

# ADAMS COUNTY

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DEC. 31, 2007



*Economic Vitality*



*Safe and Peaceful Community*



*Citizen Participation*



*Open Space Preservation*



*Financial Stability*



ADAMS COUNTY  
COLORADO

Richard C. Lemke  
DIRECTOR



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# COMPREHENSIVE ANNUAL FINANCIAL REPORT

ADAMS COUNTY, COLORADO

For The Year Ended December 31, 2007

Board of County Commissioners

**Alice J. Nichol, Chairman**

**W.R. "Skip" Fischer**

**Larry W. Pace**

County Administrator

**James Robinson**

Director of Finance/Information Technology

**Richard C. Lemke**

General Accounting Manager

**Mary N. Ha**

Accountants

**Laurie Arellano, Lynn Cruz, Roxanne Custer, Tracy Vidmar**

Technicians

**Micalena Hanselman, Michele Rigglin**

Issued by:

Finance & Information Technology Department

---

BOARD OF COUNTY COMMISSIONERS

W. R. "Skip" Fischer  
DISTRICT 1

Alice J. Nichol  
DISTRICT 2

Larry W. Pace  
DISTRICT 3

**Adams County, Colorado  
Comprehensive Annual Financial Report  
For the Year Ended December 31, 2007**

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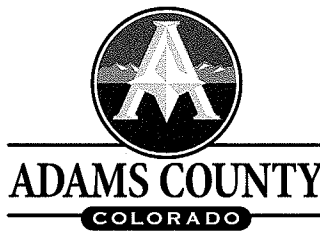
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Richard C. Lemke  
DIRECTOR



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May 12, 2008

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

The Comprehensive Annual Financial Report of Adams County, Colorado, for the fiscal year ended December 31, 2007, is hereby submitted. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the management of Adams County (hereafter referred to as the County). To provide a reasonable basis for making these representations, management of the County has established internal controls designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the County's financial statements in conformity with Generally Accepted Accounting Principles (GAAP). Because the cost of internal controls should not outweigh the benefits, the County's internal controls have been designed to provide reasonable assurance that the financial statements will be free from material misstatements. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the County. Disclosures necessary to enable the reader to gain an understanding of the County's financial activities have been included.

The County is required by Local Government Uniform Accounting Law, Colorado Revised Statutes, to have an annual audit conducted in accordance with generally accepted auditing standards by an independent certified public accountant licensed to practice in Colorado. The audit report must be completed and submitted to the County within six months of the end of the fiscal year, which is December 31st. The County must then submit the audit report to the Office of State Auditor within thirty days of completion.

The County is also required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984, the Single Audit Act Amendments of 1996, and U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. Information related to this single audit, including the Schedule of Expenditures of Federal Awards and the auditors' report thereon, are included in the single audit section of this report.

The County's financial statements have been audited by Swanhorst & Company LLC, a licensed certified public accounting firm. The goal of the independent audit is to provide reasonable assurances that the County's financial statements for the fiscal year ended December 31, 2007 are free of material misstatements. The independent audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial

evidence supporting the amounts and disclosures in the financial statements; assessing the principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the County's financial statements for the fiscal year ended December 31, 2007 are presented fairly and in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The County's MD&A can be found on pages 3-16 of the report.

## **Profile of Adams County**

Adams County, a political subdivision of the State of Colorado, was organized under the statutes of the State. The County was organized over one hundred years ago on November 15, 1902. The Board of County Commissioners held their first meeting in Brighton on December 4, 1902. Over time, western Adams County has grown from an agricultural region of truck gardens and dairy farms to a complex urbanized corridor of towns and cities. The eastern end of the County, still mostly agricultural land, has also seen increasing development in recent years.

Located on the Great Plains of northeastern Colorado just east of the Front Range of the Rocky Mountains, Adams County is one of six counties that surround the City and County of Denver and make up the Denver Metropolitan Area. The County, approximately eighteen miles wide and seventy-two miles long, totals 1,180 square miles. It is topographically characterized by a series of valleys separated by gently rolling uplands. The County includes a number of growing municipalities: Brighton (the county seat), Commerce City, Northglenn, Federal Heights, Thornton, Bennett, and portions of Aurora, Westminster, Arvada, and Lochbuie.

Agricultural activities continue as the single largest land use throughout the County, accounting for more than three quarters of the land area. Most irrigated farmland is located in the northwest section of the County, where an extensive network of canals and ditches support crops in our semi-arid climate. The central portion of the County primarily produces wheat, while the eastern area provides pasture for animals.

A three-member Board of County Commissioners (the Board), elected at large with a residency requirement within a specified district, governs the County. The Board is required by statute to hold at least two meetings in each week of the year, except during the months of July and August, when only two meetings each month are required. Currently, the Board holds its regular meetings and public hearings on Mondays and Wednesdays. The Board administers all County functions, appoints other boards and commissions, and attends and represents the County as directors of regional and County organizations. The Board acts as

the County's legislative body while an appointed County Administrator acts as the chief administrative officer of the County.

Other locally elected officials include the Assessor, Clerk and Recorder, Coroner, Sheriff, Surveyor, Treasurer, and District Attorney. These elected officials govern specific county services and establish policies based on the local community needs and preferences. The County also has a Public Trustee who is appointed by the Governor. The County provides a full range of services, including judicial and public safety; construction and maintenance of highways, streets and other infrastructure; parks and recreation; planning and development; employment and social services; and general administrative services.

The County has two component units for which it is considered to be financially accountable. Blended component units, although legally separate entities, are part of the County's operations. The County's blended component unit is the Adams County Building Authority. The Front Range Airport Authority is a discretely presented component unit and is reported separately in the government-wide financial statements to emphasize a legal separation from the primary government. Additional information on each of these component units can be found in Note 1-A, pages 31 and 32 in the notes to the basic financial statements.

The annual budget serves as the foundation for the County's financial planning and control. All County departments and elected offices submit requests for appropriation in early August to the Finance Department. These requests are used as the starting point for developing a proposed budget that is presented to the Board of County Commissioners on or before October 15. Public hearings are conducted and a final budget is legally enacted no later than December 31, the close of the County's fiscal year. Additional information on the County's budget process can be found in the notes to the required supplementary information on page 67.

Any revisions that alter total expenditures of any fund or spending agency, require supplemental appropriation which is subject to public hearing and citizen response. Generally, department directors and elected officials are authorized to transfer budgeted amounts between line items within their authorized spending agency; however any revisions that alter the total expenditures require an appropriation resolution by the Board.

## **Factors Affecting Economic Condition**

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the economic environment within which the County operates.

**Local Economy.** The long-term outlook for the local economy in the County is bright. Besides the beauty of the Rocky Mountains to the west, the Denver area has plenty of attraction power.

The Denver Metro Area boasts one of the highest educated workforces in the country. This skilled workforce, combined with the availability of quality commercial real estate, a great

transportation system, and many institutions of higher learning, are just some of the ways the Metro Area and Adams County make themselves very attractive to businesses. Developers continue choosing the northeast portion of the Denver metro area for their subdivisions, retail projects and business parks. Adams County is poised to grow substantially with the largest amount of undeveloped land within close proximity to the Denver city center.

Adams County has grown significantly during the past decade and is now among the top five most populated counties in Colorado. The 2000 decennial census data recorded population at 363,857 people; this represents a 37% growth rate from the 265,000 residents recorded in 1990. The estimated population as of 2007 is 424,245. The Denver Regional Council of Governments predicts that the population of Adams County will grow 60% to 603,345 by the year 2025.

Transportation remains an important part of the Denver Metro Area's future. Adams County has been working on major road projects over the years including 120<sup>th</sup> Avenue and Washington Street. The County recently completed the expansion of 120<sup>th</sup> Avenue between Quebec Street and U.S. Highway 85 and east of D.I.A. to Imboden Road. The County anticipates 120<sup>th</sup> Avenue will grow to become a regionally significant link between the northwestern parts of the metro area and Denver International Airport. In addition, the County will benefit from the Regional Transportation District's (RTD) FasTracks project. This comprehensive regional transportation plan will add several mass transit lines through Adams County in the years to come. Substantial future commercial, residential, retail, and industrial development will also be realized as a result of the recently completed highway access from the Northwest Parkway and E-470.

The redevelopment of the former Fitzsimons Army Medical Center in the City of Aurora provides 578 acres of multiple development opportunities emphasizing the areas of bioscience research and healthcare. The Fitzsimons Redevelopment Authority is dedicated to developing the area in a manner that maximizes the long-term economic benefits to the surrounding community. The bioscience business park will house 19,000 workers by the year 2010. In addition to these opportunities, Denver International Airport and Front Range Airport will continue to have positive effects on the local economy over the next several years.

The local economy provides employment in a variety of economic sectors. The primary sectors include services, government, construction, retail, wholesale, manufacturing, and transportation. Distribution of employment among these industries ranges from 8.7% (transportation) to 30.5% (services) of total employment in the County. This range of industry provides diversity in employment opportunities and multiple revenue sources for the County. The Adams County Enterprise Zone encourages businesses to locate in the County by providing various tax credits. This Enterprise Zone has been established within the parameters required by the Colorado Urban and Rural Enterprise Zone Act of 1986. Businesses locating in the Enterprise Zone are eligible for specialized incentives.

**Long-term financial planning.** The County continues to develop projects that address important needs in capital improvements, transportation, and the preservation of parks and open space within the County. The County is projected to grow significantly over the next



twenty years, nearly doubling in population. To accommodate this growth, the County plans to build new facilities and focus on ways to finance large projects the County determines necessary. The County's facilities master plan was updated in 2005 to address some of these projected needs and outdated and inefficient County facilities.

The development of a new, centralized, County government center facility is currently in progress. In 2004, the County purchased strategically-located land near E-470, I-76, 120<sup>th</sup> Avenue, and State Highway 2 for this purpose. The new centralized facility will combine most of the administrative functions and Social Services Department into one campus area. The County's goal is to centralize most of the departments so citizens will not have to drive to various locations within the County to access governmental services. The 2008 budget includes \$10 million for site work and planning associated with the Government Center. The County also plans an expansion of the Justice Center to include twelve additional courtrooms. The additional courtrooms will accommodate growth as judges are added to the 17<sup>th</sup> Judicial District by the State of Colorado. Construction is expected to begin in 2008 and along with operational costs is budgeted at \$20 million.

Current and future growth in the County necessitates the construction and improvement of road and bridge infrastructure as well. Several major road projects dominate the County's immediate future. The widening of Pecos Street from I-76 to 52<sup>nd</sup> Avenue is currently in progress; once completed, this project will improve traffic safety. The 2008 budget includes \$7.8 million for the construction, planning, design and right of way acquisition for the Pecos Street project. The County is currently working on a joint project with Weld County to improve and pave 168<sup>th</sup> Avenue Harvest Mile Road to Hudson Mile Road. Right of way acquisition and construction during 2008 is budgeted at \$1.76 million. The widening of Washington Street from 83<sup>rd</sup> Avenue south to 52<sup>nd</sup> Avenue continues and is currently in Phase III. Eventually, this project will reach the City and County of Denver, thereby expanding alternate routes from the County to the downtown Denver area.

To help pay for these and other important transportation projects, the citizens of the County voted in 2002 and again in 2006 in favor of extending a sales tax to pay for transportation and capital projects. Some revenues from the sales tax are shared with the cities in the County. County leaders and planners are working to identify high priority corridors and step up the completion of regionally important projects within the County. All these efforts are part of a coordinated transportation plan demonstrating intergovernmental cooperation among governments within the County.

In conjunction with the Comprehensive and Open Space Plan and the Farmland Preservation Plan, the County has moved into its second century with an open space vision for the future. Priority areas continue to include: planned open space purchases to preserve farmland and wildlife areas adjacent to the South Platte River corridor and additional buffer land around Barr Lake State Park. The County has budgeted \$6.3 million in 2008 for the purchase of land if it becomes available. The Regional Park improvement plan is in the 8<sup>th</sup> year of a 9-year plan for updating infrastructure. Included in the 2008 budget is \$4 million to remodel the Waymire Dome located at the Regional Park.

The County continues to invest in technology to improve processes by focusing on systems that increase productivity and availability of information through automation. During 2007 the County Assessor purchased a new software system that will allow them to integrate geographic information, new construction permits, abstract of assessment, tax authorities, levies and other similar systems. An additional \$77,456 is budgeted for this software in 2008. Approximately \$2.5 million has been budgeted in 2008 for other technology equipment throughout the County, including computer software, hardware, and communication equipment.

Future reductions of state and federal monies passed through to the County due to budget constraints could negatively impact finances in years to come. Such a reduction in sources of revenue is a concern as the County may be inclined to make up for revenue shortfalls to maintain current service levels. Generally, the County eliminates or reduces programs when state and federal grants decline. The County continues to consider alternative sources of revenue to fund future projects and maintain operational expenditures at current service levels.

**Relevant financial policies.** The County Revenue Policy emphasizes diversification of revenue sources beyond property taxes. The total County sales tax rate in 2007 was 0.75%.

The sales tax rate is made up of two components, 0.50% for transportation projects and 0.25% for open space preservation. The 0.5% approved sales tax rate for transportation was set to expire December 31, 2008, however, in November 2006, the voters approved the extension of the 0.5% to December 31, 2028. It was also approved that this tax will be distributed into two areas, 0.2% for transportation, with a proportionate share-back to cities in the County, and 0.3% for County capital facilities. The 0.3% rate for County capital facilities will be used for the expansion of the Justice Center, the construction of the future centralized government center, and a pre-trial holding facility. Any residual funds available may be used to offset operating costs of these facilities. The extension and new distribution will go into effect January 1, 2009. Several retail sites including Larkridge in Thornton, The Orchard Town Center at Westminster, Prairie Center in Brighton, and Prairie Gateway in Commerce City should lead to increased sales tax revenue for the County due to new opportunities to keep retail sales local.

The County Fund Balance Policy classifies fund balance as either discretionary or non-discretionary. The County has established a minimum level for discretionary fund balance in the General Fund, currently set using a formula of 5% of net property tax collections. Discretionary fund balance may be utilized to provide temporary operational funding for County programs and services during a recessionary period. It may also be used to fund expenditures that have a minimal impact on future operating costs, including capital equipment replacement and smaller facility/infrastructure projects. The County continually evaluates the minimum level of discretionary fund balance.

Since all funds, excluding the General Fund, have been established for a specific purpose, the fund balances within these other funds are normally considered non-discretionary. In addition, a portion of the General Fund's balance is considered non-discretionary, including a

cash reserve, employee vacation and sick accrual, and other sources of unexpended revenue earmarked for specific purposes.

In accordance with Governmental Accounting Standards Board (GASB) Statement 45, the County's government-wide statements reflect our calculated Other Post-Employment Benefits (OPEB) liability. Currently, the County has decided not to fund this liability. Additional information on the County's other post-employment benefits can be found in Note 7 starting on page 56 of the notes to the basic financial statements.

The County's dental, unemployment insurance, and several of our medical insurance plans are self-funded. Additionally, the County uses excess insurance coverage to limit the exposure to large losses on the self-funded workers' compensation plan and medical plans as well as the property, casualty programs. A more extensive discussion of the County's insurance plans can be found in Note 5 on pages 54 and 55 of the notes to the basic financial statements.

In 2007, total governmental fund balances increased from \$161,711,848 to \$181,902,478. The changes in fund balances are presented in more detail beginning on page 11 of the Management's Discussion and Analysis.

## **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 Adams County for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2006. This is the twenty-first consecutive year the County has received the prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized CAFR, whose contents conform to program standards. Such reports must satisfy both Generally Accepted Accounting Principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to Certificate of Achievement Program requirements, and are submitting it to GFOA to determine its eligibility for another award.

In addition, the County also received the GFOA's Distinguished Budget Presentation Award for its annual budget document for the fiscal year beginning January 1, 2007. In order to qualify for the Distinguished Budget Presentation Award, the County's budget document was judged to be proficient in several categories, including as a policy document, a financial plan, communications device, and an operations guide.

The preparation of this CAFR is made possible by the dedicated service of the entire staff of the Finance Department. Particular gratitude is expressed to Ms. Mary Ha, Ms. Roxanne Custer, Ms. Tracy Vidmar, and Ms. Lynn Cruz of the Finance Department, Ms. Mary Ann Record and Ms. Sandy Brookman of the Treasurer's Office, Mr. Osgood McCollum of the Social Services Department, and Ms. Sue Bauserman for her administrative support. The

staff of the independent auditing firm, Swanhorst & Company LLC, are especially worthy of recognition, as they have contributed greatly to the excellence of this report.

Due credit should also be given to the Board of County Commissioners and other elected officials of the County for their diligent commitment to planning and conducting the operations of the County in a responsible and progressive manner.

Respectfully submitted,

*Original Signed by Richard C. Lemke*

Richard C. Lemke  
Director of Finance & Information Technology

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Adams County  
Colorado

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2006

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



*Oliver S. Cox*

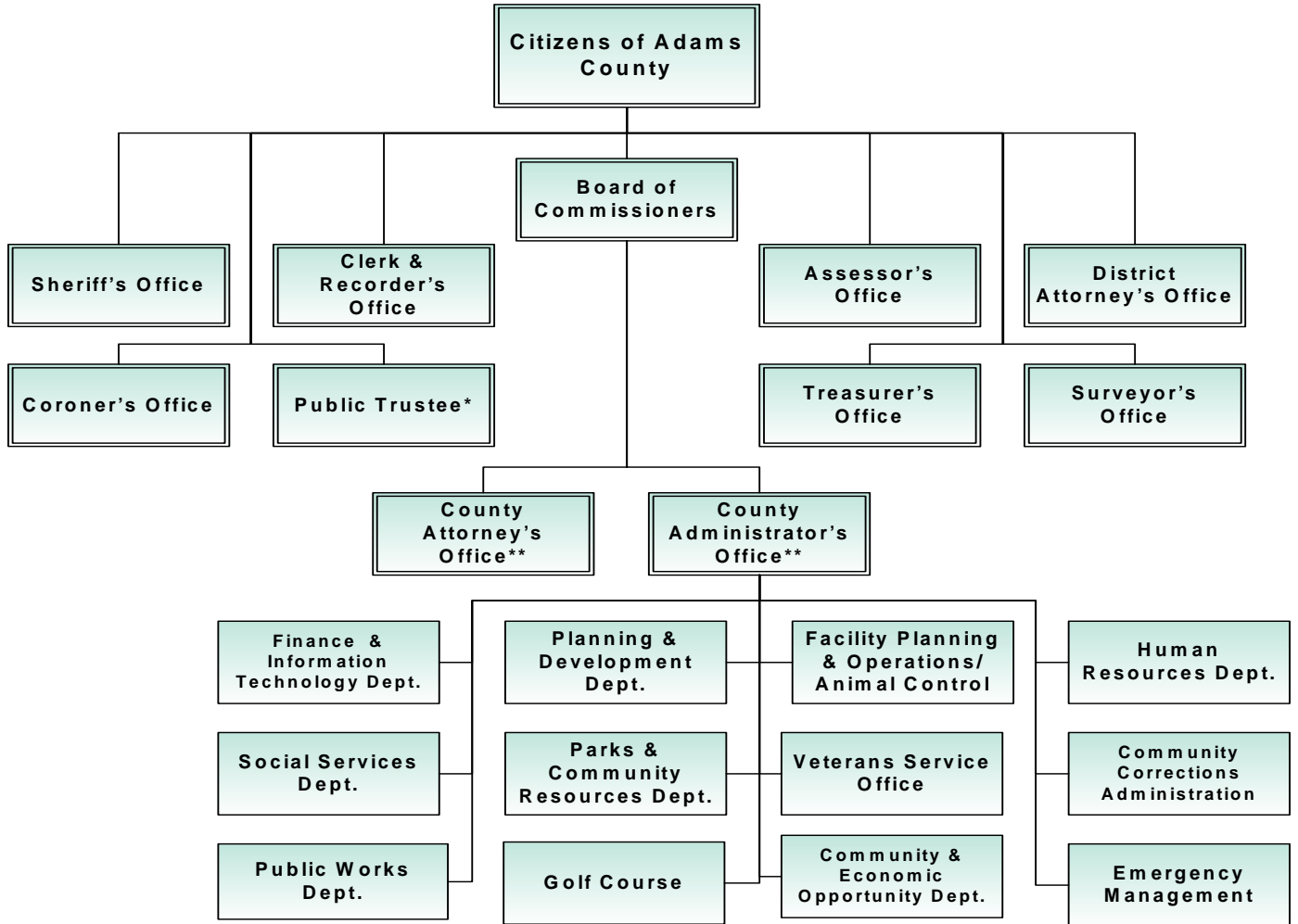
President

*Jeffrey R. Enow*

Executive Director



# Adams County Government Organizational Chart



\* Appointed by Governor

\*\* Appointed by County Commissioners

# **Adams County**

## **LISTING OF PRINCIPAL OFFICIALS**

### ***BOARD OF COUNTY COMMISSIONERS***

**W.R. “Skip” Fischer, District 1  
Alice J. Nichol, District 2  
Larry W. Pace, District 3**

### ***CLERK AND RECORDER***

**Karen Long**

### ***ASSESSOR***

**Gil Reyes**

### ***TREASURER***

**Diane Christner**

### ***DISTRICT ATTORNEY***

**Donald S. Quick**

### ***SHERIFF***

**Doug Darr**

### ***CORONER***

**James Hibbard**

### ***PUBLIC TRUSTEE***

**Carol Snyder**

### ***SURVEYOR***

**Tim Thoms**





Board of County Commissioners  
Adams County, Colorado

### INDEPENDENT AUDITORS' REPORT

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Adams County, as of and for the year ended December 31, 2007, which collectively comprise the basic financial statements of Adams County, as listed in the table of contents. These financial statements are the responsibility of Adams County's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Adams County, as of December 31, 2007, and the respective changes in financial position and cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 7 to the financial statements, Adams County adopted the standards of Governmental Accounting Standards Board Statement No. 45 *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* for the year ended December 31, 2007. In addition, as discussed in Note 1.D.5. to the financial statements, Adams County increased the capitalization threshold for capital assets for the year ended December 31, 2007.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 12, 2008, on our consideration of Adams County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis and required supplementary information listed in the table of contents are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Adams County's basic financial statements. The supplementary statements and schedules and local highway finance report listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

*Swanlund & Company LLC*

May 12, 2008

## Management's Discussion and Analysis

The Management's Discussion and Analysis for Adams County (hereafter referred to as the County) offers readers a narrative overview and analysis of the County's financial activities for the fiscal year ended December 31, 2007. Readers are encouraged to consider the information presented here in conjunction with the additional information furnished in the letter of transmittal, financial statements, and notes to the basic financial statements.

