor GID | 182,061 | 100% | 182,061 |
| South Suburban Park and Recreation | 36,485,000 | 75% | 27,363,750 |
| Southlands Metropolitan District #1 Bonds | 45,920,000 | 100% | 45,920,000 |
| Southlands Metropolitan District #1 | 45,920,000 | 100% | 45,920,000 |
| Southlands Metropolitan District #2 | 4,538,000 | 100% | 4,538,000 |
| Southshore Metropolitan District #2 | 58,700,000 | 100% | 58,700,000 |
| Sterling Hills Metropolitan District | 9,750,000 | 100% | 9,750,000 |
| Tall Grass Metropolitan District | 13,685,000 | 100% | 13,685,000 |
| Tallyn's Reach Metropolitan District #3 | 41,088,000 | 100% | 41,088,000 |
| The Point Metropolitan District | 9,360,572 | 100% | 9,360,572 |
| Tollgate Crossing Metropolitan District #2 | 9,115,000 | 100% | 9,115,000 |
| Traditions Metropolitan District | 13,070,000 | 100% | 13,070,000 |
| 3rd & Havana Metro District | 25,000,000 | 100% | 25,000,000 |
| Valley Club Point Metropolitan District | 2,250,000 | 100% | 2,250,000 |
| Waterstone Metro District #1 | 15,680,000 | 100% | 15,680,000 |
| Wheatland's Metropolitan District | 22,660,000 | 100% | 22,660,000 |
| Whispering Pines Metropolitan District #1 | 21,604,860 | 100% | 21,604,860 |
| Wild Plum Metropolitan District | 8,064,000 | 100% | 8,064,000 |
| Willow Creek GID 1 | 4,230,000 | 100% | 4,230,000 |
| Willow Trace Metropolitan District | 7,812,080 | 100% | 7,812,080 |
| **Total special districts** | | | $ 1,275,365,297 |
| **Subtotal, overlapping debt** | | | $ 2,744,753,089 |
| **Arapahoe County direct debt** | | | $ 133,346,554 |
| **Total direct and overlapping debt** | | | $ 2,878,099,643 |

Note: Overlapping Debt is the proportionate share of the debts of local jurisdictions located wholly or in part within the limits of Arapahoe County.
(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.
Data Sources: Arapahoe County Finance Department

Table 12

**ARAPAHOE COUNTY, COLORADO**
**Legal Debt Margin Information**
**Last Ten Fiscal Years**
**December 31, 2022**

| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|---|---|---|---|---|---|---|---|---|---|---|
| Assessed Value of Property | $ 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 | $ 14,173,230,068 | $ 15,152,405,020 | $ 15,112,163,240 |
| Statutory Debt Limit 3%[1] | 267,477,467 | 267,695,461 | 320,612,079 | 322,764,023 | 362,778,058 | 318,387,132 | 369,773,645 | 425,196,902 | 454,572,151 | 453,364,897 |
| Legal Debt Margin | $ 267,477,467 | $ 267,695,461 | $ 320,612,079 | $ 322,764,023 | $ 362,778,058 | $ 318,387,132 | $ 369,773,645 | $ 425,196,902 | $ 454,572,151 | $ 453,364,897 |
| 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, 2022**

| | Population[1] | | Households[1] | |
|---|---|---|---|---|
| Year | Arapahoe County | Seven County Denver Metro | Total | Average Size |
| 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 | 255,165 | 2.56 |
| 2020 | 656,822 | 3,236,481 | 249,864 | 2.60 |
| 2021 | 655,070 | 3,240,895 | 250,327 | 2.60 |
| 2022 | 655,581 | * | * | * |

| Year | Per Capita Income[2] | Total Personal Income[2] (in thousands) | Median Age[1] | School Enrollment[4] | Unemployment Rate[3] |
|---|---|---|---|---|---|
| 2013 | 49,668 | 30,221,603 | 36.4 | 124,064 | 6.4% |
| 2014 | 53,215 | 32,941,719 | 36.7 | 126,537 | 4.9% |
| 2015 | 54,455 | 34,360,320 | 36.7 | 127,713 | 4.1% |
| 2016 | 55,207 | 35,274,663 | 36.1 | 125,646 | 3.1% |
| 2017 | 57,116 | 36,810,160 | 36.3 | 127,099 | 2.9% |
| 2018 | 61,906 | 40,350,053 | 36.4 | 126,447 | 3.8% |
| 2019 | 64,477 | 42,334,967 | 36.5 | 124,962 | 2.3% |
| 2020 | 66,691 | 43,846,410 | 36.6 | 123,298 | 8.8% |
| 2021 | 74,267 | 48,637,263 | 36.7 | 123,991 | 3.2% |
| 2022 | * | * | 37.1 | 124,314 | 3.3% |