### Financial Highlights

- The County's assets exceeded its liabilities at the close of 2007 by \$732,196,786. Of this amount, \$140,661,548 is unrestricted, and may be used to meet the County's ongoing obligations to citizens and creditors.
- The County's total net assets increased by \$22,177,698 in 2007. The unrestricted portion of net assets alone increased by \$15,616,708.
- As of the end of 2007, the County's governmental funds reported total combined ending fund balances of \$181,902,478. This is an increase of \$20,190,630 in comparison with the prior year.
- Total fund balance of the General Fund, the chief operating fund of the County, reached \$95,414,250 in 2007, an increase of \$13,339,555 from 2006.

### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. Additionally, this report contains other supplementary information that supports the basic financial statements.

**Government-wide financial statements.** The government-wide financial statements are designed to provide readers with a broad overview of the County's finances. These statements are prepared in a manner similar to that of a private-sector business using the accrual basis of accounting and economic resources measurement focus.

The Statement of Net Assets presents information on all of the County's assets and liabilities. The difference between the two is reported as net assets. Over time, trend analysis relating to the increases and decreases in net assets may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The Statement of Activities presents information that shows how the County's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements clearly distinguish governmental activities from business-type activities. Governmental activities can be described as functions of the County that are principally supported by taxes and intergovernmental revenues. The governmental activities of the County include general government, public safety, county funded human services, public works, culture and recreation, health and welfare, urban housing and redevelopment, conservation of natural resources, and economic opportunity. In contrast, business-type activities are functions that are intended to recover all or a significant portion of their costs through user fees or charges. The business-type activity of the County is the operation of the Riverdale Golf Courses.

The government-wide financial statements encompass not only the financial activities of the County (also referred to as the primary government), but also the financial activities of the legally separate Front Range Airport Authority. Financial information for this discretely presented component unit is reported separately from the financial information presented for the primary government itself. The Adams County Building Authority, although legally separate, functions as part of the County's operations and has been included as a blended component of the primary government.

The government-wide financial statements can be found on pages 18 - 19 of this report.

**Fund financial statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to assure and demonstrate compliance with legal requirements. The funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental funds.** Governmental funds account for the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, the governmental fund financial statements follow the modified accrual basis of accounting and the current financial resources measurement focus to report the financial activities of the County's funds.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds 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 County's near-term financing decisions. The Governmental Funds Balance Sheet provides a reconciliation to the net assets of governmental activities, and the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances provides a reconciliation to the change in net assets of governmental activities.

The County maintains 18 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, Road and Bridge Fund, and Social Services Fund, all of which are considered to be major funds. Data from the other 15 non-major governmental funds are combined into a single, aggregated column called “Other Governmental Funds.” Individual fund data for each of these non-major governmental funds are provided in the form of combining statements.

The basic governmental funds financial statements can be found on pages 21 - 23 of this report.

***Proprietary funds.*** The County maintains two types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses an enterprise fund to account for the operation of the two Riverdale Golf Courses. Internal service funds accumulate and allocate costs internally among the County’s various functions. The County uses internal service funds to account for its equipment services (fleet) program and its insurance programs. The County’s internal service funds provide services for the governmental functions rather than business-type functions. They have been included as a part of the governmental activities presentation in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in greater detail. The proprietary fund financial statements provide separate information for the Golf Course Fund, which is also considered to be a major fund for the County. Conversely, both internal service funds are aggregated into a single presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements.

The basic proprietary fund financial statements can be found on pages 24 - 26 of this report.

***Fiduciary funds.*** Fiduciary funds are used to account for resources held for the benefit of parties separate from the County. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County’s own programs. The accounting used for fiduciary funds is much like that of proprietary funds. The County reports the Treasurer’s Agency Fund and the Public Trustee’s Agency Fund as fiduciary funds.

The basic fiduciary funds statement can be found on page 27 of this report.

***Notes to the basic financial statements.*** The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 29 - 59 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information, as well as combining and individual fund statements and schedules that can be found on pages 61 - 106. Details of the original budgets, final budgets, and actual amounts are also found in this section.

### Government-wide Financial Analysis

As noted earlier, net assets may serve over time, as a useful indicator of a government's financial position. The County's assets exceeded its liabilities by \$732,196,786 at the close of 2007. The financial condition of the County remains healthy.

The largest portion of the County's net assets, \$545,129,993, or 74%, reflects its investment in capital assets (e.g., land, buildings and improvements, machinery and equipment, conservation easements, infrastructure, construction in progress, and software); less any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must normally be provided from other sources, since the capital assets themselves cannot generally be used to liquidate these liabilities.

An additional portion of the County's net assets, \$46,405,245, represents resources that are subject to external restrictions on how they may be used. For more information on the County's restrictions of net assets, please see Note 1 - D.4 on pages 36 - 37 of the notes to the basic financial statements. The remaining balance of unrestricted net assets, \$140,661,548, may be used to meet the County's ongoing obligations to its citizens and creditors.

#### Adams County Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2007	2006	2007	2006	2007	2006
Current and Other Assets	\$ 337,345,638	\$ 307,757,576	\$ 2,900,591	\$ 2,792,182	\$ 340,246,229	\$ 310,549,758
Capital Assets	556,689,805	555,633,275	8,135,188	8,052,459	564,824,993	563,685,734
Total Assets	894,035,443	863,390,851	11,035,779	10,844,641	905,071,222	874,235,492
Long-term Liabilities Outstanding	38,587,424	35,574,741	-	-	38,587,424	35,574,741
Other Liabilities	134,250,208	128,605,641	36,804	36,022	134,287,012	128,641,663
Total Liabilities	172,837,632	164,180,382	36,804	36,022	172,874,436	164,216,404
Net Assets:						
Invested in Capital Assets, Net of Related Debt	536,994,805	534,593,275	8,135,188	8,052,459	545,129,993	542,645,734
Restricted	46,405,245	42,328,514	-	-	46,405,245	42,328,514
Unrestricted	137,797,761	122,288,680	2,863,787	2,756,160	140,661,548	125,044,840
Total Net Assets	\$ 721,197,811	\$ 699,210,469	\$ 10,998,975	\$ 10,808,619	\$ 732,196,786	\$ 710,019,088

At the end of 2007, the County reported a positive, increasing balance of total net assets, both for the government as a whole, as well as for its separate governmental and business-type activities. The same was true in 2006. In 2007, the total increase in net assets for governmental and business-type activities amounts to \$22,177,698.

**Adams County Change in Net Assets**

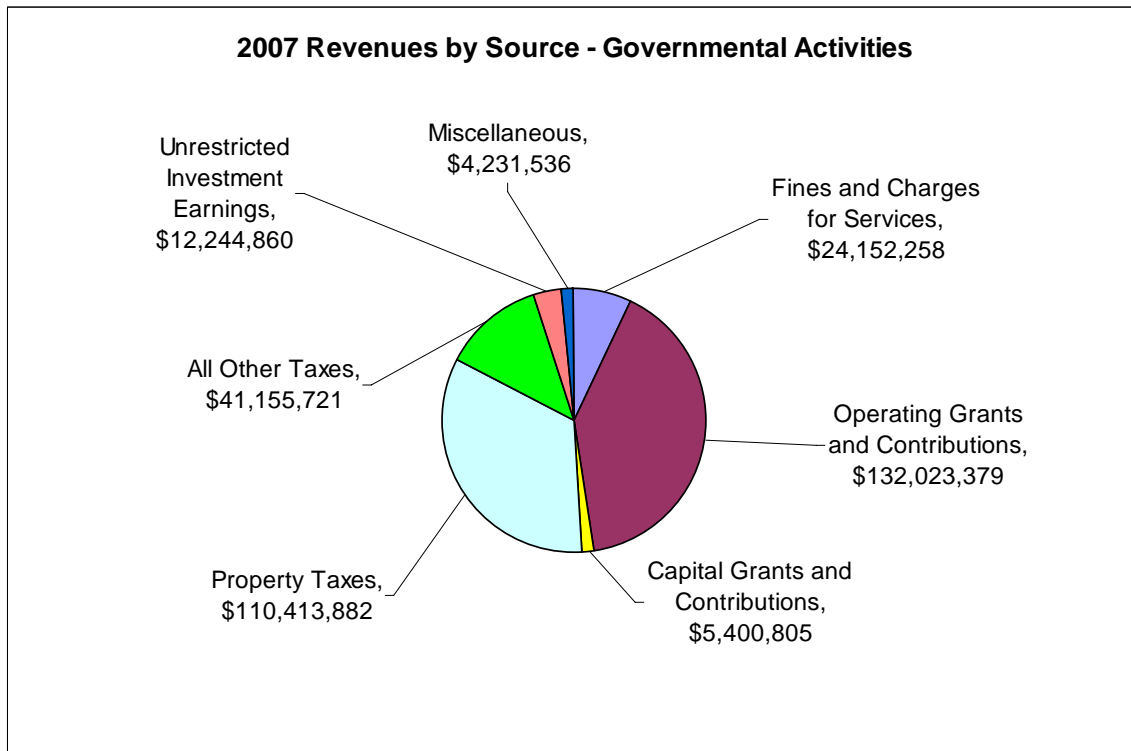
	Governmental Activities		Business-Type Activities		Total	
	2007	2006	2007	2006	2007	2006
<b>Revenues:</b>						
Program Revenues:						
Fines and Charges for Services	\$ 24,152,258	\$ 24,095,889	\$ 2,688,802	\$ 2,731,697	\$ 26,841,060	\$ 26,827,586
Operating Grants and Contributions	132,023,379	132,312,168	-	-	132,023,379	132,312,168
Capital Grants and Contributions	5,400,805	10,740,920	-	-	5,400,805	10,740,920
General Revenues:						
Property Taxes	110,413,882	105,568,720	-	-	110,413,882	105,568,720
All Other Taxes	41,155,721	38,471,062	-	-	41,155,721	38,471,062
Unrestricted Investment Earnings	12,244,860	10,318,270	142,468	119,826	12,387,328	10,438,096
Miscellaneous	4,231,536	4,872,545	-	-	4,231,536	4,872,545
<b>Total Revenues</b>	<b>329,622,441</b>	<b>326,379,574</b>	<b>2,831,270</b>	<b>2,851,523</b>	<b>332,453,711</b>	<b>329,231,097</b>
<b>Expenses:</b>						
General Government	55,429,386	50,389,174	-	-	55,429,386	50,389,174
Public Safety	64,528,882	60,814,606	-	-	64,528,882	60,814,606
County Funded Human Services	3,629,566	3,464,240	-	-	3,629,566	3,464,240
Public Works	43,161,397	38,860,660	-	-	43,161,397	38,860,660
Culture and Recreation	3,669,852	3,374,562	-	-	3,669,852	3,374,562
Health and Welfare	118,151,381	117,325,278	-	-	118,151,381	117,325,278
Urban Housing and Redevelopment	4,528,589	3,227,952	-	-	4,528,589	3,227,952
Conservation of Natural Resources	4,150,045	3,686,796	-	-	4,150,045	3,686,796
Economic Opportunity	5,592,049	5,014,885	-	-	5,592,049	5,014,885
Interest Expense	919,108	963,590	-	-	919,108	963,590
Golf Course	-	-	2,300,914	2,078,325	2,300,914	2,078,325
<b>Total Expenses</b>	<b>303,760,255</b>	<b>287,121,743</b>	<b>2,300,914</b>	<b>2,078,325</b>	<b>306,061,169</b>	<b>289,200,068</b>
Increase in Net Assets Before Special Items and Transfers	25,862,186	39,257,831	530,356	773,198	26,392,542	40,031,029
Special Items - Loss on Disposal of Capital Assets	(4,214,844)	-	-	-	(4,214,844)	-
Transfers	340,000	340,000	(340,000)	(340,000)	-	-
<b>Change in Net Assets</b>	<b>21,987,342</b>	<b>39,597,831</b>	<b>190,356</b>	<b>433,198</b>	<b>22,177,698</b>	<b>40,031,029</b>
Net Assets - Beginning	699,210,469	659,612,638	10,808,619	10,375,421	710,019,088	669,988,059
<b>Net Assets - Ending</b>	<b>\$ 721,197,811</b>	<b>\$ 699,210,469</b>	<b>\$ 10,998,975</b>	<b>\$ 10,808,619</b>	<b>\$ 732,196,786</b>	<b>\$ 710,019,088</b>

**Governmental activities.** Governmental activities increased the County's net assets by \$21,987,342 in 2007. Key elements are as follows:

**Revenues:**

- Total revenues from governmental activities reached \$329,622,441 in 2007, an increase of \$3,242,867 or 1% over the previous year.
- While total revenues increased, revenues from capital grants and contributions decreased by \$5.3 million in 2007. This is a result of the completion of the 120<sup>th</sup> Avenue extension project, a major project of the Public Works function. Since the project was completed in 2006, the County is no longer receiving federal contributions for the project, representing the decrease in capital grants and contributions in 2007.

- Property tax revenues, which make up 34% of the County’s total revenues, grew by 5% to \$110 million in 2007. This is directly attributable to an increased number of new houses and businesses in the County, which continued to experience growth and new construction. The valuation of residential and commercial property, which make up 80% of the County’s total assessed valuation, increased by 3% and 13% respectively.
- Sales tax revenues (included under “All Other Taxes” above) increased by approximately \$2.9 million in 2007. The addition of new retail outlets in the County (including Prairie Center, Larkridge, and The Orchard Town Center), coupled with an economy fueled by population growth, supported this increase.
- Revenues from investment earnings increased by \$1.9 million or 19% in 2007 as compared to 2006. The increase in interest revenue is due to higher market rates and greater net asset totals earning investment interest.



**Expenses:**

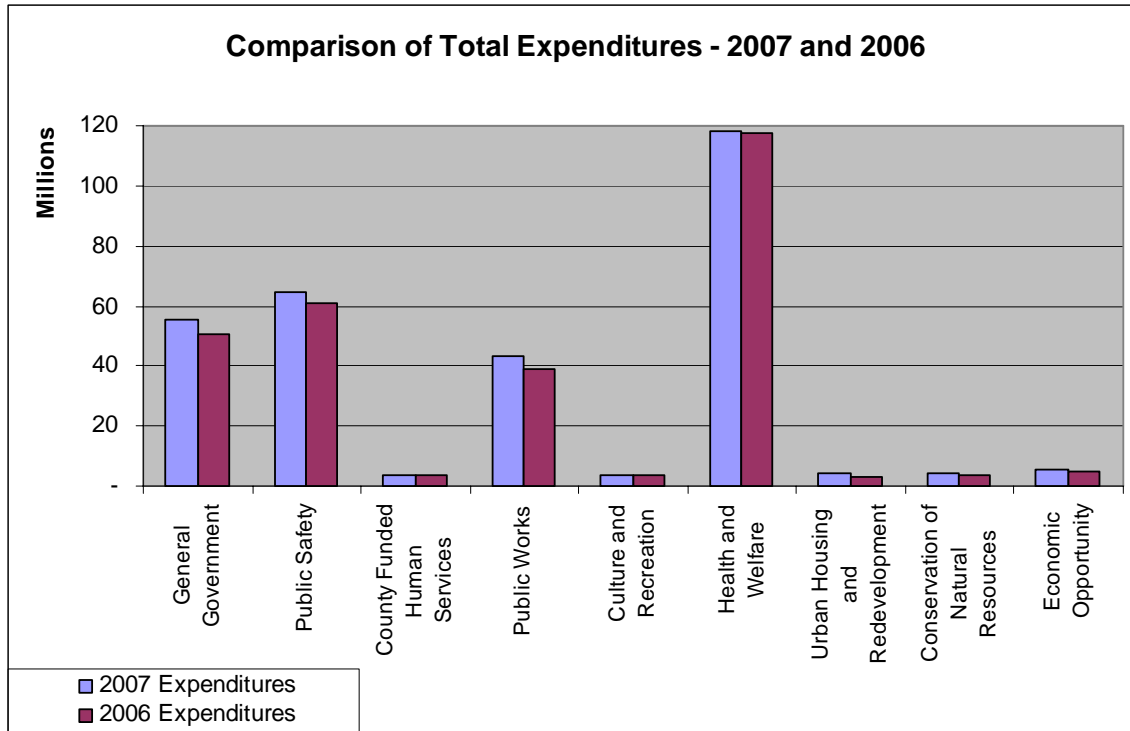
- Total expenses of governmental activities reached \$303,760,255 in 2007, which represents an increase of 6% in comparison with 2006.
- Expenses for the general government function increased by approximately \$5 million during 2007, a 10% increase. This increase is attributed in large part to growth in the personnel and technology expenses of various County offices and departments needed to meet the needs of the growing County.



- A \$3.7 million increase in the expenses of the public safety function can be attributed to growth in personnel. The demands of the current and rising inmate population have required additional staff at the Detention Facility as well as more administrative support.
- Expenses of the public works function increased by \$4 million in 2007. This increase is made up of several factors, which include higher personnel costs for overtime worked during two significant snow storms and higher costs of materials and supplies (asphalt, etc.) due to inflation and energy costs. In addition, an increase in the amount of property and transportation sales taxes paid out to cities is directly related to the growth in residences, retail outlets, and population in the County.
- The urban housing and redevelopment function of the county experienced an increase in expenses of \$1.3 million or approximately 40% during 2007. A commitment to having the Community Development Block Grant sub-recipients complete projects in a timely manner resulted in more projects completed in 2007.
- A 13% increase in the expenses of the conservation of natural resources function (\$463,000 increase) is a result of more open space sales taxes paid out to cities through revenue sharing provisions, attributable to the growth in retail outlets and population in the County.
- Finally, the economic opportunity function realized a 12% or \$577,000 increase in expenditures in 2007. This occurred due to more grant funding received for programs that meet the needs of the growing County communities for training and job placement.
- A total amount of \$921,010 in expenses was allocated to the various functions in 2007, to reflect the County's calculated Other Post-Employment Benefits (OPEB) liability, in accordance with Governmental Accounting Standards Board (GASB) Statement 45. Additional information on the County's other post-employment benefits can be found in Note 7 starting on page 56 of the notes to the basic financial statements.

**Special Item:**

- In 2007, the County reported a \$4.2 million special item that reduced total net assets. This special item represents the loss on disposal of capital assets. In 2007, the Board of County Commissioners resolved to increase the capitalization thresholds for various classes of assets. The new capitalization thresholds are in line with the recommended best practices of the Government Finance Officers Association and are also comparable with the thresholds used by other similar-sized counties. See Note 1 - D.5 on pages 37-38 for more information on capital asset thresholds. Assets that did not meet the new capitalization thresholds were deleted from the accounting records in 2007. The \$4.2 million represents the total net book value of those capital assets that were removed.



**Business-type activities.** The net assets of the business-type activity of the County, the Riverdale Golf Courses, increased by \$190,356 in 2007. The Golf Courses have managed another profitable year, despite experiencing a decrease in the rounds of golf played. Professional Recreation Management, Inc., which operates the facility under contract, has reacted to a changing market by monitoring expenditures carefully to manage limited resources.

In addition:

- Total revenues of business-type activities totaled \$2,831,270 in 2007, a decrease of \$20,253 from 2006. The majority of this decrease falls into the charges for services area, resulting from fewer rounds of golf played.
- Total expenses of the business-type activities went up by \$222,589 to \$2,300,914 in 2007. This is attributable to an increase in contract labor costs to comply with the changes in minimum wage laws and the increase of workers' compensation and liability insurance. The Golf Courses also added a new pro shop manager and purchased several new golf carts.

## Financial Analysis of the Government's Funds

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

**Governmental funds.** The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unreserved 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 \$181,902,478, an increase of \$20,190,630 in comparison with the prior year. Approximately 95% or \$172,555,259 of this total amount constitutes unreserved fund balance (both designated and undesignated). The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed to: 1) inventory in the Road and Bridge Fund (\$522,229), 2) emergencies as required by State constitution (\$4,923,958), and 3) IV-E program money in the Social Services Fund (\$3,901,032). For more information on the County's designations and reservations of fund balances, please see Note 1 - D.11 on pages 40 - 42 of the notes to the basic financial statements.

The General Fund is the chief operating fund of the County. At the end of the current fiscal year, total fund balance of the General Fund was \$95,414,250. Fund balance increased by \$13,339,555 during the year. Key factors in the change in fund balance and the changes in revenues and expenditures include:

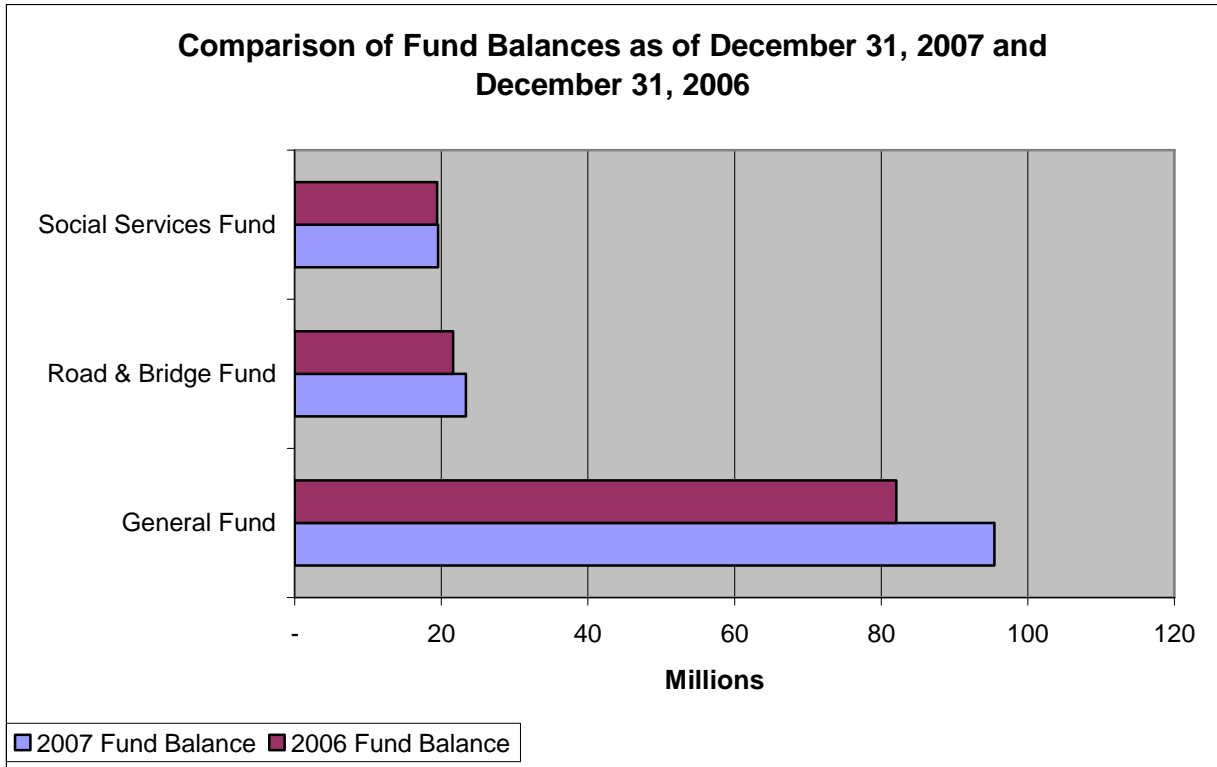
- The General Fund will have a carryover of approximately \$13.6 million in projects not completed during 2007. The County budgets multi-year projects at 100% for the current year, and carries over any remaining budget in subsequent years. Expenditures for various projects were budgeted in 2007 but were not completed, thereby increasing fund balance. These projects include the government center master plan, drainage projects, the Brantner Lake interconnection project, and miscellaneous facilities and technology projects, among others.
- Total revenues of the General Fund increased by \$11.7 million in 2007. More than half of this increase (\$7.6 million) was a result of growth in property tax revenues from 2006 to 2007. As discussed under in the governmental activities section above, the County continues to experience growth and new construction of homes and businesses.
- Also in revenues, charges for services experienced an increase of \$2.3 million, attributable to the fines and forfeitures category. This relates directly to settlement monies received from the Denver International Airport noise mitigation case. These funds are being dispersed to County citizens for noise mitigation-related claims.

- Revenue from interest earnings in the General Fund was \$1.9 million higher in 2007 than 2006. This increase was a result of higher market rates and greater fund balance totals earning investment interest.
- Total expenditures of the General Fund increased by \$4.5 million from 2006, totaling \$128,309,376 in 2007. The general government function of the General Fund saw an increase of \$6.5 million as a result of growth in the personnel and technology expenses of various County offices and departments to meet the needs of the growing County. The public safety function also saw an increase of \$3.4 million in expenditures due primarily to growth in personnel costs. The inmate population at the County's Detention Facility is rising and requires additional staff and more administrative support.
- Capital outlay of the General Fund decreased by \$6.3 million from 2006 to 2007, in part due to the completion of several large capital projects in 2006 (drainage projects, a new parks shop, purchase of touch screen voting machines, etc.). In addition, the increase in the capitalization threshold in 2007 resulted in more expenditures classified as repairs and maintenance and minor equipment expenses rather than as capital outlay.

The fund balance of the Road and Bridge Fund as of the end of 2007 is \$23,350,625, which represents an increase of \$1,739,096 from 2006. Factors contributing to this increase include:

- Total revenues of the Road and Bridge Fund reached \$44,416,106 in 2007. This was a minimal 2% decrease over 2006 total revenues.
- Total expenditures of the Road and Bridge Fund decreased by \$8.5 million in 2007. Several major projects were completed in 2006, including the 120<sup>th</sup> Avenue Extension project. In addition, the Road and Bridge Fund will have a carryover of approximately \$12.3 million in projects not completed in 2007. As stated previously, multi-year projects are budgeted at 100% for the current year, and any remaining budget is carried over to subsequent years. Projects that will be carried over include improvements on Lowell Boulevard from 62<sup>nd</sup> Avenue to 68<sup>th</sup> Avenue, improvements at McKay Road and 96<sup>th</sup> Avenue, the Pecos Street Grade Separation project, and the widening of Washington Street.

Total fund balance for the Social Services Fund increased minimally by \$141,751 to \$19,549,691 in 2006. The Social Services Fund experienced an increase in fund balance primarily due to state monies received to close-out certain programs and personnel vacancy savings.



**Proprietary funds.** The County’s proprietary funds statements provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net assets of the Golf Course Fund at the end of the year amounted to \$2,863,787, while the amount invested in capital assets amounted to \$8,135,188. Total net assets increased by \$190,356. Factors relating to the finances of the Golf Course Fund have been addressed in the discussion of the County’s business-type activities (page 10).

**General Fund Budgetary Highlights**

Differences between the total original budget and the total final amended budget for revenues were minimal (2.5% increase).

The final amended budget for expenditures was 8.9% higher than the original budget. The increase can be accounted for in the following categories.

- The budget for capital outlay was increased by 36% for projects that were carried over from the previous year. These included: 1) Open Space Projects for improvements to the 104<sup>th</sup> Avenue fishing lakes and the Barr Lake Buffer Zone Plan, and the Regional Parks Master Plan; 2) Assessor’s Office for integration of Geographic Information System (GIS) database; 3) Clerk and Recorder’s Election Department for updating voting system to comply with Help America Vote Act

(HAVA); and 4) Public Works for the Irondale/Kentwood Pond Outfall and Utah Junction Outfall projects. The projects were budgeted, but not completed in 2006. The budget was adjusted in 2007 to re-appropriate funds for these multi-year projects.

- Public Works budget was increased 98% in connection with expected repair and maintenance expenditures.
- The General Government budget had an overall increase of 37%.
  - The majority of the increase was in Administration and Organization Support (40%) for settlement monies earmarked as payments to citizens in the Denver International Airport (DIA) Noise Mitigation case.
  - Facility Operations' final budget included expenditures for the County Government Center planning, and for paving and repairing the District Attorney Office parking facilities (15%).

The balance of the increase was spread across multiple departments and offices.

Differences in the total final amended budget and actual amounts were minor. Actual revenues came in at 1.9% above the final budget, primarily due to interest on deposits. Actual expenditures were 15.9% lower than the final budget, which can be attributed in large part to capital projects that were budgeted in 2007, but will be carried over and completed in 2008. Significant carryover projects include GIS integration software for the Assessor, voting machine upgrades and implementation of new software for scanning historical documents in the Clerk and Recorder's Office, and various open space property purchases not completed in 2007 and will be carried over into 2008.

### **Capital Assets and Capital Leases**

**Capital Assets.** The County's investment in capital assets for its governmental and business-type activities as of December 31, 2007, amounts to \$564,824,993 (net of accumulated depreciation). This investment includes land, buildings and improvements, machinery and equipment, conservation easements, infrastructure, construction in progress, and software. Starting in 2007, issuance costs are no longer shown as capital assets, but are reflected as other non-current assets in the Statement of Activities.

The total increase in the County's capital assets for 2007 was less than 1%. The total increase for the year was mitigated by a write-off of capital assets no longer meeting the County's new capitalization thresholds (see Note 1 - D.5 for more information on the new thresholds). The net book value of the assets that were removed from the accounting records is \$4.2 million.

The following table provides capital asset totals by category for 2007 and 2006.

	Governmental Activities		Business-Type Activities		Total	
	2007	2006	2007	2006	2007	2006
Land	\$ 35,619,352	\$ 35,109,552	\$ 3,596,888	\$ 3,689,800	\$ 39,216,240	\$ 38,799,352
Buildings and Improvements	116,268,083	119,636,090	3,821,259	3,787,458	120,089,342	123,423,548
Machinery and Equipment	18,869,369	17,625,470	428,833	339,899	19,298,202	17,965,369
Conservation Easements	6,507,670	6,127,449	-	-	6,507,670	6,127,449
Infrastructure	356,206,720	351,443,403	255,685	226,135	356,462,405	351,669,538
Construction in Progress	21,576,209	23,694,021	32,523	9,167	21,608,732	23,703,188
Software	1,642,402	1,661,790	-	-	1,642,402	1,661,790
<b>Total</b>	<b>\$ 556,689,805</b>	<b>\$ 555,297,775</b>	<b>\$ 8,135,188</b>	<b>\$ 8,052,459</b>	<b>\$ 564,824,993</b>	<b>\$ 563,350,234</b>

Significant capital asset events during the current fiscal year included the following:

- The completion of the 120<sup>th</sup> Avenue connection via Trussville Avenue to Imboden Road
  - Construction on this multi-year project began in 2003. In 2007, a total of \$3.3 million was spent on the project. The overall cost of the project was \$4.1 million.
  - An additional expenditure of \$784,000 was required for other improvements on Imboden Road between 64<sup>th</sup> Avenue and 88<sup>th</sup> Avenue.
- Public Works spent a total of \$1.2 million on capital improvements in the Dupont South Area. Street improvement projects occurred in the Goat Hill Area, Federal Boulevard at 80<sup>th</sup> Avenue, 80<sup>th</sup> Avenue improvements from Brighton Road to Highway 2, Pecos Street Improvements, and Washington Street widening from Highway 224 to 58<sup>th</sup> Avenue, for a total of \$1.2 million.
- The County continued updating voting machines in 2007 spending over \$700,000 in order to comply with HAVA requirements.
- Detention Facility improvements included:
  - Replacement of locking mechanisms for \$540,000, for a total cost of \$3.3 million during 2006 and 2007
  - Miscellaneous projects at the Detention Facility included plumbing, HVAC, ventilation, and transformer improvements for a total of \$250,000.

Additional information on the County's capital assets can be found in Note 4 – C on pages 48 - 49 of the notes to the basic financial statements.

**Capital Leases.** In 1999 and 2003, the County entered into two separate capital lease transactions on three County properties. These sale-leaseback transactions are in the form of Certificates of Participation (COP). The 1999 COP resulted in the sale-leaseback of two buildings, the Human Services Building and the Children and Family Services Building. The sale of these buildings provided financing for the construction of the Adams County Service Center (Sheriff Substation). The COP in 2003 resulted in the sale-leaseback of the Adams County Service Center to provide financing for the purchase

and remodel of the Western Service Center and the construction of the new Offices of the District Attorney. At the end of the current year, the County has total capital leases outstanding of \$19,695,000 subject to an annual appropriation clause.

Additional information on the County's capital leases and long-term liabilities can be found in Note 4 – E.2 and Note 4 - F on pages 53 – 54 of notes to the basic financial statements.

### **Economic Factors and Next Year's Budget and Rates**

- Job growth continued but at a slower rate in 2007. It is anticipated that the unemployment rate in 2008 will average between 4.2% and 4.8%, an estimated increase of close to 1% from the 2007 forecasted unemployment rate.
- The consumer price index for the Denver metro area increased by 1.9% in 2007 to 3.67%.

The outlook for the local economy is positive. This positive outlook is due to continued interest by developers and the availability of ample undeveloped land in the County to meet future growth requirements. Possible challenges include financing for the infrastructure improvements required in a growing community. In the coming year, the County will continue to benefit economically from several significant commercial developments, including the Fitzsimmons Redevelopment Project, Larkridge in Thornton, The Orchard Town Center in Westminster, Prairie Gateway in Commerce City and Prairie Center in Brighton. Sales tax dollars retained by Adams County increased by 3.3% in 2007 and are expected to increase an additional 1.1% in 2008. Some risks to sustained economic growth include a volatile real estate market, stagnant job growth and economic recession.

All of these factors were considered in preparing the County's \$421.3 million budget for the 2008 fiscal year.

### **Requests for Information**

This financial report is designed to provide a general overview of the County's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Director of Finance and Information Technology, Adams County Finance and Information Technology Department, 450 South 4<sup>th</sup> Avenue, Brighton, Colorado 80601.



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**ADAMS COUNTY, COLORADO**  
**STATEMENT OF NET ASSETS**  
**December 31, 2007**

	Primary Government			Component Unit
	Governmental	Business-type	Total	Airport Authority
	Activities	Activities		
<b>ASSETS:</b>				
Cash and Cash Equivalents	\$ 92,243,098	\$ 141,601	\$ 92,384,699	\$ 212,268
Investments	114,081,522	3,050,792	117,132,314	1,559,239
Receivables (Net of Allowance for Uncollectibles)	129,275,561	12,637	129,288,198	185,152
Insurance Retainer	203,000	-	203,000	-
Deposits	127,500	-	127,500	-
Internal Balances	344,251	(344,251)	-	-
Inventories	573,037	39,812	612,849	148,348
Prepays	166,420	-	166,420	4,998
Issuance Costs	331,249	-	331,249	-
Capital Assets (Net of Accumulated Depreciation):				
Land	35,619,352	3,596,888	39,216,240	7,930,023
Buildings and Improvements	116,268,083	3,821,259	120,089,342	5,659,026
Machinery and Equipment	18,869,369	428,833	19,298,202	1,365,633
Conservation Easements	6,507,670	-	6,507,670	-
Infrastructure	356,206,720	255,685	356,462,405	10,602,148
Construction in Progress	21,576,209	32,523	21,608,732	737,155
Software	1,642,402	-	1,642,402	-
Total Assets	894,035,443	11,035,779	905,071,222	28,403,990
<b>LIABILITIES:</b>				
Accounts and Retainage Payable	10,482,494	36,804	10,519,298	417,335
Accrued Interest Payable	86,345	-	86,345	36,905
Deposits Payable	18,962	-	18,962	28,075
Deferred Revenue	122,157,662	-	122,157,662	6,715
Accrued Payroll	1,504,745	-	1,504,745	39,326
Noncurrent Liabilities:				
Due Within One Year	5,697,744	-	5,697,744	378,979
Due In More Than One Year	32,889,680	-	32,889,680	2,464,629
Total Liabilities	172,837,632	36,804	172,874,436	3,371,964
<b>NET ASSETS:</b>				
Invested in Capital Assets, Net of Related Debt	536,994,805	8,135,188	545,129,993	25,055,108
Restricted for:				
Emergencies	4,923,958	-	4,923,958	-
Public Works	6,125,307	-	6,125,307	-
Conservation of Natural Resources	21,856,930	-	21,856,930	-
Health and Welfare	3,901,032	-	3,901,032	-
Airport Noise Mitigation	1,563,361	-	1,563,361	-
Capital Projects	8,034,657	-	8,034,657	-
Unrestricted	137,797,761	2,863,787	140,661,548	(23,082)
Total Net Assets	\$ 721,197,811	\$ 10,998,975	\$ 732,196,786	\$ 25,032,026

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

**ADAMS COUNTY, COLORADO**  
**STATEMENT OF ACTIVITIES**  
**For the Year Ended December 31, 2007**

	Program Revenues			Net (Expenses) Revenues and Changes in Net Assets			
	Fines and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
				Governmental Activities	Business-type Activities	Total	Component Unit
	<b>Expenses</b>						
<b>FUNCTIONS/PROGRAMS</b>							
<b>Primary Government:</b>							
Governmental Activities:							
General Government	\$ 55,429,386	\$ 17,156,815	\$ 1,873,936	\$ 451,910	\$ (35,946,725)	\$ -	\$ -
Public Safety	64,528,882	4,377,538	5,137,024	14,500	(54,999,820)	-	-
County Funded Human Services	3,629,566	-	-	-	(3,629,566)	-	-
Public Works	43,161,397	1,855,448	7,490,684	4,934,395	(28,880,870)	-	-
Culture and Recreation	3,669,852	609,389	-	-	(3,060,463)	-	-
Health and Welfare	118,151,381	-	106,844,065	-	(11,307,316)	-	-
Urban Housing and Redevelopment	4,528,589	-	4,368,235	-	(160,354)	-	-
Conservation of Natural Resources	4,150,045	77,080	970,542	-	(3,102,423)	-	-
Economic Opportunity	5,592,049	75,988	5,338,893	-	(177,168)	-	-
Interest Expense	919,108	-	-	-	(919,108)	-	-
Total Governmental Activities	303,760,255	24,152,258	132,023,379	5,400,805	(142,183,813)	-	-
Business-type Activities:							
Golf Course	2,300,914	2,688,802	-	-	387,888	-	-
Total Business-type Activities	2,300,914	2,688,802	-	-	387,888	-	-
Total Primary Government	\$ 306,061,169	\$ 26,841,060	\$ 132,023,379	\$ 5,400,805	\$ (142,183,813)	\$ 387,888	\$ -
<b>Component Unit:</b>							
Airport Authority	4,563,405	2,659,260	576,000	315,987	-	-	(1,012,158)
Total Component Unit	\$ 4,563,405	\$ 2,659,260	\$ 576,000	\$ 315,987	\$ -	\$ -	\$ (1,012,158)
General Revenues:							
Property Taxes					\$ 110,413,882	\$ -	\$ -
Sales Taxes					30,165,614	-	-
Specific Ownership Tax					10,591,852	-	-
Other Taxes					398,255	-	-
Unrestricted Investment Earnings					142,468	-	33,825
Gain on Sale of Capital Assets					-	-	177,704
Miscellaneous					4,231,536	-	-
Special Items:					(4,214,844)	-	-
Loss on Disposal of Capital Assets					340,000	(340,000)	-
Transfers					164,171,155	(197,532)	211,529
Total General Revenues, Special Items and Transfers					164,171,155	(197,532)	211,529
Change in Net Assets					21,987,342	190,356	(800,629)
Net Assets-Beginning					699,210,469	10,808,619	25,832,655
Net Assets-Ending					\$ 721,197,811	\$ 10,998,975	\$ 25,032,026