Data Sources:
[1]Figures for 2013-2021 from the State of Colorado Department of Local Affairs
[2]U.S. Bureau of Economic Analysis
[3]U.S. Bureau of Labor Statistics
[4]Colorado Department of Education - Public & Non-Public School Enrollment
*2022 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, 2022**

| | 2022 | | | 2013 | | |
|---|---|---|---|---|---|---|
| **Employer** | **Employees** | **Rank** | **Percentage of Total County Employment** | **Employees** | **Rank** | **Percentage of Total County Employment** |
| Cherry Creek School District No. 5 | 8,100 | 1 | 2.40% | 7,800 | 1 | 2.64% |
| Adams Arapahoe Aurora Schools | 5,200 | 2 | 1.54% | 5,400 | 2 | 1.86% |
| City of Aurora | 3,600 | 3 | 1.07% | 3,500 | 3 | 1.15% |
| Empower Retirement | 2,700 | 4 | 0.80% | - | - | 0.00% |
| Raytheon Company | 2,300 | 5 | 0.68% | 2,500 | 4 | 0.85% |
| Littleton School District #6 | 2,300 | 6 | 0.68% | 2,400 | 5 | 0.81% |
| Arapahoe County | 2,300 | 7 | 0.68% | 1,900 | 7 | 0.64% |
| Columbia HCA Swedish | 1,900 | 8 | 0.56% | 1,800 | 8 | 0.64% |
| Fidelity Brokerage Services | 1,600 | 9 | 0.47% | - | - | 0.00% |
| Columbia HCA Medical Center of Aurora | 1,500 | 10 | 0.44% | 1,500 | 9 | 0.51% |
| CenturyLink (Qwest Corp.) | - | | 0.00% | 2,000 | 6 | 0.68% |
| Jeppesen Sanderson Inc. | - | | 0.00% | 1,500 | 10 | 0.47% |
| Tyco Integrated Security LLC | - | | 0.00% | - | - | 0.00% |
| Echosphere | - | | 0.00% | - | - | 0.00% |
| Total Principal Employers | 31,500 | | 9.32% | 30,300 | | 10.26% |
| Total Arapahoe County Workforce | 338,000 | | | 295,500 | | |

Data Source:
Colorado Department of Labor & Employment

Table 15

**ARAPAHOE COUNTY, COLORADO**
**Full-Time Equivalent County Government Employees by Function/Program**
**Last Ten Fiscal Years**
**December 31, 2022**

| Function/Program | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|---|---|---|---|---|---|---|---|---|---|---|
| Culture and Recreation | 13.50 | 15.50 | 17.00 | 24.00 | 25.00 | 29.50 | 30.50 | 35.50 | 34.50 | 39.00 |
| Highways and Streets | 59.00 | 59.00 | 56.00 | 60.00 | 60.00 | 61.00 | 58.00 | 58.00 | 68.00 | 68.00 |
| Health and Welfare | 632.75 | 637.75 | 644.25 | 705.50 | 744.75 | 767.75 | 794.75 | 795.75 | 658.50 | 682.00 |
| Judicial Services | 24.25 | 24.25 | 24.25 | 26.50 | 21.50 | 23.00 | 24.00 | 24.00 | 26.50 | 26.50 |
| Public Safety | 702.50 | 714.00 | 728.00 | 778.75 | 805.75 | 845.75 | 884.75 | 899.75 | 912.50 | 912.00 |
| General Government | 531.40 | 531.90 | 541.40 | 475.40 | 473.40 | 477.40 | 481.40 | 484.27 | 632.02 | 823.72 |
| Total | 1,963.40 | 1,982.40 | 2,010.90 | 2,070.15 | 2,130.40 | 2,204.40 | 2,273.40 | 2,297.27 | 2,332.02 | 2,551.22 |