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

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**ADAMS COUNTY, COLORADO**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**December 31, 2007**

	<u>General Fund</u>	<u>Road and Bridge Fund</u>	<u>Social Services Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS:</b>					
Cash and Cash Equivalents	\$ 49,903,667	\$ 11,920,399	\$ 11,114,052	\$ 8,603,018	\$ 81,541,136
Investments	51,956,350	10,865,764	8,519,421	34,071,317	105,412,852
Receivables					
Taxes	101,307,792	5,728,832	10,369,187	1,132,546	118,538,357
Accounts	1,134,465	4,805,834	1,407,066	3,296,230	10,643,595
Deposits	127,500	-	-	-	127,500
Due from Other Funds	3,851,054	259	-	747,151	4,598,464
Inventory, at Cost	-	522,229	-	-	522,229
Total Assets	<u>\$ 208,280,828</u>	<u>\$ 33,843,317</u>	<u>\$ 31,409,726</u>	<u>\$ 47,850,262</u>	<u>\$ 321,384,133</u>
<b>LIABILITIES AND FUND BALANCES:</b>					
Liabilities					
Accounts Payable	4,031,147	3,585,994	1,298,920	976,512	9,892,573
Retainage Payable	12,586	209,946	-	-	222,532
Deposits Payable	-	-	-	500	500
Due to Other Funds	2,764,384	870,409	191,928	1,903,962	5,730,683
Deferred Revenue	104,781,135	5,728,832	10,369,187	1,278,508	122,157,662
Accrued Payroll	1,277,326	97,511	-	102,868	1,477,705
Total Liabilities	<u>112,866,578</u>	<u>10,492,692</u>	<u>11,860,035</u>	<u>4,262,350</u>	<u>139,481,655</u>
Fund Balances					
Reserved for Inventory	-	522,229	-	-	522,229
Reserved for Emergencies	-	-	-	4,923,958	4,923,958
Reserved for IV-E Programs	-	-	3,901,032	-	3,901,032
Unreserved, reported in:					
Designated, reported in:					
General Fund	3,103,631	-	-	-	3,103,631
Special Revenue Funds	-	1,233,184	-	10,268,743	11,501,927
Undesignated, reported in:					
General Fund	92,310,619	-	-	-	92,310,619
Special Revenue Funds	-	21,595,212	15,648,659	20,360,554	57,604,425
Capital Project Funds	-	-	-	8,034,657	8,034,657
Total Fund Balances	<u>95,414,250</u>	<u>23,350,625</u>	<u>19,549,691</u>	<u>43,587,912</u>	<u>181,902,478</u>
Total Liabilities and Fund Balances	<u>\$ 208,280,828</u>	<u>\$ 33,843,317</u>	<u>\$ 31,409,726</u>	<u>\$ 47,850,262</u>	

Amounts reported for governmental activities in the Statement of Net Assets are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:	546,052,860
Issuance costs are reported as expenditures in the governmental funds, but are shown as assets and amortized over the life of the related debt in the governmental activities:	331,249
Other long-term assets, including a loan receivable, are not available to pay for current-period expenditures and, therefore, are not reported in the funds:	1,000
Internal service funds are used by management to charge the costs of equipment service and insurance claims to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Assets:	25,824,458
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:	<u>(32,914,234)</u>

Net Assets of Governmental Activities: \$ 721,197,811

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

**ADAMS COUNTY, COLORADO**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**For the Year Ended December 31, 2007**

	<u>General Fund</u>	<u>Road and Bridge Fund</u>	<u>Social Services Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>REVENUES:</b>					
Taxes	\$ 94,802,135	\$ 36,029,618	\$ 9,636,346	\$ 11,101,504	\$ 151,569,603
Licenses and Permits	1,101,109	52,844	-	-	1,153,953
Intergovernmental	6,959,460	7,490,684	102,254,620	15,318,615	132,023,379
Charges for Services	21,950,149	765,079	-	283,077	22,998,305
Interest Earnings	10,656,850	61,757	-	1,526,253	12,244,860
Miscellaneous	3,856,932	16,124	-	362,980	4,236,036
Total Revenues	<u>139,326,635</u>	<u>44,416,106</u>	<u>111,890,966</u>	<u>28,592,429</u>	<u>324,226,136</u>
<b>EXPENDITURES:</b>					
Current Expenditures					
General Government	51,688,458	-	-	540,774	52,229,232
Public Works	2,221,452	34,468,457	-	-	36,689,909
Public Safety	59,744,019	-	-	-	59,744,019
County Funded Human Services	3,629,566	-	-	-	3,629,566
Health and Welfare	-	-	111,727,572	5,172,981	116,900,553
Culture and Recreation	3,258,609	-	-	-	3,258,609
Economic Opportunity	192,180	-	-	5,339,436	5,531,616
Urban Housing and Redevelopment	-	-	-	4,517,205	4,517,205
Conservation of Natural Resources	535,056	-	-	3,454,614	3,989,670
Debt Service					
Principal	1,345,000	-	-	-	1,345,000
Interest	918,526	-	-	-	918,526
Capital Outlay	4,776,510	7,753,784	21,643	2,287,611	14,839,548
Total Expenditures	<u>128,309,376</u>	<u>42,222,241</u>	<u>111,749,215</u>	<u>21,312,621</u>	<u>303,593,453</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	11,017,259	2,193,865	141,751	7,279,808	20,632,683
Other Financing Sources (Uses)					
Transfers In	3,946,778	-	-	1,920,255	5,867,033
Transfers Out	(1,624,482)	(428,833)	-	(4,229,835)	(6,283,150)
Total Other Financing Sources (Uses)	<u>2,322,296</u>	<u>(428,833)</u>	<u>-</u>	<u>(2,309,580)</u>	<u>(416,117)</u>
Net Change in Fund Balances	13,339,555	1,765,032	141,751	4,970,228	20,216,566
<b>Fund Balance, Beginning of Year</b>	<u>82,074,695</u>	<u>21,611,529</u>	<u>19,407,940</u>	<u>38,617,684</u>	<u>161,711,848</u>
Increase (Decrease) in Reserve for Inventory	<u>-</u>	<u>(25,936)</u>	<u>-</u>	<u>-</u>	<u>(25,936)</u>
<b>Fund Balances, End of Year</b>	<u>\$ 95,414,250</u>	<u>\$ 23,350,625</u>	<u>\$ 19,549,691</u>	<u>\$ 43,587,912</u>	<u>\$ 181,902,478</u>

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

**ADAMS 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, 2007**

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

Net change in fund balance - total governmental funds	\$ 20,216,566
Governmental funds report capital outlay as expenditures.	
However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
This is the amount by which capital outlay exceeds depreciation expense in the current period.	
	(1,213,258)
Governmental funds report issuance costs as expenditures.	
However, in the Statement of Activities, the cost of those assets is allocated over their terms and reported as amortization expense.	
This is the amount by which issuance costs exceed amortization expense in the current period.	
	(4,251)
The net effect of various miscellaneous transactions involving capital assets (i.e. donations, disposals, sales, trade-ins, etc.) is to increase net assets.	
This line also includes the 2007 Special Item shown on the Statement of Activities for the Loss on Disposal of Capital Assets.	
	1,736,506
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.	
	(1,605,001)
The net revenue of the internal service funds is reported with governmental activities.	
	1,516,280
Governmental funds reported repayment of a loan/note as miscellaneous revenue. However, in the Statement of Activities, the revenue is applied to the receivable asset account and therefore is not reported as a revenue in governmental funds.	
	(4,500)
Governmental funds reported principle payment of capital leases as expenditures. However, in the Statement of Activities, the costs are applied to the long-term liability accounts and therefore are not reported as expenditures in governmental funds.	
	<u>1,345,000</u>
Change in net assets of governmental activities	<u>\$ 21,987,342</u>

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

**ADAMS COUNTY, COLORADO**  
**STATEMENT OF NET ASSETS**  
**PROPRIETARY FUNDS**  
**December 31, 2007**

	Business-Type Activities	
	Enterprise Fund	Governmental Activities
	Golf Course Fund	Internal Service Funds
<b>ASSETS:</b>		
Current Assets		
Cash and Cash Equivalents	\$ 141,601	\$ 11,091,265
Investments	3,050,792	8,279,367
Prepaid	-	166,420
Insurance Retainer	-	203,000
Accounts Receivable	12,637	92,609
Due From Other Funds	-	2,329,977
Inventories, at Cost	39,812	50,808
Total Current Assets	<u>3,244,842</u>	<u>22,213,446</u>
Capital Assets		
Land	3,596,888	-
Land Improvements	367,911	-
Buildings	4,474,260	-
Improvements Other than Buildings	1,593,966	-
Machinery and Equipment	1,483,387	22,042,695
Infrastructure	297,269	-
Construction in Progress	32,523	-
Accumulated Depreciation	(3,711,016)	(11,405,750)
Total Capital Assets	<u>8,135,188</u>	<u>10,636,945</u>
Total Assets	<u>11,380,030</u>	<u>32,850,391</u>
<b>LIABILITIES:</b>		
Current Liabilities		
Accounts Payable	36,804	367,389
Deposits Payable	-	18,462
Accrued Payroll	-	27,040
Accrued Vacation and Sick Leave	-	129,954
Due to Other Funds	344,251	853,507
Claims Payable-Current	-	3,377,361
Total Current Liabilities	<u>381,055</u>	<u>4,773,713</u>
Long-term Liabilities		
Claims Payable-Workers' Compensation	-	1,358,908
Claims Payable-General Liability	-	893,312
Total Long-term Liabilities	<u>-</u>	<u>2,252,220</u>
Total Liabilities	<u>381,055</u>	<u>7,025,933</u>
<b>NET ASSETS:</b>		
Invested in Capital Assets	8,135,188	10,636,945
Unrestricted	2,863,787	15,187,513
Total Net Assets	<u>\$ 10,998,975</u>	<u>\$ 25,824,458</u>

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



**ADAMS COUNTY, COLORADO**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS**  
**PROPRIETARY FUNDS**  
**For the Year Ended December 31, 2007**

	Business-Type Activities	
	Enterprise Fund	Governmental Activities
	Golf Course Fund	Internal Service Funds
<b>OPERATING REVENUES:</b>		
Charges for Sales and Services		
Equipment Rental Fees	\$ -	\$ 7,137,801
Insurance Premiums-Medical/Dental	-	11,032,529
Insurance Premiums-General Liability	-	743,469
Insurance Premiums-Workers' Compensation	-	719,330
Insurance Premiums-Unemployment	-	73,207
Insurance Premiums-Administration	-	222,575
Charges for Services	2,516,068	-
Other	172,734	172,981
Total Operating Revenues	<u>2,688,802</u>	<u>20,101,892</u>
<b>OPERATING EXPENSES:</b>		
Salaries and Fringe Benefits	-	1,627,870
Contract Labor	951,216	-
Insurance Claims	-	10,597,285
Insurance Premiums	61,706	1,501,219
Operating Supplies	9,174	46,803
Travel and Training	11,645	22,259
Minor Supplies and Equipment	241,720	2,566,048
Licenses and Fees	-	39,920
Utilities	166,921	52,609
Repairs and Maintenance	190,144	276,079
Professional Fees	212,284	224,948
Rental Expense	6,043	39,286
Cost of Sales	136,523	-
Other	26,968	1,399
Depreciation	286,570	2,871,919
Total Operating Expenses	<u>2,300,914</u>	<u>19,867,644</u>
Operating Income (Loss)	<u>387,888</u>	<u>234,248</u>
<b>NONOPERATING REVENUES (EXPENSES):</b>		
Investment Earnings	142,468	-
Gain (Loss) on Sale of Capital Assets	-	525,915
Total Nonoperating Revenues (Expenses)	<u>142,468</u>	<u>525,915</u>
Income (Loss) before Contributions and Transfers	530,356	760,163
Transfers In	-	756,117
Transfers Out	(340,000)	-
Change in Net Assets	<u>190,356</u>	<u>1,516,280</u>
Total Net Assets-Beginning	<u>10,808,619</u>	<u>24,308,178</u>
Total Net Assets-Ending	<u>\$ 10,998,975</u>	<u>\$ 25,824,458</u>

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

**ADAMS COUNTY, COLORADO**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**For the Year Ended December 31, 2007**

	<b>Business-type Activities</b>	<b>Governmental</b>
	<b>Enterprise Funds</b>	<b>Activities</b>
	<b>Golf Course Fund</b>	<b>Internal Service Funds</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Cash Received from Customers	\$ 2,689,090	\$ 19,590,818
Cash Payments to Suppliers for Goods and Services	(2,000,509)	(12,330,998)
Cash Payments to Employees for Services	-	(1,631,650)
Net Cash Provided (Used) by Operating Activities	<u>688,581</u>	<u>5,628,170</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Acquisition/Construction of Capital Assets	(369,299)	(3,837,741)
Proceeds from Sale of Property	-	622,955
Transfers Out	(340,000)	-
Contributions by Other Funds	-	756,117
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(709,299)</u>	<u>(2,458,669)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Investment and Interest Income	142,468	-
Net Cash Provided (Used) by Investing Activities	<u>142,468</u>	<u>-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	121,750	3,169,501
Cash and Cash Equivalents, Beginning	<u>3,070,643</u>	<u>16,201,131</u>
Cash and Cash Equivalents, Ending	<u>\$ 3,192,393</u>	<u>\$ 19,370,632</u>
<b>Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:</b>		
Operating Income (Loss)	\$ 387,888	\$ 234,248
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Depreciation	286,570	2,871,919
(Increase) Decrease in Accounts Receivable	288	(48,420)
(Increase) Decrease in Inventory	14,892	(11,793)
(Increase) Decrease in Due From Other Funds	-	(459,332)
(Increase) Decrease in Prepays	-	(3,322)
Increase (Decrease) in Accounts Payable	782	(2,248)
Increase (Decrease) in Claims Payable-Current	-	2,407,191
Increase (Decrease) in Due to Other Funds	(1,839)	274,538
Increase (Decrease) in Accrued Payroll	-	(4,999)
Increase (Decrease) in Accrued Vacation and Sick Leave	-	1,219
Increase (Decrease) in Deposits Payable	-	(1,621)
Increase (Decrease) in Claims Payable-Long Term	-	370,790
Total Adjustments	<u>300,693</u>	<u>5,393,922</u>
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>\$ 688,581</u>	<u>\$ 5,628,170</u>

See the accompanying independent auditors' report.

**ADAMS COUNTY, COLORADO**  
**STATEMENT OF FIDUCIARY NET ASSETS**  
**FIDUCIARY FUNDS**  
**December 31, 2007**

	<u>Agency Funds</u>
<b>ASSETS:</b>	
Cash and Cash Equivalents	\$ 17,793,301
Total Assets	17,793,301
 <b>LIABILITIES:</b>	
Due to:	
Other Governments	17,126,892
Others	666,409
Total Liabilities	\$ 17,793,301

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

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**ADAMS COUNTY, COLORADO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2007**  
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**ADAMS COUNTY, COLORADO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2007**

**Note 1. Summary of Significant Accounting Policies**

This summary of significant accounting policies of Adams County, Colorado (the County) is presented to assist in understanding the County's financial statements. The financial statements and notes are representations of the County's management, which is responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles (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 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.

**A. Financial Reporting Entity**

The County is a municipal corporation and a political subdivision of the State of Colorado. The County is governed by an elected three-member Board of County Commissioners. The Board of County Commissioners exercises budgetary authority over all activities of the primary government. The primary government of the County includes the activities of seven other elected officials (the Assessor, Clerk and Recorder, Coroner, District Attorney, Treasurer, Surveyor, and Sheriff). The financial transactions of these Offices are recorded in the General Fund. The primary government also includes the activities of the Public Trustee, whom is appointed by the Governor. Public Trustee fees and related operating expenses are recorded in the General Fund.

As required by GAAP, the financial statements present the financial activities of the County and its component units. Component units are entities for which the County is considered to be financially accountable. Blended component units, though legally separate entities, are also part of the County's operations. Data from these units is combined with that of the primary government. Conversely, each discretely presented component unit is reported in a separate column in the government-wide financial statements, to emphasize that it is legally separated from the primary government. All component units have a December 31 year-end.

**Blended component unit.** The Adams County Building Authority, formed in 1975 as a non-profit corporation under Section 501(c)(4) of the Internal Revenue Code, has existed solely to acquire real estate and buildings for lease to Adams County. The County is financially accountable for the activities of the Building Authority and its assets are reflected in the County's capital assets. The Adams County Building Authority had no activity in 2007.

**Note 1. Summary of Significant Accounting Policies (continued)**

**Discretely presented component unit.** The Front Range Airport Authority (FRAA) is a governmental organization formed by Adams County pursuant to Section 41-3-104 of the Colorado Revised Statutes for the purpose of developing and operating the Front Range Airport. The County is responsible for the creation of the FRAA, has influence over its operations, and is financially committed to contribute annually toward airport operating expenses. The FRAA is run by a five-member board which includes the three Adams County Commissioners. The majority of the services of FRAA are provided to Colorado residents and businesses. FRAA is reported as a discretely presented component unit and is reflected as such in the County's government-wide Statement of Net Assets and Statement of Activities.

FRAA issues separate financial statements that may be obtained from their office at 5200 Front Range Parkway, Watkins, Colorado 80137.

**B. Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e. the Statement of Net Assets and the Statement of Activities) report information on all of the non-fiduciary activities of the County and its component units. The effect of interfund activity has been removed from these statements for the most part. Governmental activities normally supported by taxes and intergovernmental revenues are reported separately from business-type activities, which are supported primarily by fees and charges for services. As discussed above, the primary government is also reported separately from certain legally separate component units for which the County is financially accountable.

The Statement of Net Assets presents the County's non-fiduciary assets and liabilities, with the difference reported as net assets. Net assets are reported in three categories:

Invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bonds, notes and other debt that are attributed to the acquisition, construction, or improvement of those assets.

Restricted net assets result when constraints placed on use of net assets are either externally imposed by creditors, grantors, contributors, and the like, or imposed by law through constitutional provision.

Unrestricted net assets consist of net assets which do not meet the definition of the two preceding categories. Unrestricted net assets are often designated to indicate that management does not consider them to be available for general operations. Unrestricted net assets often have constraints on resources that are imposed by management, but may still be removed or modified.



**Note 1. Summary of Significant Accounting Policies (continued)**

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable within a specific function. The County does not allocate indirect expenses to functions in the Statement of Activities. Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services or privileges provided; 2) operating grants and contributions; and 3) capital grants and contributions. When identifying to which function a program revenue pertains, the determining factor for charges for services is which function generates that revenue. For grants and contributions, the determining factor is to which function the revenue is restricted. Internally dedicated resources are reported as general revenues rather than as program revenues. Taxes and other items not meeting the definition of program revenues are instead reported as general revenues.

For the most part, the effect of interfund activity has been eliminated from the government-wide financial statements. The exception to this general rule is the interfund charges between the Golf Course Fund and the General Fund. Elimination of these interfund activities would distort the direct costs reported.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported in separate columns in the fund financial statements, with non-major funds being combined into a single column.

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are reported as a receivable and deferred revenue when levied and as revenue upon collection in the following year. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. The agency funds also use the accrual basis of accounting.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989 are generally followed in both the government-wide and proprietary fund financial statements, to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The County has elected not to follow subsequent private-sector guidance.

**Note 1. Summary of Significant Accounting Policies (continued)**

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources, as they are needed.

Governmental fund financial statements use the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period, generally not to exceed 60 days. Revenues from taxes, grants, licenses and interest associated with the current fiscal period are considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the County. Expenditures are generally recorded when the related fund liability is incurred. Exceptions to the general rule include: 1) accumulated unpaid vacation and sick leave pay and 2) principal and interest on general long-term debt, which is recognized when due.

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

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 for those required to be accounted for in another fund.

The Road and Bridge Fund reflects costs related to County road and bridge construction and maintenance, with the exception of engineering costs that are recorded in the General Fund.

The Social Services Fund accounts for the many federal and state public welfare programs administered by the County.

The County reports the following major proprietary fund:

The Golf Course Fund accounts for activities of the Riverdale Golf Courses.

**Note 1. Summary of Significant Accounting Policies (continued)**

Additionally, the County reports the following fund types:

Internal service funds account for the financing of goods and services provided by one department or agency to other departments of the County on a cost reimbursement basis. The internal service funds of the County are the Equipment Service Fund and the Insurance Claims Fund.

Agency Funds account for assets held by the County as an agent for individuals, private organizations, other governments and/or other funds. The primary purpose of the Treasurer's agency fund is to collect and distribute property tax revenue to other governments and funds within the County. The Public Trustee's agency fund collects fees pertaining to deeds of trust transactions and distributes fees collected to mortgage companies, individuals, the County, and other entities as appropriate.

**D. Assets, Liabilities, and Net Assets or Fund Balance****1. Deposits and Investments**

The County and its includable entities maintain demand deposits, savings accounts, certificates of deposit, and other permitted investments with a variety of financial institutions. Deposits and investments are displayed on the Statement of Net Assets as cash and cash equivalents, and investments. Deposits and investments of the Front Range Airport Authority and Public Trustee are held separately from those of other County funds. Deposits are carried at cost plus accrued interest. Investments are stated at fair value.

The County's cash and cash equivalents are considered to be cash on hand, demand deposits, money market accounts and short-term investments with original maturities of three months or less from the date of acquisition. County funds are invested by the Treasurer in accordance with the Public Deposit Protection Act of 1975 and other state statutes.

**2. Receivables and Payables**

Activity between funds that is representative of lending/borrowing arrangements and is outstanding at the end of the fiscal year is referred to as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

**Note 1. Summary of Significant Accounting Policies (continued)**

Property taxes attach as an enforceable lien on property January 1 and are levied the following January 1. Taxes are payable in full on April 30 or in two installments on February 28 and June 15. Taxes become delinquent June 16.

Since property tax revenue is collected in arrears during the succeeding year, a receivable and a corresponding deferred revenue is recorded at December 31. As the tax is collected in the succeeding year, the deferred revenue is recognized as revenue and the receivable is reduced.

Accounts receivable and property taxes receivable are shown net of allowance for uncollectibles. The property tax receivable allowance is equal to 0.70% of outstanding property taxes at December 31, 2007.

**3. Inventories and Prepaid Items**

On the government-wide statements, inventories are presented at cost on a first-in, first-out basis and are expensed when used. On the fund financial statements, inventories of governmental funds and proprietary funds are stated at cost. For all funds, cost is determined on a first-in, first-out basis. The cost of inventory items is recorded as an expenditure in the governmental fund types when purchased. Reported inventories in governmental fund types are equally offset by a fund balance reserve that indicates they do not constitute "available spendable resources" even though they are a component of current assets. Inventories of the proprietary funds are expensed when consumed.

For the government-wide statements and the fund statements, payments made to vendors for services that will benefit periods beyond December 31 are recorded as prepaid items using the consumption method, by recording an asset for the prepaid amount and reflecting the expenditure in the year in which the services are consumed.

**4. Restricted Assets**

Certain resources of the County have been set aside due to restrictions placed on those resources by external entities or by constitutional provision. These restrictions are clearly identified in the government-wide Statement of Net Assets.

As shown in the 2007 statement of net assets, \$4,923,958 has been restricted for emergencies pursuant to the State of Colorado constitutional amendment to Article X, which requires a 3% set-aside of relevant expenditures.

A restriction of \$6,125,307 in the Public Works function represents transportation sales tax monies for specific road and bridge projects.

**Note 1. Summary of Significant Accounting Policies (continued)**

Lottery proceeds accounted for in the Conservation Trust Fund in the amount of \$1,187,898 must be restricted for use in the conservation of natural resources, pursuant to the State of Colorado constitutional amendment Article XXVII. An additional restriction for conservation of natural resources in the amount of \$20,669,032 is required based on a voter-approved 0.2% increase in sales tax to be used for the purchase and maintenance of open space. These two items total the \$21,856,930 restriction for Conservation of Natural Resources.

The amount of \$3,901,032 restricted in the Health and Welfare function is excess Title IV-E money distributed to Social Services. This amount is restricted due to Senate Bill 91-80, which requires that certain funds provided to Social Services should be used only for child welfare purposes.

The airport noise mitigation restriction of \$1,563,360 is pursuant to a judicial order requiring the County to set aside excess noise fines paid by the City and County Denver for the Denver International Airport noise mitigation cases. These funds are used to pay claims made by residents within the County.

The restrictions in the capital projects funds represent voter-approved uses of sales tax revenue. The amount restricted for use by the County's Detention Facility is \$3,508,949, and the amount restricted for use by the County's Courthouse is \$4,525,708.

**5. Capital Assets**

The County's capital assets include land, buildings and improvements, machinery and equipment, software, conservation easements, infrastructure purchased or constructed after 1980, and construction-in-progress. Capital assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements, and in the proprietary funds in the fund financial statements.

The County defines a capital asset as an asset with an expected useful life of two years or more. In 2007, the Board of County Commissioners resolved to increase the capitalization threshold for assets of governmental activities from \$2,500 to the thresholds identified below:

<u>Asset</u>	<u>Threshold</u>
Buildings	\$ 50,000
Improvements	\$ 50,000
Infrastructure	\$ 50,000
Machinery and Equipment	\$ 5,000
Software	\$ 5,000

**Note 1. Summary of Significant Accounting Policies (continued)**

The business-type activity of the County (the Golf Course Fund) uses the following capitalization thresholds:

<u>Asset</u>	<u>Threshold</u>
Buildings	\$ 2,500
Improvements	\$ 2,500
Infrastructure	\$ 2,500
Machinery and Equipment	\$ 2,500
Software	\$ 2,500

All County land and conservation easements are capitalized regardless of cost.

Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at the estimated fair market value at the date of donation.

An expenditure that does not increase the capacity, efficiency, effectiveness, or useful life of an existing capital asset, or an expenditure that only serves to restore an existing capital asset to its normal working condition, is recorded as a repair and maintenance expense and is not capitalized.

Interest incurred during the construction phase of the capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Capital assets of the governmental and business-type activities are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset</u>	<u>Years</u>
Buildings and components	15 to 40
Improvements	10 to 25
Infrastructure	20 to 60
Machinery and Equipment	3 to 20
Software	3 to 5

Land and conservation easements assets are non-depreciable.

**Note 1. Summary of Significant Accounting Policies (continued)****6. Deferred Revenues**

Deferred revenues include property taxes that are levied for a subsequent period and grant fund revenues that have been collected but corresponding expenditures have not been incurred. Gains on sale/leaseback capital lease transactions are being amortized over the life of the related lease and are also recorded as deferred revenue in the financial statements.

**7. Claims Liabilities**

The County's claims liabilities are based on estimates of the ultimate cost of claims (including unallocated loss adjustment expenses) that have been reported but not settled. Also included are estimates for claims incurred but not reported. Estimated amounts to be recovered under excess coverage insurance are deducted from the liability for unpaid claims.

The projected claims liabilities are estimates used by management and provided by third party actuaries, who have issued reports for the workers' compensation, general liability, dental, and health programs, and as such are subject to variability. This potential for variability is due to the fact that not all of the factors affecting the projections have taken place and cannot be evaluated with certainty. These factors include, but are not limited to, potential tort reform, future inflation, future judicial proceedings, and future jury awards.

Management's projections are based upon the County's historical experience. County management has not anticipated any extraordinary changes in the various factors that might affect the future costs of claims. County management uses methods that it believes produce reasonable results given current information. Claims liabilities are recomputed periodically using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claims frequency, and other economic and social factors. Claims liabilities are not discounted.

**8. Compensated Absences**

County employees accumulate vacation and sick leave to a maximum amount which is dependent on a combination of months of service and the employment status of permanent part-time or full-time. Temporary employees do not accumulate vacation and sick leave.

In governmental funds, accumulated unpaid vacation and sick leave will not generally be paid with expendable and available fund resources. Therefore, these liabilities are being reported on the government-wide financial statements, but the liability is reported at the fund level only when due. Compensated absences are liquidated out of the fund in which the employee was paid. Significant funds that may be used to liquidate the liabilities include the major funds: General Fund, Road and Bridge Fund, and Social Services Fund.

**Note 1. Summary of Significant Accounting Policies (continued)****9. Long-Term Liabilities**

In the government-wide financial statements, and in proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type on the Statement of Net Assets. In the governmental fund statements, the face amount of the debt is reported as other financing sources.

**10. Contingent Liabilities**

At December 31, 2007, the County is a defendant in lawsuits that allege negligence, deprivation of civil rights, and/or racial or sexual discrimination, personal injury, property damage, and other miscellaneous claims. The outcome of these matters is currently unknown, however, management and legal counsel are of the opinion that the claims against the County resulting from such litigation and not covered by insurance may not materially affect the financial statements of the County.

Under the Colorado Revised Statutes 13-60-101 and 24-10-113, should the courts sustain any of the litigation against the County, the County may levy sufficient ad valorem property taxes to cover any resulting expenditures not anticipated in the current year. This tax levy is limited to ten mills per year.

The County participates in several federally-assisted grant programs, such as the Community Services Block Grant, Community Development Block Grant, Head Start, Social Services grant flow-through, and the Workforce Investment Act. The determination of the eligibility of the recipients of these federally-assisted programs is made internally. All programs and eligibility determinations are subject to program compliance reviews by the grantors or their representatives. The amount, if any, of expenditures that may be disallowed by the granting agencies is not determinable at this time, although the County expects such amounts, if any, should not materially affect the financial statements.

**11. Fund Balance**

In the fund financial statements, governmental funds report reservations of fund balances for amounts that are not available for appropriation or are legally restricted by outside parties to use for a specific purpose.

The County uses the following reservations of fund balance:

Reserved for Inventory - This reservation segregates a portion of fund balance to indicate that inventories do not represent available, spendable resources, even though they are a component of net assets. In 2007, \$522,229 is reserved in the Road and Bridge Fund for inventory (salt, sand, gravel, culverts, etc.).



**Note 1. Summary of Significant Accounting Policies (continued)**

Reserved for Emergencies - This reservation in the Contingent Fund represents the 3% legal restriction pursuant to Article X, Section 20 of the State Constitution. The reservation totals \$4,923,958 in 2007.

Reserved for IV-E Program – This reservation of \$3,901,032 designates excess Title IV-E money distributed to Social Services for child welfare purposes.

Governmental funds also report designations of fund balances that represent tentative management plans that are subject to change. They are not legally required segregations. The County uses the following designations in the General Fund (totaling \$3,103,631 in 2007):

Designated for Brantner Lake - An amount of \$29,477 is segregated for the construction and protection of Brantner Lake water storage at the regional park complex. This includes the net amount of royalties remaining for the relining of the sand and gravel pits.

Designated for Public Land Dedication Fees - An amount of \$195,054 represents cash collected in-lieu of developer's public land dedications, which must be used for Regional Park and park facilities improvements.

Designated for the Sheriff's Office - An amount of \$82,330 is designated for use by the Sheriff's Office. A portion of these funds, \$57,913, represents monies collected from the rental of the shooting range to other law enforcement agencies and is used to pay for future improvements made to the facility. The remaining portion, \$24,417, represents donations received from various sources to be used by the Sheriff's Office.

Designated for DIA - An amount of \$2,461,968 segregates a portion of fund balance in the General Fund to indicate a designation for monies received from the City and County of Denver from the settlement of the Denver International Airport noise mitigation lawsuit. These funds include monies held by the County for payment of noise claims and legal costs.

Designated for Special Transit - An amount of \$302,380 segregates a portion of fund balance to indicate a designation for use by the County's Special Transit program. This program provides transportation services to senior citizens and persons with disabilities within the County. The program receives grants prior to expenditures, which allows an accumulation of fund designation with the specific purpose of funding the program.

Designated for CSU Programs - An amount of \$32,422 segregates a portion of fund balance to indicate a designation for use by the Colorado State University Extension Office. This designation is made up of grants and donations for specifically identified projects and scholarships.

**Note 1. Summary of Significant Accounting Policies (continued)**

The County uses the following designation in the Road and Bridge Fund:

Designated for Traffic Impact Fees - An amount of \$1,233,184 segregates a portion of fund balance to help cover the cost of expanding the County's major road systems and deal with increased traffic demands due to expansion in the County. Fees not spent within the specified period of time must be refunded to the payor with interest.

The County uses the following designations totaling \$10,268,743 in the other governmental funds:

Designated for Open Space Grants – An amount of \$9,388,225 in the Open Space Sale Tax Fund segregates open space grants that have been awarded to entities through County resolution, but will not be paid to the awarded entities until the open space project funded by the grant is completed.

Designated for Hazardous Waste - An amount of \$880,518 in the Waste Management Fund segregates a portion of fund balance to indicate a designation for unforeseen contingencies pertaining to hazardous waste management by the County.

**12. Net Assets**

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through external restrictions imposed by creditors, grantors, laws, or regulations of other governments.

**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 Assets**

The governmental funds Balance Sheet includes a reconciliation between fund balance – total governmental funds, and net assets – governmental activities, as reported in the government-wide Statement of Net Assets. One element of that reconciliation explains, “long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.” The detail of this (\$32,914,234) difference is as follows:

Capital Leases Principal Payable	\$ (19,695,000)
Capital Leases Interest Payable	(86,345)
Net Other Post Employment Benefits Obligation	(921,010)
Compensated Absences	<u>(12,211,879)</u>
Net adjustment to reduce fund balance - total government funds to arrive at net assets - governmental funds	<u>\$ (32,914,234)</u>

**Note 2. Reconciliation of Government-wide and Fund Financial Statements**  
**(continued)**

**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 funds 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 assets of governmental activities as reported in the government-wide Statement of Activities. One element of that reconciliation explains, “Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.” The detail of this (\$1,213,258) difference is as follows:

Capital Outlay	\$ 14,823,148
Depreciation Expense	<u>(16,036,406)</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ (1,213,258)</u>

Another element of the reconciliation states, “The net effect of various miscellaneous transactions involving capital assets (i.e. donations, disposals, sales, trade-ins, etc.) is to increase net assets.” The detail of this \$1,736,506 difference is as follows:

Capital Asset Donations	\$ 5,400,805
Special Item: Loss on Disposal of Capital Assets	(4,214,844)
Miscellaneous Items	<u>550,545</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ 1,736,506</u>

The reconciliation also states, “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 detail of this (\$1,605,001) difference is as follows:

Compensated Absences	\$ (657,473)
Net Other Post Employment Benefits Obligation	(921,010)
Accrued Interest	(582)
Decrease in Inventory	<u>(25,936)</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ (1,605,001)</u>

**Note 3. Legal Compliance****A. TABOR Amendment**

In November 1992, the voters of the State of Colorado approved Amendment I to Article X, Section 20, of the State Constitution. This amendment is popularly known as the TABOR (Taxpayer's Bill Of Rights) Amendment.

The TABOR amendment limits growth in both state and local government expenditures and revenues. Annual local government expenditure and revenue increases are limited to inflation in the prior calendar year plus annual local growth. In order to increase revenues and/or expenditures above the limitations, to increase any taxes, to increase the mill levy, or to increase bonded debt, a local government must first obtain voter approval in an election held for such purposes annually in November.

The policy of the County is to take into consideration all the provisions of the TABOR Amendment and to fully comply with the amendment, as well as to assure that the County is able to continue to provide a cost-effective delivery of services, facilities, and programs to all County residents. In November 2002, the County obtained voter approval to keep and spend all revenues it receives from current tax rates and other revenues generated by the County beginning in 2003. With this permission, the County no longer has revenue and spending limitations. However, the County still needs to ask for voter approval to increase tax rates and issue bonded debt. The County will also continue to reserve 3% of fiscal year spending in the Contingent Fund as required by TABOR.

**Note 4. Detailed Notes on All Funds****A. Cash and Investments**

Cash and investments at December 31, 2007, consisted of the following:

Deposits	\$ 102,453,421
Investments	<u>124,856,893</u>
Total	<u>\$ 227,310,314</u>

Cash and investments at December 31, 2007 reported in government-wide and agency funds consisted of the following:

Government-wide	\$ 209,517,013
Agency Funds	<u>17,793,301</u>
Total	<u>\$ 227,310,314</u>

**Note 4. Detailed Notes on All Funds (continued)****1. Deposits**

The Colorado Public Deposit Protection Act (PDPA) requires that all local governments deposit cash in eligible public depositories. Eligibility is determined by state regulations. The State regulatory commissioners regulate the eligible public depositories. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. The PDPA allows the financial institutions to create a single collateral pool for all public funds held. The pool is to be maintained by another institution, or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. At December 31, 2007, the County had deposits of \$101,323,224 collateralized with securities held by the financial institutions' agents but not in the County's name.

**2. Investments**

The County is required to comply with State statutes which specify investment instruments meeting defined rating, maturity, and concentration risk criteria in which local governments may invest, which include the following. State statute does not address custodial credit risk.

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

The County has no investment policy that would further limit its investment choices.

At December 31, 2007, the County had the following investments:

	S & P Rating	Investment Maturities			Fair Value
		Less than 1 Year	2 Years	3-5 years	
Local Government Investment Pools	AAA	\$ 89,079,254	\$ -	\$ -	\$ 89,079,254
Money Market Funds	AAA	1,938,351	-	-	1,938,351
U.S. Agency Securities	AAA	-	1,000,000	32,839,288	33,839,288
Total		<u>\$ 91,017,605</u>	<u>\$ 1,000,000</u>	<u>\$ 32,839,288</u>	<u>\$ 124,856,893</u>

**Note 4. Detailed Notes on All Funds (continued)****3. Credit Risk**

State statutes limit investments in U.S. Agency securities to the highest rating issued by two or more nationally recognized statistical rating organizations (NRSROs). State statute also limits investments in money market funds to those that maintain a constant share price, with a maximum remaining maturity in accordance with Rule 2a-7, and either have assets of one billion dollars or the highest rating issued by a NRSRO.

**4. Concentration of Credit Risk**

State statute does not limit the amount the County may invest in one issuer. At December 31, 2007, the County's investments in Federal National Mortgage Association and Federal Home Loan Bank, represented 21.5% and 5.6% respectively, of the County's total investments.

**5. Local Government Investment Pool**

The County had \$54,280,958 invested in Colorado Surplus Asset Fund Trust (CSAFE), and \$34,798,296 in Colorado Local Government Liquid Asset Trust (COLOTRUST). These are investment pool trusts established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces the requirements of creating and operating CSAFE and COLOTRUST. These pools operate similarly to a money market fund with each share equal in value to \$1.00. CSAFE and COLOTRUST are rated AAA by Standard & Poor's. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. Substantially all securities owned are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by the participating governments.

**6. Interest Rate Risk**

State statutes limit the maturity of investments in U.S Agency securities to an original maturity of five years unless the governing board authorizes the investment for a period in excess of five years.

**Note 4. Detailed Notes on All Funds (continued)****B. Receivables and Payables**

Receivables as of year-end for all governmental funds, internal service funds and the enterprise fund, including the applicable allowances for uncollectible accounts, are as follows:

	Governmental Funds	Internal Service Funds	Total	Enterprise Fund
Receivables:				
Taxes	\$ 119,373,976	\$ -	\$ 119,373,976	\$ -
Accounts	<u>10,751,962</u>	<u>92,609</u>	<u>10,844,571</u>	<u>12,637</u>
Gross Receivables	130,125,938	92,609	130,218,547	12,637
Less: Allowance for Uncollectibles	<u>(943,986)</u>	<u>-</u>	<u>(943,986)</u>	<u>-</u>
Net Total Receivables	<u>\$ 129,181,952</u>	<u>\$ 92,609</u>	<u>\$ 129,274,561</u>	<u>\$ 12,637</u>

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period.