Data Source:
Arapahoe County Finance Department

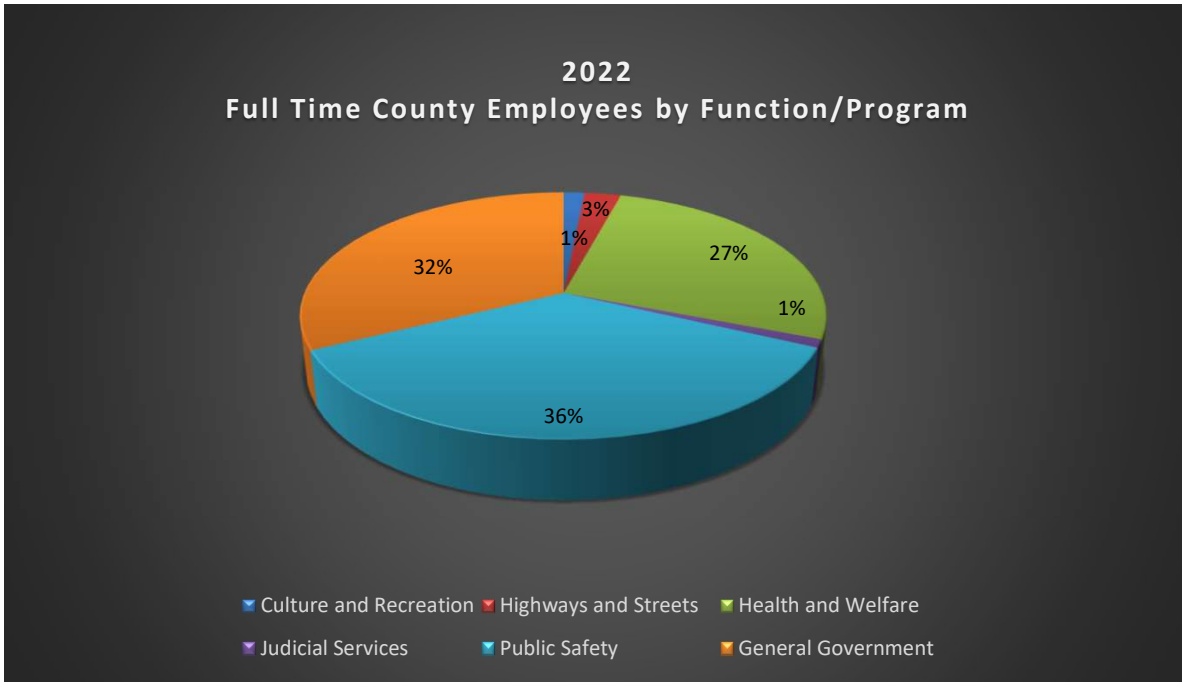


Table 16

**ARAPAHOE COUNTY, COLORADO**
**Operating Indicators by Function/Program**
**December 31, 2022**

| Function/Program | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|---|---|---|---|---|---|---|---|---|---|---|
| **General Government** | | | | | | | | | | |
| Motor vehicle renewals | 420,117 | 421,435 | 432,772 | 445,387 | 456,709 | 590,701 | 602,777 | 551,575 | 533,109 | 573,809 |
| Registered voters (active & inactive) | 379,941 | 387,212 | 387,384 | 420,997 | 350,942 | 423,146 | 424,299 | 450,981 | 425,827 | 460,304 |
| Voter turnout | 140,438 | 228,212 | 116,279 | 311,745 | 92,349 | 275,233 | 163,594 | 354,259 | 157,534 | 257,213 |
| **Public Safety** | | | | | | | | | | |
| Adult-Juvenile arrests | 5,326 | 5,758 | 5,810 | 6,217 | 5,214 | 4,376 | 3,157 | 2,458 | 2,382 | 3,410 |
| DUI arrests | 432 | 485 | 513 | 538 | 350 | 239 | 263 | 248 | 170 | 296 |
| Traffic stops | 44,570 | 44,478 | 42,579 | 40,765 | 29,990 | 20,910 | 15,771 | 11,833 | 14,905 | 13,196 |
| Number of 911 calls | 69,342 | 73,622 | 79,763 | 74,145 | 75,695 | 78,084 | 82,719 | 85,247 | 81,163 | 80,212 |
| **Judicial Services** | | | | | | | | | | |
| Felony cases closed | 1,518 | 2,672 | 2,105 | 2,197 | 2,652 | 2,744 | 1,596 | 3,188 | 2,459 | 2,909 |
| Misdemeanor cases closed | 3,424 | 3,050 | 4,508 | 4,705 | 5,681 | 5,876 | 3,418 | 3,136 | 3,403 | 4,165 |
| **Health and Welfare** | | | | | | | | | | |
| Annual cases of Food Assistance | 258,993 | 262,853 | 245,289 | 236,601 | 228,902 | 227,575 | 235,180 | 280,824 | 306,144 | 344,772 |
| **Highways and Streets** | | | | | | | | | | |
| Sweeping pass miles | 1,550 | 2,391 | 2,143 | 1,372 | 1,949 | 1,876 | 1,330 | 2,845 | 4,994 | 3,117 |
| Finished concrete curb & gutter (linear feet) | 1,167 | 1,043 | 1,639 | 5,080 | 3,701 | 6,194 | 2,348 | 1,954 | 714 | 217 |
| Tons of asphalt applied | 19,333 | 29,791 | 30,420 | 39,811 | 35,431 | 42,682 | 29,866 | 39,922 | 42,970 | 47,833 |
| **Culture & Recreation** | | | | | | | | | | |
| Building permits issued | 2,996 | 6,630 | 6,622 | 3,419 | 3,564 | 5,895 | 5,272 | 4,758 | 3,735 | 3,611 |

Data Source:
Various Arapahoe County Departments

Table 17

**ARAPAHOE COUNTY, COLORADO**
**Capital Asset Statistics by Function/Program**
**Last Nine Fiscal Years**
**December 31, 2022**

| Function/Program | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|---|---|---|---|---|---|---|---|---|---|---|
| **General Government** | | | | | | | | | | |
| Square footage of buildings[3] | 328,629 | 328,629 | 328,629 | 329,432 | 333,845 | 343,335 | 353,091 | 350,610 | 350,751 | 350,752 |
| Voting machines [1] | 375 | 375 | 225 | - | - | - | - | - | - | - |
| Voting booths | - | - | - | 135 | 135 | 255 | 137 | 137 | 135 | 135 |
| **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] | 134,183 | 134,183 | 134,183 | 151,297 | 151,297 | 148,162 | 143,751 | 144,160 | 144,232 | 144,232 |
| Patrol vehicles | 156 | 155 | 159 | 169 | 161 | 186 | 201 | 175 | 161 | 168 |
| **Judicial Services** | | | | | | | | | | |
| Square footage of buildings[3] | 163,735 | 163,735 | 163,735 | 181,073 | 180,909 | 184,044 | 192,103 | 192,103 | 192,104 | 192,104 |
| **Health and Welfare** | | | | | | | | | | |
| Square footage of buildings[3] | 208,174 | 208,174 | 208,174 | 202,234 | 203,133 | 201,681 | 214,916 | 215,181 | 213,259 | 213,259 |
| **Highways and Streets**[2] | | | | | | | | | | |
| Total centerline miles of county roads | 543.5 | 542.5 | 542.5 | 541.9 | 546.5 | 539.1 | 553.0 | 553.0 | 546.0 | 546.0 |
| Paved lane miles | 1,112.2 | 1,102.5 | 1,102.5 | 1,099.9 | 1,131.2 | 1,117.2 | 1,162.0 | 1,131.0 | 1,197.0 | 1,196.0 |
| Unpaved lane miles | 459.1 | 459.1 | 459.1 | 458.0 | 445.1 | 439.8 | 439.8 | 438.0 | 417.0 | 419.0 |
| **Culture and Recreation** | | | | | | | | | | |
| Number of parks | 10 | 16 | 16 | 16 | 18 | 19 | 21 | 21 | 23 | 27 |
| Total Open Space and Parks Acreage | 4,394 | 4,430 | 4,430 | 4,430 | 5,370 | 5,378 | 5,390 | 5,390 | 5,423 | 5,434 |

Notes:

[1]958 Advantage machines disposed of in 2012. Remaining 225 voting machines disposed of in 2016.

[2]These reports are published on July 1st of each year and reflect changes reported by Colorado Dept. of Transportation through December 31st of the previous year.

[3]2013 recalculated measurements using standard measurements by BOMA

Data Sources:
Various Arapahoe County Departments
Colorado Department of Transportation

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# 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, 2022, 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 22, 2023. 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*.

## *Report on 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) as a basis for designing 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.

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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 or significant deficiencies may exist that were not identified.