At the end of the current fiscal year, the various components of deferred revenue reported in the governmental funds were as follows:

	<u>Unavailable</u>
Property Taxes Receivable, Levied for Subsequent Year	\$ 118,538,357
Deferred Gain on Capital Leases	3,450,847
Grant Advance Funding	145,962
Other Deferred Revenue	<u>22,496</u>
Total Deferred Revenue, Governmental Funds	<u>\$ 122,157,662</u>

Payables as of year-end for all governmental funds, internal service funds, and the enterprise fund are as follows:

	Governmental Funds	Internal Service Funds	Total	Enterprise Fund
Payables:				
Due to Vendors	\$ 10,115,105	\$ 367,389	\$ 10,482,494	\$ 36,804
Salaries & Employee Benefits	1,477,705	27,040	1,504,745	-
Deposits Payable	<u>500</u>	<u>18,462</u>	<u>18,962</u>	<u>-</u>
Total Payables	<u>\$ 11,593,310</u>	<u>\$ 412,891</u>	<u>\$ 12,006,201</u>	<u>\$ 36,804</u>

**Note 4. Detailed Notes on All Funds (continued)****C. Capital Assets****1. Governmental and Business-type Activities**

Capital asset activity for the year ended December 31, 2007 for governmental and business-type activities was as follows. Starting in 2007, issuance costs are no longer shown as capital assets, but are reflected as other non-current assets in the Statement of Activities.

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental Activities:</b>				
Capital Assets, Not Being Depreciated:				
Land	\$ 35,109,552	\$ 509,800	\$ -	\$ 35,619,352
Construction in Progress	23,694,021	7,883,145	(10,000,957)	21,576,209
Conservation Easements	6,127,449	380,221	-	6,507,670
Total Capital Assets, Not Being Depreciated	<u>64,931,022</u>	<u>8,773,166</u>	<u>(10,000,957)</u>	<u>63,703,231</u>
Capital Assets, Being Depreciated:				
Buildings and Improvements	163,207,631	4,914,105	(4,268,190)	163,853,546
Machinery and Equipment	41,747,026	8,039,992	(8,771,681)	41,015,337
Infrastructure	420,467,719	12,302,158	(98,301)	432,671,576
Software	2,089,078	495,191	(15,449)	2,568,820
Total Capital Assets, Being Depreciated	<u>627,511,454</u>	<u>25,751,446</u>	<u>(13,153,621)</u>	<u>640,109,279</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	(43,571,541)	(5,798,012)	1,784,090	(47,585,463)
Machinery and Equipment	(24,121,556)	(5,148,061)	7,123,649	(22,145,968)
Infrastructure	(69,024,316)	(7,451,564)	11,024	(76,464,856)
Software	(427,288)	(510,688)	11,558	(926,418)
Total Accumulated Depreciation	<u>(137,144,701)</u>	<u>(18,908,325)</u>	<u>8,930,321</u>	<u>(147,122,705)</u>
Total Capital Assets, Being Depreciated, Net	<u>490,366,753</u>	<u>6,843,121</u>	<u>(4,223,300)</u>	<u>492,986,574</u>
Governmental Activities Capital Assets, Net	<u>\$ 555,297,775</u>	<u>\$ 15,616,287</u>	<u>\$ (14,224,257)</u>	<u>\$ 556,689,805</u>
<b>Business-type Activities:</b>				
Capital Assets, Not Being Depreciated:				
Land	\$ 3,689,800	\$ -	\$ (92,912)	\$ 3,596,888
Construction in Progress	9,167	32,523	(9,167)	32,523
Total Capital Assets, Not Being Depreciated	<u>3,698,967</u>	<u>32,523</u>	<u>(102,079)</u>	<u>3,629,411</u>
Capital Assets, Being Depreciated:				
Buildings and Improvements	6,232,353	203,784	-	6,436,137
Machinery and Equipment	1,288,197	195,190	-	1,483,387
Infrastructure	257,388	39,881	-	297,269
Total Capital Assets, Being Depreciated	<u>7,777,938</u>	<u>438,855</u>	<u>-</u>	<u>8,216,793</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	(2,444,895)	(169,983)	-	(2,614,878)
Machinery and Equipment	(948,298)	(106,256)	-	(1,054,554)
Infrastructure	(31,253)	(10,331)	-	(41,584)
Total Accumulated Depreciation	<u>(3,424,446)</u>	<u>(286,570)</u>	<u>-</u>	<u>(3,711,016)</u>
Total Capital Assets, Being Depreciated, Net	<u>4,353,492</u>	<u>152,285</u>	<u>-</u>	<u>4,505,777</u>
Adams County Golf Course Capital Assets, Net	<u>\$ 8,052,459</u>	<u>\$ 184,808</u>	<u>\$ (102,079)</u>	<u>\$ 8,135,188</u>



**Note 4. Detailed Notes on All Funds (continued)**

Information on the capital assets of the discretely presented component unit, the Front Range Airport Authority, can be found in the separately issued financial statements that may be obtained from their office at 5200 Front Range Parkway, Watkins, Colorado 80137.

**2. Depreciation Expense**

Depreciation expense has been charged to functions of the primary government as follows:

## Governmental Activities:

General Government	\$ 2,838,500
Conservation of Natural Resources	147,305
Culture and Recreation	407,607
Economic Opportunity	16,151
Health and Welfare	820,978
Public Safety	4,504,413
Public Works	7,294,648
Urban Redevelopment and Housing	6,804
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the asset	<u>2,871,919</u>
Total Depreciation Expense - Governmental Activities	<u><u>\$ 18,908,325</u></u>

## Business-type Activities:

Adams County Golf Course	<u>\$ 286,570</u>
Total Depreciation Expense - Business-type Activities	<u><u>\$ 286,570</u></u>

**Note 4. Detailed Notes on All Funds (continued)****3. Construction Commitments**

The County has numerous active capital construction projects as of December 31, 2007. These projects include road and street improvements, drainage improvements, and the expansion of the County's Justice Center, among others. At year-end, the County's commitments with contractors for capital construction are as follows:

Description of Project	Expenditures on Current Contract to Date	Remaining Commitment
Waymire Dome Exterior Improvements	14,130	4,350
Justice Center Expansion	561,291	1,033,484
New Highway Maintenance Facility	176,865	41,889
Regional Park Water System Upgrade	585	20,815
Park Boulevard Extension	77,355	15,649
Goat Hill Area Street Improvements	334,000	90,815
168th Avenue Improvements	120,860	1,827,890
56th Avenue Improvements	72,055	69,025
Pecos Street Improvements	578,487	2,964
Washington Street Improvements (Phase III)	717,146	75,485
Replace Bridge #60	45,700	459,952
Raleigh Street Drainage	11,586	16,006
Dahlia Pond/Kentwood Outfall	674,826	100,183
Utah Junction/Clay Street Outfall	120,915	92,777
Totals	<u>\$ 3,505,801</u>	<u>\$ 3,851,284</u>

**D. Interfund Receivables, Payables and Transfers****1. Interfund Receivables and Payables**

The composition of interfund balances as of December 31, 2007 is as follows:

	Receivable Fund:				Total
	General Fund	Road and Bridge Fund	Non-major Governmental Funds	Internal Service Funds	
Payable Fund:					
General Fund	\$ -	\$ 259	\$ 434,148	\$ 2,329,977	\$ 2,764,384
Road and Bridge Fund	870,409	-	-	-	870,409
Social Services Fund	191,928	-	-	-	191,928
Non-major Governmental Funds	1,590,959	-	313,003	-	1,903,962
Internal Service Funds	853,507	-	-	-	853,507
Golf Course Fund	344,251	-	-	-	344,251
Total Interfund Payables	<u>\$ 3,851,054</u>	<u>\$ 259</u>	<u>\$ 747,151</u>	<u>\$ 2,329,977</u>	<u>\$ 6,928,441</u>
Total Interfund Receivables					<u>\$ 6,928,441</u>

**Note 4. Detailed Notes on All Funds (continued)**

As shown in the table on the previous page, in 2007 the General Fund has made a total payment of \$3,851,054 to the County's other funds to cover yearly operating expenses. This amount will be immediately reimbursed to the General Fund in the following year.

The Non-major Governmental Funds reported a total of \$747,151 due from other funds at the end of the year. This includes \$124,094 due from the General Fund to the Contingent Fund in order to comply with the State of Colorado emergency funds requirement in TABOR. This also includes sales tax revenue due to the Open Space Projects Fund (\$310,054 due from the General Fund and \$313,003 due from the Open Space Sales Tax Fund).

The \$2,329,977 total receivable in the Internal Service Funds is made up amounts due to the Equipment Service Fund and the Insurance Claims Fund. The Equipment Service Fund has an amount of \$1,245,597 due from the General Fund. This includes \$756,117 for the acquisition of new vehicles purchased for the County in 2007, and \$489,480 in operating and depreciation expenses for December that will be reimbursed immediately in 2008. The Insurance Claims Fund is due \$1,084,380 from the General Fund as of December 31, 2007. This amount is made up of reimbursements from for insurance expenses and dental, health, and workers' compensation insurance premiums.

**2. Interfund Transfers In and Out**

	Transfers In:			Total
	General Fund	Non-major Governmental Funds	Internal Service Funds	
Transfers Out:				
General Fund	\$ -	\$ 1,297,198	\$ 327,284	\$ 1,624,482
Road and Bridge Fund	-	-	428,833	428,833
Social Services Fund	-	-	-	-
Non-major Governmental Funds	3,606,778	623,057	-	4,229,835
Golf Course Fund	340,000	-	-	340,000
Total Transfers Out	<u>\$ 3,946,778</u>	<u>\$ 1,920,255</u>	<u>\$ 756,117</u>	<u>\$ 6,623,150</u>
Total Transfers In				<u>\$ 6,623,150</u>

As identified above, at the end of the current year, the total amount transferred to the General Fund was \$3,946,778. Of this amount, \$3,428,255 was transferred from the Detention Facility Fund to the General Fund for the purpose of covering the incremental operating and capital costs associated with the Detention Facility.

**Note 4. Detailed Notes on All Funds (continued)**

In addition, \$178,523 was transferred from the Courthouse Construction Fund to the General Fund for the purpose of covering capital costs associated with the building.

The Golf Course Fund transferred \$340,000 to the General Fund in 2007. The Board of County Commissioners determines on an annual basis if the fund balance in the Golf Course Fund can support a reimbursement of a past capital contribution.

A total amount of \$1,920,255 was transferred to the Non-major Governmental Funds in 2007. Of this, \$1,096,104 was transferred to the DIA Noise Mitigation Fund from the General Fund. This represents Adams County's portion of DIA noise mitigation settlement monies awarded by the courts, to be used for the County's noise mitigation programs. The General Fund also transferred \$151,094 to the Contingent Fund in order to supplement the TABOR requirement (\$124,094 for 2007 and \$27,000 in additional transfers from 2006). The Head Start Fund received a total of \$50,000 from the General Fund in 2007 to help support the increased costs of insurance and retirement for the employees of that fund.

The Open Space Sales Tax Fund transferred \$623,057 in sales tax revenue to the Open Space Projects Fund to fund future open space projects.

The General Fund transferred \$327,284 and the Road and Bridge Fund transferred \$428,833 to the Equipment Service Fund for the acquisition of new vehicles for the County in 2007.

**E. Leases****1. Operating Leases**

The County has entered into various lease obligations for both office space and office equipment. The County also receives building usage fees from grant programs including but not limited to Social Services, Workforce Investment Act, and Headstart. The amount expended during the year as total rental payments in governmental funds is \$3,143,132 and in proprietary funds is \$6,846.

The following is a schedule of estimated future minimum lease payments for the County's operating lease obligations as of December 31, 2007:

Year	Annual Lease Payments
2008	\$ 1,139,467
2009	1,180,008
2010	1,085,781
2011	680,713
2012	514,229
2013	108,890
Total	\$ <u>4,709,088</u>

**Note 4. Detailed Notes on All Funds (continued)****2. Capital Leases**

As of the end of 2007, the County has entered into two sale-leaseback transactions for the sale and subsequent repurchase of several existing county properties.

The 1999 transaction resulted in the sale-leaseback of two buildings, the Human Services Building and the Children and Family Services Building. The sale of these buildings provided financing for the construction of the Adams County Service Center (Sheriff Substation), which was completed in 2001.

The 2003 transaction resulted in the sale-leaseback of the Adams County Service Center to provide financing for the purchase and remodel of the Western Service Center and the construction of the Offices of the District Attorney. The Western Service Center opened in February 2004 and the Offices of the District Attorney opened in May 2004.

The 1999 sale-leaseback ends in November 2014 and the 2003 sale-leaseback ends in December 2024. Interest rates on these sale-leasebacks vary by year, from 4.75% to 5.4% and from 3.0% to 4.75% to respectively.

The assets acquired through these capital leases have been recorded as capital assets of the County. They have been recorded as follows: the Human Services Building at \$8,385,473, the Children and Family Services Building at \$2,714,527 and the Adams County Service Center for \$15,890,000, for a grand total of \$26,990,000. The future minimum lease obligations, subject to annual appropriation, and the net present value of these minimum lease payments as of December 31, 2007 are as follows:

<u>Year Ending December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2008	1,395,000	865,401	2,260,401
2009	1,450,000	809,399	2,259,399
2010	1,510,000	750,699	2,260,699
2011	1,570,000	686,924	2,256,924
2012	1,640,000	617,894	2,257,894
2013-2017	6,025,000	2,046,518	8,071,518
2018-2023	<u>6,105,000</u>	<u>1,016,130</u>	<u>7,121,130</u>
Total	<u>\$ 19,695,000</u>	<u>\$ 6,792,965</u>	<u>\$ 26,487,965</u>

**Note 4. Detailed Notes on All Funds (continued)****F. Long-Term Liabilities**

During the year ended December 31, 2007, the following changes occurred in long-term liabilities:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities					
Capital Leases	\$ 21,040,000	\$ -	\$ (1,345,000)	\$ 19,695,000	\$ 1,395,000
Claims	2,851,600	10,505,428	(7,727,447)	5,629,581	3,377,361
Net OPEB Obligation	-	921,010	-	921,010	219,215
Compensated Absences	11,683,141	9,092,266	(8,433,574)	12,341,833	706,168
Total Long-Term Liabilities	<u>\$ 35,574,741</u>	<u>\$ 20,518,704</u>	<u>\$ (17,506,021)</u>	<u>\$ 38,587,424</u>	<u>\$ 5,697,744</u>

**Note 5. Insurance Claims Fund**

The insurance activities of the County are accounted for in the Insurance Claims Fund, which is an internal service fund. The insurance programs consist of several health plans, dental plans, an unemployment claims plan, a workers' compensation plan, and the property and general liability programs. The majority of the plans are self-funded, including several health plans that became self-funded for the first time in 2007.

The County also uses excess insurance coverage to limit the exposure to large losses on the self-funded workers' compensation plan and the property and casualty programs. Excess insurance permits the recovery of a portion of the losses from insurance claims, although it does not discharge the primary liability to the County.

The County uses a stop-loss policy for the self-insured health plans that provides coverage when any individual claim exceeds \$150,000.

There are no reductions in insurance coverage from prior years. Settlement amounts have not exceeded insurance coverage for any of the past three years.

The County's liability for unemployment benefits is determined by the State of Colorado Department of Labor and Employment. All claims for benefits are paid on a reimbursement basis.

Workers' Compensation claims are administered through an intergovernmental agreement for shared services with the Jefferson County School District R-1 as administrator. The program is supported through premiums charged to the Offices and Departments. Coverage is provided through a combination of self-insurance and an excess insurance policy. The County's maximum liability for workers' compensation claims under the self-insurance plan is \$500,000 per claim.

**Note 5. Insurance Claims Fund (continued)**

Current protection for the property and general liability programs is provided through a combination of self-insurance and an excess insurance policy. Under a general liability claim, the County will assume the first \$250,000 per occurrence. Covered claims over these amounts are covered by excess insurance up to \$6 million per occurrence with a \$6 million annual aggregate.

Under employment discrimination liability, the County is responsible for the first \$250,000 with an annual aggregate limit of \$6 million. Property is protected by an excess insurance policy for replacement cost subject to a deductible of \$50,000 per occurrence.

The following represents the changes in unpaid claims liabilities during the past two years. Note that the health plans did not become self-funded until 2007, thus no prior year's data is currently available for the health plans.

	<u>General Liability</u>		<u>Workers' Compensation</u>		<u>Dental Plans</u>		<u>Health Plans</u>
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>
Unpaid Claims and Claim Adjustment Expenses at Beginning of the Year	\$ 1,460,000	\$ 1,296,922	1,352,430	2,593,497	39,170	121,302	-
Incurred Claims and Claim Adjustment Expenses:							
Provision for Insured Events of the Current Year	654,407	1,301,349	437,953	496,388	931,332	707,349	8,290,995
Increases (Decreases) in Provision for Insured Events of Prior Years	(32,762)	(720,002)	223,503	(1,289,878)	-	-	-
Total Incurred Claims and Claim Adjustment Expense	<u>621,645</u>	<u>581,347</u>	<u>661,456</u>	<u>(793,490)</u>	<u>931,332</u>	<u>707,349</u>	<u>8,290,995</u>
Claims Payments	<u>(428,333)</u>	<u>(418,269)</u>	<u>(282,978)</u>	<u>(447,577)</u>	<u>(815,120)</u>	<u>(789,481)</u>	<u>(6,201,016)</u>
Total Unpaid Claims and Claim Adjustment Expenses at the End of the Year	<u>\$ 1,653,312</u>	<u>\$ 1,460,000</u>	<u>\$ 1,730,908</u>	<u>\$ 1,352,430</u>	<u>\$ 155,382</u>	<u>\$ 39,170</u>	<u>\$ 2,089,979</u>

**Note 6. Defined Benefit Pension Plan****A. Plan Description**

The County contributes to the Adams County Retirement Plan (the Plan), which is a cost-sharing multiple-employer public employee retirement system (PERS). The Plan is a defined benefit pension plan. The County and the Rangeview Library District are currently the only participating employers in the Plan. The Plan includes all full-time and permanent part-time employees working 30 hours or more per week. The Plan provides retirement, disability and death benefits. All benefits are determined by the requirements established by the Plan. Benefit provision changes are made by the Adams County Retirement Board which was established under the authority of Colorado Revised Statutes 24-54-107. The Adams County Retirement Board is the administrator of the Plan.

**Note 6. Defined Benefit Pension Plan (continued)**

The Plan issues a publicly available annual financial report that may be obtained by writing to Adams County Retirement Plan, 450 South 4th Avenue, Brighton, Colorado, 80601 or by calling 303-654-6167.

**B. Funding Policy**

The authority for establishing the funding policy for the Plan is vested in the Board of County Commissioners. The Commissioners mandate the contribution obligation of the County and the employees by resolution. The 2007 funding policy calls for equal contributions of 7% of base salaries from the County and from covered employees. The County contributed \$5,595,388 at the rate of 7% during 2007. This amount represents 100% of the contribution required by the funding policy as of December 31, 2007.

The total contributions made by the County in 2006 and 2005 were \$5,047,968 and \$4,472,370 respectively. These amounts also represented 100% of the contributions required by the funding policies for 2006 and 2005.

**Note 7. Other Post-Employment Benefits**

The County implemented GASB 45 on a prospective basis.

**A. Plan Description**

The Adams County Postemployment Retiree Health Care Plan Program, a single-employer plan, offers post-employment health insurance benefits to employees meeting the eligibility requirements for retirement and the employee then retirees from the County. The County contributes up to \$50 per month towards group health insurance premiums for those participants with retirement dates after January 1, 1991. On October 29, 1990, the Board of County Commissioners adopted a resolution approving the Retiree Health Care Plan which provides retirees access to the County medical plans. Presently no other post-employment benefits are offered. The Retiree Health Care Plan does not issue a stand-alone financial report.

**B. Funding Policy**

The contribution requirements of plan members and the County are established, and may be amended by, the County Board of Commissioners. The required contribution by the retiree is on a pay-as-you-go financing requirement. The premium rates are established and approved by the County Board of Commissioners. The County contributions are on a pay-as-you-go basis. For the year ended December 31, 2007 the County contributed \$168,500 to retiree current premiums and \$139,791 for the self-funded plans administrative fees and claims; a total percentage contribution of approximately 20%. Plan members receiving benefits contributed \$1,272,053 in premium and administrative cost or approximately 80% of total premium, claim, and administrative expenditures.



**Note 7. Other Post-Employment Benefits (continued)****C. Annual OPEB Cost and Net OPEB Obligation**

The County's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period of thirty years. The following table shows the components of the County's annual OPEB cost for the year, the actuarially established subsidy contribution to the plan, and changes in the County's net OPEB obligations to the Retiree Health Care Plan Program:

Annual required contribution	\$1,658,039
Interest on net OPEB obligation	-
Adjustment to annual required contribution	<u>-</u>
Annual OPEB cost	\$1,658,039
Contributions made	<u>(737,029)</u>
Increase in net OPEB obligation	\$ 921,010
Net OPEB obligation – beginning of year	-
Net OPEB obligation – end of year	<u>\$ 921,010</u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for 2007 follows. This is the first year of reporting the County postemployment healthcare plan.