***Report on 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

***Purpose of This Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

CliftonLarsonAllen LLP

**CliftonLarsonAllen LLP**

Greenwood Village, Colorado
June 22, 2023

CliftonLarsonAllen LLP
CLAconnect.com

# 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

### *Opinion on Each Major Federal Program*

We have audited Arapahoe County, Colorado's (the County) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2022. The County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County complied, in all material respects, with the 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, 2022.

### *Basis for Opinion on Each Major Federal Program*

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative* Requirements*, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

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### *Responsibilities of Management for Compliance*

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the County's federal programs.

### *Auditors' Responsibilities for the Audit of Compliance*

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.

- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

**Report on Internal Control Over Compliance**

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. 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 Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

CliftonLarsonAllen LLP

**CliftonLarsonAllen LLP**

Greenwood Village, Colorado
June 22, 2023

**ARAPAHOE COUNTY, COLORADO**
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**
**For The Year Ended December 31, 2022**

| Federal Grantor/Pass-Through Grantor Program Title | Assistance Listing Number | Pass Through Grantor's Number | Cluster | | Passed Through to Subrecipients | Total By Assistance Listing and Agency |
|---|---|---|---|---|---|---|
| U.S. DEPARTMENT OF AGRICULTURE: | | | | | | |
| Passed Through Colorado Dept. of Human Services | | | | | | |
| | | 223CO401S2514 223CO033F1003 228CO600S8076 223CO421S2519 223CO321Q3903 223CO421S2520 | | | | |
| SNAP - Administration **(Note 2)** | 10.561 | 223CO431Q7503 | SNAP Cluster | 5,353,817 | | 5,353,817 |
| SNAP | 10.551 | 22CO35050892501 | SNAP Cluster | $ 150,955 | | 150,955 |
| Passed Through Douglas County Human Services | | | | | | |
| Employment First | 10.561 | 3660 | SNAP Cluster | 51,092 | | 51,092 |
| TOTAL U.S. DEPARTMENT OF AGRICULTURE | | | **SNAP Cluster Total** | $ 5,555,864 | | $ 5,555,864 |
| U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES: | | | | | | |
| Passed Through Colorado Department of Local Affairs | | | | | | |
| Block Grant | 93.569 | L21CSBG03 | CSBG Cluster | $ 986,708 | | $ 986,708 |
| Total-Passed Through Colorado Dept. of Local Affairs | | | **CSBG Cluster Total** | $ 986,708 | | 986,708 |
| Passed Through Colorado Dept. of Human Services | | | | | | |
| Child Welfare Services Title IV-B | 93.645 | 2201COCWSS | | | | 350,043 |
| Social Services Block Grant Title XX | 93.667 | 2201COSOSR 2101COSOSR | | | $ 127,053 | 2,456,850 |
| Child Support Enforcement Title IV-D | 93.563 | 2201COCSES | | | | 4,922,298 |
| IV-E Rel Guard Asst. | 93.090 | 2201COGARD 2301COGARD | | | | 61,429 |
| IV-E Prevention | 93.472 | | | | | 2,936 |
| Independent Living / Title IV-E | 93.674 | 2201COCILP | | | 230,212 | 171,843 |
| Foster Care (Title IV-E) | 93.658 | 2201COFOST 2301COFOST | | | | 7,664,624 |
| Child Care Development Block Grant | 93.575 | 2201COCCDD | CCDF Cluster | $ 7,871,117 | | 7,871,117 |
| Child Care Development Funds | 93.596 | 2201COCCDF | CCDF Cluster | 5,414,492 | 304,015 | 5,414,492 |
| Adoption Assistance - Title IV-E | 93.659 | 2201COADPT 2301COADPT | **CCDF Cluster Total** | $ 13,285,609 | | 2,648,322 |
| LEAP - Low Income Energy Assistance Program **(Note 2)** | 93.568 | 2201COLIEA | | | | 6,831,991 |
| Elder Justice Act | 93.747 | | | | | 52,099 |
| Special Programs for the Aging | 93.044 | | | | | 137,734 |
| Jail Medication Assist Treatment - JMAT - Opioid STR | 93.788 | | | | | 85,973 |
| Jail Based Behavioral Services - JBBS | 93.788 | | | | | 624,662 |
| Total-Passed Through Colorado Dept. of Human Services | | | | | 661,280 | 39,296,412 |
| Passed Through Department of Health Care Policy and Financing (HCPF) | | | | | | |
| Medicaid - Title XIX | 93.778 | | | | | 4,989,375 |
| Total-Passed Through Department of Health Care Policy and Financing | | | | | | 4,989,375 |
| Passed Through Douglas County Human Services | | | | | | |
| TANF DCHS | 93.558 | | TANF Cluster | 165,583 | | 165,583 |
| Temp. Assist. Needy Fam. Title IV | 93.558 | 2201COTANF 2001COTANF | TANF Cluster | $ 15,684,799 | 1,002,299 | 15,684,799 |
| Total-Passed Through Douglas County Human Services | | | **TANF Cluster Total** | $ 15,850,382 | | 15,850,382 |
| Passed Through Colorado Energy Office | | | | | | |
| Low Income Home Energy Assistance - Weatherization | 93.568 | | | | | 1,017,917 |
| TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES | | | | | $ 1,663,579 | $ 62,140,793 |
| U.S. DEPARTMENT OF ENERGY | | | | | | |
| Passed Through Colorado Energy Office | | | | | | |
| Weatherization Assistance for Low Income Persons - DOE | 81.042 | DEEE0009891 DEEE0009976 | | | | $ 1,059,625 |
| TOTAL U.S. DEPARTMENT OF ENERGY | | | | | | $ 1,059,625 |
| U.S DEPARTMENT OF JUSTICE | | | | | | |
| Passed Through Colorado Division of Criminal Justice | | | | | | |
| Patrick Leahy Bulletproof Vest Partnership | 16.607 | | | | | 17,503 |
| State Criminal Alien Assistance Program | 16.606 | | | | | 1,113,931 |
| Internet Crimes Against Children | 16.563 | | | | | 6,699 |
| Total-Passed Through Colorado Division of Criminal Justice | | | | | | 1,138,133 |
| TOTAL U.S. DEPARTMENT OF JUSTICE | | | | | | $ 1,138,133 |
| EXECUTIVE OFFICE OF THE PRESIDENT | | | | | | |
| Passed Through City of Aurora | | | | | | |
| Regional AntiViolence Enforcement Network | 95.001 | | | | | 4,819 |
| | | | | | | 4,819 |
| Passed Through City of Denver | | | | | | |
| Family Reunification Task Force | 95.001 | | | | | 15,031 |
| Fugitive Location and Apprehension Group | 95.001 | | | | | 7,130 |
| Rocky Mountain Safe Streets Task Force | 95.001 | | | | | 11,257 |
| | | | | | | 33,418 |
| TOTAL EXECUTIVE OFFICE OF THE PRESIDENT | | | | | | 38,237 |
| U.S DEPARTMENT OF HOMELAND SECURITY | | | | | | |
| Passed Through Colorado Department of Public Safety | | | | | | |
| Colorado Emergency Management Program | 97.042 | 18EM-19-02 | | | | $ 89,784 |
| State Homeland Security Program 2018 | 97.067 | 18SHS19NCR | | | | 45,764 |
| State Homeland Security Program 2019 | 97.067 | 19SHS20NCR | | | | 266,878 |
| State Homeland Security Program 2020 | 97.067 | 20SHS21NCR | | | | 347,878 |
| State Homeland Security Program 2021 | 97.067 | 21SHS22NCR | | | | 383,990 |
| Total-Passed Through Colorado Department of Public Safety | Assistance Listing # 97.067 | | | | | 1,134,294 |
| TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY | | | | | $ - | $ 1,134,294 |
| U.S. DEPARTMENT OF LABOR | | | | | | |
| Passed Through Colorado Department of Labor | | | | | | |
| Employment Services/Wagner-Peyser | 17.207 | Wagner Peyser 070121 | ESC Cluster | 1,089,274 | | 1,089,274 |
| | TOTAL Assistance Listing # 17.207 | | **ESC Cluster Sub Total** | $ 1,089,274 | | 1,089,274 |
| Unemployment Insurance | | | | | | |
| Reemployment Services and Assessment (RESEA) Program | 17.225 | FY2020 RESEA 28C0 | | | | 168,558 |
| | TOTAL Assistance Listing # 17.225 | | | | | 168,558 |
| Trade Adjustment Assistance | 17.245 | FY2019 Trade Adjustment Act Case Mgmt 17C9 | | | | 149,858 |
| | TOTAL Assistance Listing # 17.245 | | | | | 149,858 |
| Worker & Statewide Activities | 17.258 | PY2018/FY2019 WIA Adult 4A68/4A88/46A8/48A9 | WIA Cluster | $ 246,053 | | 246,053 |
| Worker & Statewide Activities | 17.258 | PY2019/FY2020 WIA Adult 4A69/4A89 | WIA Cluster | 539,753 | | 539,753 |
| Worker & Statewide Activities | 17.258 | PY2020/FY2021 WIA Adult 4A60/4A90 | WIA Cluster | 1,295,927 | | 1,295,927 |
| | TOTAL Assistance Listing #17.258 | | **WIA Cluster Sub Total** | $ 2,081,734 | | 2,081,734 |
| Workforce Investment Act Youth | 17.259 | PY2020 WIOA Youth 4Y60/4Y79/4Y8 | WIA Cluster | 67,427 | | 67,427 |
| Workforce Investment Act Youth | 17.259 | PY2021 WIOA Youth 4Y60/4Y70/4Y8 | WIA Cluster | 1,524,127 | | 1,524,127 |
| | TOTAL Assistance Listing #17.259 | | **WIA Cluster Sub Total** | $ 1,591,554 | | 1,591,554 |
| Workforce Investment Act Dislocated Worker | 17.268 | PY18 WIOA YTH 10% LWDP 4WY8 | | | | 590,209 |
| | TOTAL Assistance Listing #17.268 | | | | | 590,209 |
| Workforce Investment Act Dislocated Worker | 17.278 | PY2019/FY2020 WIOA DW 4D68/4D88/46D8/48D8 | WIA Cluster | $ 700,749 | | 700,749 |
| Workforce Investment Act Dislocated Worker | 17.278 | PY2018/FY2019 WIOA DW 4D68/4D88/46D8/48D8 | WIA Cluster | 393,363 | | 393,363 |
| | TOTAL Assistance Listing #17.278 | | **WIA Cluster Sub Total** | $ 1,094,113 | | 1,094,113 |
| | | | **WIA Cluster Total** | $ 4,767,401 | | |
| Pathway | 17.277 | PATHWAY HOME | | | | 178,681 |