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
12/31/2007	\$ 1,658,039	44.45%	\$ 921,010

**D. Funded Status and Funding Progress**

At January 1, 2007 the Actuarial Accrued Liability (AAL) was \$21,174,230. There was no asset value. During 2007, the County contributed \$737,029 to the plan. The net OPEB obligation at December 31, 2007 was \$921,010. At December 31, 2007, the most recent actuarial valuation date, the plan was 3.48 percent funded. The Unfunded Actuarial Accrued Liability (UAAL) at December 31, 2007 was \$22,186,705. The covered payroll (annual payroll of active employees covered by the plan) was \$83.8 million. The ratio of the UAAL at December 31, 2007 to the covered payroll was 26.5 percent.

**Note 7. Other Post-Employment Benefits (continued)**

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Assumptions made include among others, annual rates of payroll increases, health care cost trends, and mortality rates. Amounts determined regarding the funded status of the plan and the ARC of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

**E. Actuarial Methods and Assumptions**

Projections of benefits for financial reporting purposes are based on the substantive plan as understood by the employer and plan members. Projections and calculations are based on the types of benefits provided at the time of each valuation and the historical pattern of sharing of the benefit costs between the employer and plan members to that point.

The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. In the December 31, 2007 actuarial valuations, the entry age normal cost method was used. The actuarial assumptions also included a 4.5 percent investment rate of return on the employer's own investments (there are currently no plan assets), a 3.5 percent inflation rate, a 3.5 percent increase in covered payroll, and initially, an annual healthcare cost trend rate of 8.5 percent with an expected reduction to 5.5 percent by 2019. The UAAL is being amortized by a level percent of pay method. The amortization period is on a closed thirty year basis.

**Note 8. Conduit Debt Obligations**

The County has participated in various issuances of bonds, including private activity bonds, single and multi-family housing mortgage revenue bonds, and industrial development revenue bonds. These bonds are not direct or contingent liabilities of the County in any manner. Revenues from the facilities constructed or from mortgages are pledged for the total payment of principal and interest. Bondholders can only look to these sources for repayment.

As of December 31, 2007, a total of \$604 million in bonds are outstanding as conduit debt.

**Note 9. Special Item**

In 2007, the County reported a special item in the Statement of Activities for the loss on disposal of capital assets in the amount of \$4,214,844. This loss is due to the increase in the County's capitalization thresholds in 2007. See Note 1-D.5 for more information on the new capitalization thresholds. Capital assets with costs below the new thresholds were deleted from the accounting records. The \$4,214,844 represents the total net book value of the assets that were removed.

**Note 10. Subsequent Events**

The County is currently pursuing financing options totaling approximately \$35 million for the purpose of constructing capital facilities. Any resulting transactions will be disclosed in the Comprehensive Annual Financial Report for the fiscal year ending December 31, 2008.

**Note 11. Other Information**

On November 6, 2001, Adams County citizens voted to continue the imposition of a one-half of one percent sales tax, which was originally approved by the voters on November 2, 1999. This tax was approved for the purpose of capital improvements to or the building of road and bridge projects due to deficiency in roadway infrastructure. The tax took effect on January 1, 2002 and ended December 31, 2008. On November 7, 2006, voters approved an extension of the one-half of one percent sales tax until December 31, 2028. It was also approved that this sales tax will be split into two components, 0.2% for transportation and 0.3% for capital facilities.

On November 2, 2004 the citizens of Adams County authorized the extension of an existing county-wide sales tax of one-fifth of one percent through December 31, 2026, with an increase to one-fourth of one percent effective January 1, 2007. This sales tax revenue will be used to preserve open space and create and maintain parks and recreation facilities in the County.



**REQUIRED SUPPLEMENTARY INFORMATION**  
**ADAMS COUNTY, COLORADO**  
**GENERAL FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**For the Year Ended December 31, 2007**

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
<b>REVENUES:</b>				
Taxes				
General Property Taxes	\$ 93,905,610	\$ 93,905,610	\$ 94,221,663	\$ 316,053
Delinquent Property Taxes	52,151	52,151	182,217	130,066
Other Taxes	415,118	415,118	398,255	(16,863)
Total Taxes	<u>94,372,879</u>	<u>94,372,879</u>	<u>94,802,135</u>	<u>429,256</u>
Licenses and Permits				
Liquor Licenses	22,000	22,000	26,272	4,272
Marriage Licenses	15,950	15,950	16,492	542
Building Permits	1,195,825	1,195,825	1,033,333	(162,492)
Other Licenses and Permits	24,375	24,375	25,012	637
Total Licenses and Permits	<u>1,258,150</u>	<u>1,258,150</u>	<u>1,101,109</u>	<u>(157,041)</u>
Intergovernmental				
Grants				
Victim Compensation	255,000	549,421	719,421	170,000
Victim Assistance	274,678	284,178	155,502	(128,676)
Juvenile Incentive	-	91,263	58,474	(32,789)
Juvenile Diversion	-	123,700	57,146	(66,554)
SCAAP-USDOJ	115,000	115,000	504,421	389,421
Sheriff-LEAF	24,900	24,900	20,216	(4,684)
Sheriff-VALE	30,983	30,983	27,619	(3,364)
Sheriff-Miscellaneous	7,000	7,000	78,063	71,063
Office of Emergency Management	40,000	40,000	54,000	14,000
Community Corrections	4,449,510	4,583,261	4,442,987	(140,274)
Other Grants	42,550	210,550	50,362	(160,188)
Total Grants	<u>5,239,621</u>	<u>6,060,256</u>	<u>6,168,211</u>	<u>107,955</u>
Other Governmental				
State Reimbursements	370,487	370,487	373,152	2,665
Special Transit	311,500	311,500	309,949	(1,551)
Other Governmental	-	17,496	108,148	90,652
Total Other Governmental	<u>681,987</u>	<u>699,483</u>	<u>791,249</u>	<u>91,766</u>
Total Intergovernmental	<u>5,921,608</u>	<u>6,759,739</u>	<u>6,959,460</u>	<u>199,721</u>
Charges for Services				
District Attorney	945,194	945,194	943,134	(2,060)
Legal Services	1,290,273	1,290,273	1,109,558	(180,715)
Clerk and Recorder	7,728,890	7,728,890	7,340,574	(388,316)
Treasurer	2,220,213	2,220,213	2,459,699	239,486

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**REQUIRED SUPPLEMENTARY INFORMATION**  
**ADAMS COUNTY, COLORADO**  
**GENERAL FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**For the Year Ended December 31, 2007**

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
Sheriff-School Resource Officer	69,621	69,621	65,452	(4,169)
Sheriff-Bennett and Watkins	278,294	278,294	280,403	2,109
Sheriff-Other	3,536,393	3,536,393	2,968,833	(567,560)
Coroner Services - Broomfield	138,240	179,700	179,698	(2)
Assessor	48,100	48,100	47,962	(138)
Planning and Development	233,022	233,022	187,970	(45,052)
Regional Park	317,500	317,500	286,160	(31,340)
CO State University Extension	129,000	129,000	153,068	24,068
Public Trustee Fees	697,129	697,129	903,453	206,324
Weed and Pest Control	7,000	7,000	11,116	4,116
County Fair	315,100	315,100	323,229	8,129
Animal Shelter/Adoption Center	322,000	322,000	177,395	(144,605)
Human Resources	336,470	336,470	282,330	(54,140)
Finance/IT	420,432	420,432	381,460	(38,972)
Payment in Lieu of Taxes	27,500	27,500	27,537	37
Copies, Maps and Plans	118,686	118,686	140,122	21,436
Fines and Forfeitures	481,734	2,888,607	2,878,046	(10,561)
Other Charges for Services	400,000	400,000	802,950	402,950
Total Charges for Services	<u>20,060,791</u>	<u>22,509,124</u>	<u>21,950,149</u>	<u>(558,975)</u>
Investment Income				
Interest Income	8,408,996	8,408,996	10,656,850	2,247,854
Total Investment Income	<u>8,408,996</u>	<u>8,408,996</u>	<u>10,656,850</u>	<u>2,247,854</u>
Miscellaneous Revenues				
Rents and Royalties	1,451,983	1,451,983	1,461,773	9,790
Franchise Fees	403,498	403,498	426,815	23,317
Telecommunication Reimbursements	197,067	197,067	188,837	(8,230)
Postage Reimbursements	169,125	169,125	136,353	(32,772)
Indirect Costs	660,708	660,708	350,724	(309,984)
Tax Sale Premiums	230,000	230,000	258,457	28,457
IDRB Issuer Fees	-	-	35,625	35,625
Contributions and Donations	24,875	24,875	61,239	36,364
Sale of Assets	272,880	272,880	316,417	43,537
Other Miscellaneous Revenues	47,154	47,154	620,692	573,538
Total Miscellaneous Revenues	<u>3,457,290</u>	<u>3,457,290</u>	<u>3,856,932</u>	<u>399,642</u>
Total Revenues	<u>133,479,714</u>	<u>136,766,178</u>	<u>139,326,635</u>	<u>2,560,457</u>

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**REQUIRED SUPPLEMENTARY INFORMATION**  
**ADAMS COUNTY, COLORADO**  
**GENERAL FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**For the Year Ended December 31, 2007**

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
<b>EXPENDITURES:</b>				
General Government				
County Commissioners	700,092	700,092	655,395	44,697
County Administrator	690,771	717,058	579,925	137,133
County Attorney	3,348,793	3,343,888	2,966,706	377,182
Finance	2,311,864	2,473,396	2,331,797	141,599
Human Resources	1,888,321	1,986,582	1,763,094	223,488
County Clerk and Recorder				
Recording	1,307,190	1,366,604	1,144,998	221,606
Elections	1,742,903	1,946,326	1,355,468	590,858
Motor Vehicle	3,599,068	3,611,210	3,316,118	295,092
County Treasurer	1,414,578	1,414,578	1,121,070	293,508
County Assessor	3,525,380	3,584,380	3,208,670	375,710
District Attorney	12,377,658	12,945,080	12,123,216	821,864
17th Judicial District	312,365	312,365	305,473	6,892
Information Technology	4,357,704	4,893,740	4,209,405	684,335
Telecommunications	1,758,535	1,758,535	1,594,087	164,448
Special Transportation	395,500	421,500	420,872	628
Facilities Management	6,733,438	7,483,031	6,713,748	769,283
Public Trustee	697,129	697,129	728,718	(31,589)
Planning and Development	1,461,879	1,692,368	1,440,067	252,301
Human Development Administration	263,568	265,486	263,385	2,101
Economic Development Center	548,064	598,064	598,064	-
Economic Incentives	643,870	643,870	203,054	440,816
Admin/Org Support	4,033,292	5,853,020	4,524,641	1,328,379
County Surveyor	15,671	15,671	10,234	5,437
Veterans Service Office	109,412	111,244	110,253	991
Total General Government	<u>54,237,045</u>	<u>58,835,217</u>	<u>51,688,458</u>	<u>7,146,759</u>
Public Safety				
Sheriff-Field & Administration	23,726,934	24,069,018	22,930,261	1,138,757
Sheriff-Funds & Grants	1,028,235	1,047,014	792,081	254,933
Sheriff-Corrections	27,870,164	28,163,987	26,167,781	1,996,206
Facilities Management	2,099,492	2,361,983	2,046,071	315,912
County Coroner	1,390,477	1,459,077	1,370,075	89,002
Emergency Management	349,400	375,924	356,326	19,598
Animal Shelter/Adoption Center	1,465,409	1,479,909	1,401,633	78,276
Community Corrections	4,473,798	4,611,955	4,465,714	146,241

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**REQUIRED SUPPLEMENTARY INFORMATION**  
**ADAMS COUNTY, COLORADO**  
**GENERAL FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**For the Year Ended December 31, 2007**

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
Weed and Pest Control	250,830	250,830	214,077	36,753
Total Public Safety	62,654,739	63,819,697	59,744,019	4,075,678
County Funded Human Services				
Human Agency Grants	509,000	509,000	505,589	3,411
Tri-County Health	3,131,977	3,135,077	3,123,977	11,100
Total County Funded Human Services	3,640,977	3,644,077	3,629,566	14,511
Public Works				
Engineering	1,340,868	1,340,868	1,158,329	182,539
Code Enforcement	1,024,801	1,031,801	941,945	89,856
Public Works-CIP	355,000	3,012,002	121,178	2,890,824
Total Public Works	2,720,669	5,384,671	2,221,452	3,163,219
Conservation of Natural Resources				
CO State University Extension	577,754	577,754	535,056	42,698
Total Conservation Nat'l Res.	577,754	577,754	535,056	42,698
Culture and Recreation				
Parks and Recreation	2,927,612	3,168,344	2,779,574	388,770
Fair and Rodeo	487,477	487,477	479,035	8,442
Total Culture and Recreation	3,415,089	3,655,821	3,258,609	397,212
Economic Opportunity				
CO State University Extension Youth	175,546	175,546	192,180	(16,634)
Total Economic Opportunity	175,546	175,546	192,180	(16,634)
Capital Outlay				
Capital Outlay	10,425,949	14,222,580	4,776,510	9,446,070
Total Capital Outlay	10,425,949	14,222,580	4,776,510	9,446,070
Debt Service				
Principal	1,345,000	1,345,000	1,345,000	-
Interest	918,526	918,526	918,526	-
Total Debt Service	2,263,526	2,263,526	2,263,526	-
Total Expenditures	140,111,294	152,578,889	128,309,376	24,269,513
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,631,580)	(15,812,711)	11,017,259	26,829,970
Other Financing Sources (Uses)				
Transfers In	3,946,778	4,202,628	3,946,778	(255,850)
Transfers Out	(584,434)	(1,764,833)	(1,624,482)	140,351
Total Other Financing Sources (Uses)	3,362,344	2,437,795	2,322,296	(115,499)
Net Change in Fund Balance	(3,269,236)	(13,374,916)	13,339,555	26,714,471
<b>Fund Balance, Beginning of Year</b>	<u>68,723,477</u>	<u>82,074,695</u>	<u>82,074,695</u>	<u>-</u>
<b>Fund Balance, End of Year</b>	<u>\$ 65,454,241</u>	<u>\$ 68,699,779</u>	<u>\$ 95,414,250</u>	<u>\$ 26,714,471</u>

See the accompanying independent auditors' report.



**REQUIRED SUPPLEMENTARY INFORMATION**  
**ADAMS COUNTY, COLORADO**  
**ROAD AND BRIDGE FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**For the Year Ended December 31, 2007**

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
<b>REVENUES:</b>				
Taxes				
General Property Taxes	\$ 5,292,980	\$ 5,292,980	\$ 5,310,796	\$ 17,816
Delinquent Property Taxes	-	-	10,688	10,688
Sales Taxes	20,596,120	20,596,120	20,116,282	(479,838)
Specific Ownership Taxes	10,848,351	10,848,351	10,591,852	(256,499)
Licenses and Permits	126,972	146,972	52,844	(94,128)
Intergovernmental				
Local Revenues	-	-	22,166	22,166
Federal Grants	-	369,236	665,472	296,236
Highway User Tax	7,454,483	7,454,483	6,803,046	(651,437)
Charges for Services	849,633	829,633	765,079	(64,554)
Interest Earnings	65,000	65,000	61,757	(3,243)
Miscellaneous	40,000	40,000	16,124	(23,876)
Total Revenues	<u>45,273,539</u>	<u>45,642,775</u>	<u>44,416,106</u>	<u>(1,226,669)</u>
<b>EXPENDITURES:</b>				
Public Works				
Pulic Works-Highway	10,321,955	10,527,422	9,451,003	1,076,419
Public Works-CIP	7,415,000	8,272,773	5,269,714	3,003,059
Public Works-Const. Inspection	836,998	836,998	748,739	88,259
Public Works-Transportation	1,313,019	1,313,019	1,109,101	203,918
Public Works-Admin/Org Support	17,974,990	17,974,990	17,889,900	85,090
Total Public Works	<u>37,861,962</u>	<u>38,925,202</u>	<u>34,468,457</u>	<u>4,456,745</u>
Capital Outlay	<u>10,484,292</u>	<u>18,671,148</u>	<u>7,753,784</u>	<u>10,917,364</u>
Total Expenditures	<u>48,346,254</u>	<u>57,596,350</u>	<u>42,222,241</u>	<u>15,374,109</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,072,715)	(11,953,575)	2,193,865	14,147,440
Other Financing Sources (Uses)				
Transfers Out	<u>(428,000)</u>	<u>(428,000)</u>	<u>(428,833)</u>	<u>(833)</u>
Total Other Financing Sources (Uses)	<u>(428,000)</u>	<u>(428,000)</u>	<u>(428,833)</u>	<u>(833)</u>
Net Change in Fund Balance	(3,500,715)	(12,381,575)	1,765,032	14,146,607
<b>Fund Balance, Beginning of Year</b>	<u>9,793,304</u>	<u>21,611,529</u>	<u>21,611,529</u>	<u>-</u>
Increase (Decrease) in Reserve for Inventory	<u>-</u>	<u>-</u>	<u>(25,936)</u>	<u>(25,936)</u>
<b>Fund Balance, End of Year</b>	<u>\$ 6,292,589</u>	<u>\$ 9,229,954</u>	<u>\$ 23,350,625</u>	<u>\$ 14,120,671</u>

See the accompanying independent auditors' report.

**REQUIRED SUPPLEMENTARY INFORMATION**  
**ADAMS COUNTY, COLORADO**  
**SOCIAL SERVICES FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**For the Year Ended December 31, 2007**

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
<b>REVENUES:</b>				
Taxes				
General Property Taxes	\$ 9,580,294	\$ 9,580,294	\$ 9,612,551	\$ 32,257
Delinquent Property Taxes	-	-	23,795	23,795
Intergovernmental				
State Grants	32,367,784	32,367,784	40,644,640	8,276,856
Federal Grants	71,645,921	71,645,921	61,609,980	(10,035,941)
Total Revenues	<u>113,593,999</u>	<u>113,593,999</u>	<u>111,890,966</u>	<u>(1,703,033)</u>
<b>EXPENDITURES:</b>				
Health and Welfare	116,147,701	116,147,701	111,727,572	4,420,129
Capital Outlay	<u>100,000</u>	<u>100,000</u>	<u>21,643</u>	<u>78,357</u>
Total Expenditures	<u>116,247,701</u>	<u>116,247,701</u>	<u>111,749,215</u>	<u>4,498,486</u>
Net Change in Fund Balance	(2,653,702)	(2,653,702)	141,751	2,795,453
<b>Fund Balance, Beginning of Year</b>	<u>13,426,403</u>	<u>19,407,940</u>	<u>19,407,940</u>	<u>-</u>
<b>Fund Balance, End of Year</b>	<u>\$ 10,772,701</u>	<u>\$ 16,754,238</u>	<u>\$ 19,549,691</u>	<u>\$ 2,795,453</u>

See the accompanying independent auditors' report.

**ADAMS COUNTY, COLORADO  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
DECEMBER 31, 2007**

**Note 1: Budgetary Information**

Budgets for all governmental funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgets for the proprietary funds are adopted on a non-GAAP basis. The County follows the policy of adopting a legal budget for all funds except the fiduciary funds. The legal level of control is at the fund level or spending agency level. Department heads are authorized to transfer budgeted amounts between line items within their spending agency. Any revisions that alter the total budgeted expenditures of a fund or spending agency require supplemental appropriation, which needs approval from the Board of County Commissioners. Appropriations lapse at year end for all funds with legally adopted budgets.

The County adheres to the following schedule in establishing the budget:

- October 15                      Deadline for submission of proposed budget to Board of County Commissioners.
- Early December              Public hearings on proposed budget.
- December 15                  Adoption and appropriation of County budget completed.
- January 31                      Deadline for filing certified budget with State Division of Local Government.

**Note 2: Other Postemployment Benefits**

The schedule of funding progress for the Adams County Postemployment Retiree Health Care Plan Program follows:

<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets</b>	<b>Actuarial Liability (AAL) Entry Age</b>	<b>Unfunded AAL (UAAL)</b>	<b>Funded Ratio</b>	<b>Covered Payroll</b>	<b>UAAL as Percentage of Covered Payroll</b>
12/31/2007	-	\$ 22,186,705	\$ 22,186,705	0.00%	\$ 83,811,742	26.47%

Funding progress is only available for the current year.