**ARAPAHOE COUNTY, COLORADO**
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**
**For The Year Ended December 31, 2022**

| Federal Grantor/Pass-Through Grantor Program Title | Assistance Listing Number | Pass Through Grantor's Number | Cluster | | Passed Through to Subrecipients | Total By Assistance Listing and Agency |
|---|---|---|---|---|---|---|
| | TOTAL Assistance Listing #17.277 | | | | | 178,681 |
| IDEA | 17.280 | WFD AEEI IDEA | | | | 715,161 |
| | TOTAL Assistance Listing #17.280 | | | | | 715,161 |
| Apprenticeship USA Grants | 17.285 | ASE 19-131 | | | | 319,377 |
| | TOTAL Assistance Listing #17.285 | | | | | 319,377 |
| Disabled Veterans Outreach Program | 17.801 | FY2020 Jobs for Veterans State Grant DVOP 2D20 | ESC Cluster | $ 17,393 | | 17,393 |
| | TOTAL Assistance Listing #17.801 | | **ESC Cluster Sub Total** | $ 17,393 | | 17,393 |
| Local Veteran's Employment Rep Program | 17.804 | FY2020 Jobs for Veterans State Grant LVER 2L20 | ESC Cluster | $ 8,696 | | 8,696 |
| | TOTAL Assistance Listing #17.804 | | **ESC Cluster Sub Total** | $ 8,696 | | 8,696 |
| | | | **ESC Cluster Total** | $ 1,115,363 | | |
| Total-Passed Through Colorado Department of Labor | | | | | | 8,004,608 |
| TOTAL U.S. DEPARTMENT OF LABOR | | | | | | $ 8,004,608 |
| U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT | | | | | | |
| Centennial Community Block Grant 2016 | 14.218 | | CDBG Cluster | 15,872 | 15,872 | 15,872 |
| Centennial Community Block Grant 2017 | 14.218 | B-17-UC-08-0002 | CDBG Cluster | 15,135 | 15,135 | 15,135 |
| Centennial Community Block Grant 2020 | 14.218 | B-20-UC-08-0002 | CDBG Cluster | 96,251 | 52,773 | 96,251 |
| Community Development Block Grant 2017 | 14.218 | B-17-UC-08-0002 | CDBG Cluster | 44,630 | 44,630 | 44,630 |
| Community Development Block Grant 2018 | 14.218 | B-18-UC-08-0002 | CDBG Cluster | 77,085 | 60,182 | 77,085 |
| Community Development Block Grant 2019 | 14.218 | B-19-UC-08-0002 | CDBG Cluster | 178,194 | 171,276 | 178,194 |
| Community Development Block Grant 2020 | 14.218 | B-20-UC-08-0002 | CDBG Cluster | 1,048,242 | 491,824 | 1,048,242 |
| | TOTAL Assistance Listing #14.218 | | **CDBG Cluster Total** | $ 1,475,409 | 851,692 | 1,475,409 |
| HOME 2018 | 14.239 | M-18-DC-08-0221 | | | 22,932 | 160,797 |
| HOME 2020 | 14.239 | M-20-DC-08-0221 | | | 4,310 | 3,445 |
| | TOTAL Assistance Listing #14.239 | | | | 27,242 | 164,243 |
| TOTAL U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT | | | | | $ 878,934 | $ 1,639,652 |
| U. S. DEPARTMENT OF TRANSPORTATION | | | | | | |
| Passed Through Colorado Department of Transportation | | | | | | |
| Highway Planning and Construction | 20.205 | | | | | 9,659,896 |
| Occupant Protection - Click It or Ticket | 20.600 | PO#411016548 | Highway Safety Cluster | $ 13,648 | | 13,648 |
| High Visibility Enforcement | 20.600 | PO#411017109 | Highway Safety Cluster | 1,133 | | 1,133 |
| TOTAL U. S. DEPARTMENT OF TRANSPORTATION | | | **Highway Safety Cluster Total** | $ 14,781 | | $ 9,674,677 |
| U. S. DEPARTMENT OF TREASURY | | | | | | |
| COVID-19 Emergency Rental Assistance 1 | 21.023 | | | | 118,251 | 442,421 |
| COVID-19 Emergency Rental Assistance 2 | 21.023 | | | | 74,048 | 6,871,420 |
| COVID-19 Coronavirus State and Local Fiscal Recovery Funds | 21.027 | | ARPA Cluster | 48,504,970 | 7,957,944 | 48,504,970 |
| Passed Through Colorado Department of Labor | | | | | | |
| Local Reskilling, Upskilling and Next Skilling & Innovation | 21.027 | SLFRP0126 | ARPA Cluster | 1,232,574 | | 1,232,574 |
| Passed Through Colorado Department of Human Services | | | | | | |
| COVID-19 Coronavirus State and Local Fiscal Recovery Funds | 21.027 | SLFRP1066 | ARPA Cluster | 460,418 | | 460,418 |
| | | | **ARPA Cluster Total** | $ 50,197,962 | | |
| TOTAL U. S. DEPARTMENT OF TREASURY | | | | | 8,150,242 | $ 57,511,803 |
| TOTAL FEDERAL FINANCIAL ASSISTANCE | | | | | 10,692,755 | 147,897,686 |

**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, 2022**

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**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:

| Program Title | ALN |
|---|---|
| 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, 2022 is $5,353,817, $150,955, and $51,092.

LEAP passed through the Colorado Department of Human Services and the Colorado Energy Office for the year ended December 31, 2022 is $7,849,908.

**ARAPAHOE COUNTY**
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**
**YEAR ENDED DECEMBER 31, 2022**

## *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*

| Assistance Listing Number(s) | Name of Federal Program or Cluster |
|---|---|
| 93.558 | Temporary Assistance for Needy Families |
| 93.568 | Low-Income Home Energy Assistance |
| 93.778 | Medical Assistance Program |
| 17.258, 17.259, 17.278 | Workforce Innovation and Opportunity Act (WIOA) Cluster |
| 21.023 | Emergency Rental Assistance Program |
| 21.027 | Coronavirus State and Local Fiscal Recovery Funds |

Dollar threshold used to distinguish between Type A and Type B programs: $ 3,000,000/$750,000

Auditee qualified as low-risk auditee? ____x____ yes _____ no

**ARAPAHOE COUNTY**
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**
**YEAR ENDED DECEMBER 31, 2022**

## *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, 2022**

Arapahoe County, Colorado respectfully submits the following summary schedule of prior audit findings for the year ended December 31, 2022.

Audit period: Year Ended December 31, 2021

## FINDINGS—FINANCIAL STATEMENT AUDIT

There were no financial statement findings in the prior year.

## FINDINGS— FEDERAL AWARD PROGRAMS AUDIT

There were no federal award program audit findings in the prior year.