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**ADAMS COUNTY, COLORADO**  
**COMBINING BALANCE SHEET**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**December 31, 2007**

	Contingent Fund	Developmentally Disabled Fund	Open Space Fund	Conservation Trust Fund	Waste Management Fund	Open Space Projects Fund
<b>ASSETS:</b>						
Cash and Cash Equivalents	\$ 2,748,313	\$ 87,065	\$ 74,551	\$ 389,303	\$ 2,169,819	\$ 395,869
Investments	2,051,551	64,992	1,242,953	791,984	1,619,719	853,686
Receivables						
Taxes	-	1,132,546	-	-	-	-
Accounts	-	-	5,095	20,508	66,211	6,007
Due from Other Funds	124,094	-	-	-	-	623,057
Total Assets	<u>\$ 4,923,958</u>	<u>\$ 1,284,603</u>	<u>\$ 1,322,599</u>	<u>\$ 1,201,795</u>	<u>\$ 3,855,749</u>	<u>\$ 1,878,619</u>
<b>LIABILITIES:</b>						
Accounts Payable	-	-	-	-	18,415	85
Deposits Payable	-	-	-	-	-	500
Due to Other Funds	-	-	227	9,197	6,875	-
Deferred Revenue	-	1,132,546	-	-	-	-
Accrued Payroll	-	-	-	4,700	-	-
Total Liabilities	<u>-</u>	<u>1,132,546</u>	<u>227</u>	<u>13,897</u>	<u>25,290</u>	<u>585</u>
<b>FUND BALANCES:</b>						
Reserved for Emergencies	4,923,958	-	-	-	-	-
Unreserved						
Designated for Open Space Grants	-	-	-	-	-	-
Designated for Hazardous Waste	-	-	-	-	880,518	-
Undesignated	-	152,057	1,322,372	1,187,898	2,949,941	1,878,034
Total Fund Balances	<u>4,923,958</u>	<u>152,057</u>	<u>1,322,372</u>	<u>1,187,898</u>	<u>3,830,459</u>	<u>1,878,034</u>
Total Liabilities and Fund Balances	<u>\$ 4,923,958</u>	<u>\$ 1,284,603</u>	<u>\$ 1,322,599</u>	<u>\$ 1,201,795</u>	<u>\$ 3,855,749</u>	<u>\$ 1,878,619</u>

See the accompanying independent auditors' report.

Special Revenue Funds

Open Space Sales Tax Fund	DIA Noise Mitigation Fund	CDBG Fund	Head Start Fund	Other Human Services Fund	CSBG Fund	Workforce and Business Center Fund	Total
\$ -	\$ 55,341	\$ 96,956	\$ -	\$ 27,212	\$ 16,281	\$ 403,460	\$ 6,464,170
19,509,966	1,501,873	-	-	-	-	-	27,636,724
-	-	-	-	-	-	-	1,132,546
1,843,802	6,146	770,998	328,769	25,238	50,094	142,645	3,265,513
-	-	-	-	-	-	-	747,151
<u>\$ 21,353,768</u>	<u>\$ 1,563,360</u>	<u>\$ 867,954</u>	<u>\$ 328,769</u>	<u>\$ 52,450</u>	<u>\$ 66,375</u>	<u>\$ 546,105</u>	<u>\$ 39,246,104</u>
51,596	-	752,086	17,550	24,367	1,149	5,974	871,222
-	-	-	-	-	-	-	500
633,140	-	109,354	267,530	1,998	62,480	348,950	1,439,751
-	-	-	3,173	-	-	142,789	1,278,508
-	-	6,514	40,516	-	2,746	48,392	102,868
<u>684,736</u>	<u>-</u>	<u>867,954</u>	<u>328,769</u>	<u>26,365</u>	<u>66,375</u>	<u>546,105</u>	<u>3,692,849</u>
-	-	-	-	-	-	-	4,923,958
9,388,225	-	-	-	-	-	-	9,388,225
-	-	-	-	-	-	-	880,518
11,280,807	1,563,360	-	-	26,085	-	-	20,360,554
<u>20,669,032</u>	<u>1,563,360</u>	<u>-</u>	<u>-</u>	<u>26,085</u>	<u>-</u>	<u>-</u>	<u>35,553,255</u>
<u>\$ 21,353,768</u>	<u>\$ 1,563,360</u>	<u>\$ 867,954</u>	<u>\$ 328,769</u>	<u>\$ 52,450</u>	<u>\$ 66,375</u>	<u>\$ 546,105</u>	<u>\$ 39,246,104</u>

**ADAMS COUNTY, COLORADO  
COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
December 31, 2007**

	<u>Capital Project Funds</u>			Total Non-Major Governmental Funds
	Detention Facility Expansion Fund	Courthouse Construction Fund	Total	
<b>ASSETS:</b>				
Cash and Cash Equivalents	\$ 2,110,109	\$ 28,739	\$ 2,138,848	\$ 8,603,018
Investments	1,673,829	4,760,764	6,434,593	34,071,317
Receivables				
Taxes	-	-	-	1,132,546
Accounts	10,699	20,018	30,717	3,296,230
Due from Other Funds	-	-	-	747,151
Total Assets	<u>\$ 3,794,637</u>	<u>\$ 4,809,521</u>	<u>\$ 8,604,158</u>	<u>\$ 47,850,262</u>
<b>LIABILITIES:</b>				
Accounts Payable	-	105,290	105,290	976,512
Deposits Payable	-	-	-	500
Due to Other Funds	285,688	178,523	464,211	1,903,962
Deferred Revenue	-	-	-	1,278,508
Accrued Payroll	-	-	-	102,868
Total Liabilities	<u>285,688</u>	<u>283,813</u>	<u>569,501</u>	<u>4,262,350</u>
<b>FUND BALANCES:</b>				
Reserved for Emergencies	-	-	-	4,923,958
Unreserved				
Designated for Open Space Grants	-	-	-	9,388,225
Designated for Hazardous Waste	-	-	-	880,518
Undesignated	3,508,949	4,525,708	8,034,657	28,395,211
Total Fund Balances	<u>3,508,949</u>	<u>4,525,708</u>	<u>8,034,657</u>	<u>43,587,912</u>
Total Liabilities and Fund Balances	<u>\$ 3,794,637</u>	<u>\$ 4,809,521</u>	<u>\$ 8,604,158</u>	<u>\$ 47,850,262</u>

See the accompanying independent auditors' report.



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**ADAMS COUNTY, COLORADO**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**For the Year Ended December 31, 2007**

	Contingent Fund	Developmentally Disabled Fund	Open Space Fund	Conservation Trust Fund	Waste Management Fund	Open Space Projects Fund
<b>REVENUES</b>						
Taxes	\$ -	\$ 1,052,172	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	626,542	51,500	344,000
Charges for Services	-	-	-	-	283,077	-
Interest Earnings	-	-	64,621	15,529	-	37,261
Miscellaneous	-	-	51,584	5,704	-	52,262
Total Revenues	<u>-</u>	<u>1,052,172</u>	<u>116,205</u>	<u>647,775</u>	<u>334,577</u>	<u>433,523</u>
<b>EXPENDITURES</b>						
Current Expenditures						
General Government	-	-	-	-	297,795	-
Health and Welfare	-	1,008,831	-	-	-	-
Economic Opportunity	-	-	-	-	-	-
Urban Housing and Redevelopment	-	-	-	-	-	-
Conservation of Natural Resources	-	-	39,015	271,861	-	41,642
Capital Outlay	-	-	52,504	50,235	-	380,221
Total Expenditures	<u>-</u>	<u>1,008,831</u>	<u>91,519</u>	<u>322,096</u>	<u>297,795</u>	<u>421,863</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	43,341	24,686	325,679	36,782	11,660
Other Financing Sources (Uses)						
Transfers In	151,094	-	-	-	-	623,057
Transfers Out	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>151,094</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>623,057</u>
Net Change in Fund Balances	151,094	43,341	24,686	325,679	36,782	634,717
<b>Fund Balance, Beginning of Year</b>	<u>4,772,864</u>	<u>108,716</u>	<u>1,297,686</u>	<u>862,219</u>	<u>3,793,677</u>	<u>1,243,317</u>
<b>Fund Balance, End of Year</b>	<u>\$ 4,923,958</u>	<u>\$ 152,057</u>	<u>\$ 1,322,372</u>	<u>\$ 1,187,898</u>	<u>\$ 3,830,459</u>	<u>\$ 1,878,034</u>

See the accompanying independent auditors' report.

**Special Revenue Funds**

Open Space Sales Tax Fund	DIA Noise Mitigation Fund	CDBG Fund	Head Start Fund	Other Human Services Fund	CSBG Fund	Workforce and Business Center Fund	Total
\$ 10,041,140	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,093,312
-	-	4,368,235	3,642,016	81,191	866,238	5,338,893	15,318,615
-	-	-	-	-	-	-	283,077
811,568	52,874	1,066	-	-	-	-	982,919
1,270	-	147,904	85,063	412	18,238	543	362,980
<u>10,853,978</u>	<u>52,874</u>	<u>4,517,205</u>	<u>3,727,079</u>	<u>81,603</u>	<u>884,476</u>	<u>5,339,436</u>	<u>28,040,903</u>
-	242,979	-	-	-	-	-	540,774
-	-	-	3,694,928	84,746	384,476	-	5,172,981
-	-	-	-	-	-	5,339,436	5,339,436
-	-	4,517,205	-	-	-	-	4,517,205
3,102,096	-	-	-	-	-	-	3,454,614
-	-	-	82,151	-	500,000	-	1,065,111
<u>3,102,096</u>	<u>242,979</u>	<u>4,517,205</u>	<u>3,777,079</u>	<u>84,746</u>	<u>884,476</u>	<u>5,339,436</u>	<u>20,090,121</u>
7,751,882	(190,105)	-	(50,000)	(3,143)	-	-	7,950,782
-	1,096,104	-	50,000	-	-	-	1,920,255
<u>(623,057)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(623,057)</u>
<u>(623,057)</u>	<u>1,096,104</u>	<u>-</u>	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,297,198</u>
7,128,825	905,999	-	-	(3,143)	-	-	9,247,980
<u>13,540,207</u>	<u>657,361</u>	<u>-</u>	<u>-</u>	<u>29,228</u>	<u>-</u>	<u>-</u>	<u>26,305,275</u>
<u>\$ 20,669,032</u>	<u>\$ 1,563,360</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,085</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 35,553,255</u>

**ADAMS COUNTY, COLORADO**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**For the Year Ended December 31, 2007**

	<u>Capital Project Funds</u>			Total Non-Major Governmental Funds
	Detention Facility Expansion Fund	Courthouse Construction Fund	Total	
<b>REVENUES</b>				
Taxes	\$ 8,192	\$ -	\$ 8,192	\$ 11,101,504
Intergovernmental	-	-	-	15,318,615
Charges for Services	-	-	-	283,077
Interest Earnings	282,174	261,160	543,334	1,526,253
Miscellaneous	-	-	-	362,980
<b>Total Revenues</b>	<u>290,366</u>	<u>261,160</u>	<u>551,526</u>	<u>28,592,429</u>
<b>EXPENDITURES</b>				
Current Expenditures				
General Government	-	-	-	540,774
Health and Welfare	-	-	-	5,172,981
Economic Opportunity	-	-	-	5,339,436
Urban Housing and Redevelopment	-	-	-	4,517,205
Conservation of Natural Resources	-	-	-	3,454,614
Capital Outlay	<u>539,476</u>	<u>683,024</u>	<u>1,222,500</u>	<u>2,287,611</u>
<b>Total Expenditures</b>	<u>539,476</u>	<u>683,024</u>	<u>1,222,500</u>	<u>21,312,621</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(249,110)	(421,864)	(670,974)	7,279,808
Other Financing Sources (Uses)				
Transfers In	-	-	-	1,920,255
Transfers Out	<u>(3,428,255)</u>	<u>(178,523)</u>	<u>(3,606,778)</u>	<u>(4,229,835)</u>
<b>Total Other Financing Sources (Uses)</b>	<u>(3,428,255)</u>	<u>(178,523)</u>	<u>(3,606,778)</u>	<u>(2,309,580)</u>
Net Change in Fund Balances	(3,677,365)	(600,387)	(4,277,752)	4,970,228
<b>Fund Balances, Beginning of Year</b>	<u>7,186,314</u>	<u>5,126,095</u>	<u>12,312,409</u>	<u>38,617,684</u>
<b>Fund Balances, End of Year</b>	<u>\$ 3,508,949</u>	<u>\$ 4,525,708</u>	<u>\$ 8,034,657</u>	<u>\$ 43,587,912</u>

See the accompanying independent auditors' report.

**Adams County, Colorado**  
**Explanation of Funds**  
**Non-major Special Revenue Funds**

Special Revenue Funds are used to finance and account for revenue derived from specific taxes or other earmarked revenue sources, which cannot be diverted for other purposes.

CONTINGENT FUND-Colorado counties are required by state law to maintain a Contingent Fund. The Contingent Fund records the funds which the County would use to cover expenditures not reasonably foreseen at the time of adoption of the budget.

DEVELOPMENTALLY DISABLED FUND-The Developmentally Disabled Fund is used to report the collection of property taxes for the specific purpose of making contributions to the developmentally disabled programs of Adams County.

OPEN SPACE FUND-The Open Space Fund accounts for revenues received from proceeds on sale of county land. The interest earned on the proceeds will be used to purchase open space for the benefit of county residents.

CONSERVATION TRUST FUND-The Conservation Trust Fund accounts for revenue received from the State to be used for the acquisition, development and maintenance of park and trail systems within the County.

WASTE MANAGEMENT FUND-The Waste Management Fund accounts for all revenues received from service fees imposed on operators of solid waste disposal sites. The proceeds are designated for the purpose of monitoring and redefining environmental problems associated with waste disposal activities.

OPEN SPACE PROJECTS FUND-The Open Space Projects Fund was established for the purpose of consolidating the various sources of open space funding into one fund, and to designate and track expenditures solely for open space projects.

OPEN SPACE SALES TAX FUND-The Open Space Sales Tax Fund accounts for revenues received from a sales tax of one-fifth of one percent on sales in the County, for the purpose of preserving open space and creating and maintaining parks and recreation facilities.

DIA NOISE MITIGATION FUND-The DIA Noise Mitigation Fund was established for the purpose of tracking revenues and expenditures associated with revenues and payments made related to noise mitigation. Revenues received from settlement with Denver International Airport for violations, including interest earned, were restricted by the District Court in Jefferson County, which required the creation of this special fund.

COMMUNITY DEVELOPMENT BLOCK GRANT FUND (CDBG)-The CDBG Fund is used to account for revenues and expenditures related to the Department of Housing and Urban Development Community Development Block Grant.

HEAD START FUND-The Head Start Fund is used to account for the revenues and expenditures under a federal grant received from the Department of Health and Human Services. Also, funds are received from the United States Department of Agriculture passed through the Colorado Department of Public Health and Environment for reimbursement for meals served to underprivileged children. Expenditures are made under the grant to provide various educational programs for low-income pre-school children.

**OTHER HUMAN SERVICES FUND**-The Other Human Services Fund is used to account for revenues and expenditures related to small human services programs administered by Adams County.

**COMMUNITY SERVICES BLOCK GRANT FUND (CSBG)**-The CSBG Fund is used to account for revenues and expenditures related to Department of Human Services Community Services Block Grant.

**WORKFORCE AND BUSINESS CENTER FUND** -The Workforce and Business Center Fund is used to account for revenues and expenditures received as grants from the Federal Department of Labor and the State of Colorado to meet community needs for employment training and job placement.

**ADAMS COUNTY, COLORADO**  
**CONTINGENT FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**For the Year Ended December 31, 2007**

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual Amount</u>	
<b>EXPENDITURES:</b>				
General Government	\$ 4,923,958	\$ 4,923,958	\$ -	\$ 4,923,958
Total Expenditures	<u>4,923,958</u>	<u>4,923,958</u>	<u>-</u>	<u>4,923,958</u>
Other Financing Sources (Uses)				
Transfers In	<u>124,094</u>	<u>151,094</u>	<u>151,094</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>124,094</u>	<u>151,094</u>	<u>151,094</u>	<u>-</u>
Net Change in Fund Balance	(4,799,864)	(4,772,864)	151,094	4,923,958
<b>Fund Balance, Beginning of Year</b>	<u>4,799,864</u>	<u>4,772,864</u>	<u>4,772,864</u>	<u>-</u>
<b>Fund Balance, End of Year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,923,958</u>	<u>\$ 4,923,958</u>

See the accompanying independent auditors' report.

**ADAMS COUNTY, COLORADO  
DEVELOPMENTALLY DISABLED FUND  
BUDGETARY COMPARISON SCHEDULE  
For the Year Ended December 31, 2007**

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
<b>REVENUES:</b>				
Taxes				
General Property Taxes	\$ 1,046,381	\$ 1,046,381	\$ 1,049,898	\$ 3,517
Delinquent Property Taxes	-	-	2,274	2,274
Total Revenues	<u>1,046,381</u>	<u>1,046,381</u>	<u>1,052,172</u>	<u>5,791</u>
<b>EXPENDITURES:</b>				
Health and Welfare	<u>1,011,417</u>	<u>1,011,417</u>	<u>1,008,831</u>	<u>2,586</u>
Total Expenditures	<u>1,011,417</u>	<u>1,011,417</u>	<u>1,008,831</u>	<u>2,586</u>
Net Change in Fund Balance	34,964	34,964	43,341	8,377
<b>Fund Balance, Beginning of Year</b>	<u>107,657</u>	<u>108,716</u>	<u>108,716</u>	<u>-</u>
<b>Fund Balance, End of Year</b>	<u>\$ 142,621</u>	<u>\$ 143,680</u>	<u>\$ 152,057</u>	<u>\$ 8,377</u>

See the accompanying independent auditors' report.



**ADAMS COUNTY, COLORADO**  
**OPEN SPACE FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**For the Year Ended December 31, 2007**

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
<b>REVENUES:</b>				
Interest Earnings	\$ 62,168	\$ 62,168	\$ 64,621	\$ 2,453
Miscellaneous	43,878	43,878	51,584	7,706
Total Revenues	<u>106,046</u>	<u>106,046</u>	<u>116,205</u>	<u>10,159</u>
<b>EXPENDITURES:</b>				
Conservation of Natural Resources	-	38,780	39,015	(235)
Capital Outlay	-	724,418	52,504	671,914
Total Expenditures	<u>-</u>	<u>763,198</u>	<u>91,519</u>	<u>671,679</u>
Net Change in Fund Balance	106,046	(657,152)	24,686	681,838
<b>Fund Balance, Beginning of Year</b>	<u>1,026,225</u>	<u>1,297,686</u>	<u>1,297,686</u>	<u>-</u>
<b>Fund Balance, End of Year</b>	<u>\$ 1,132,271</u>	<u>\$ 640,534</u>	<u>\$ 1,322,372</u>	<u>\$ 681,838</u>

See the accompanying independent auditors' report.

**ADAMS COUNTY, COLORADO  
CONSERVATION TRUST FUND  
BUDGETARY COMPARISON SCHEDULE  
For the Year Ended December 31, 2007**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES:</b>				
Intergovernmental				
Lottery Funds	\$ 681,075	\$ 681,075	\$ 626,542	\$ (54,533)
Interest Earnings	11,400	11,400	15,529	4,129
Miscellaneous	44,072	44,072	5,704	(38,368)
Total Revenues	<u>736,547</u>	<u>736,547</u>	<u>647,775</u>	<u>(88,772)</u>
<b>EXPENDITURES:</b>				
Conservation of Natural Resources	321,922	321,922	271,861	50,061
Capital Outlay	-	50,350	50,235	115
Total Expenditures	<u>321,922</u>	<u>372,272</u>	<u>322,096</u>	<u>50,176</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	414,625	364,275	325,679	(38,596)
Other Financing Sources (Uses)				
Transfers Out	(475,287)	(475,287)	-	475,287
Total Other Financing Sources (Uses)	<u>(475,287)</u>	<u>(475,287)</u>	<u>-</u>	<u>475,287</u>
Net Change in Fund Balance	(60,662)	(111,012)	325,679	436,691
<b>Fund Balance, Beginning of Year</b>	<u>659,812</u>	<u>862,219</u>	<u>862,219</u>	<u>-</u>
<b>Fund Balance, End of Year</b>	<u>\$ 599,150</u>	<u>\$ 751,207</u>	<u>\$ 1,187,898</u>	<u>\$ 436,691</u>

See the accompanying independent auditors' report.

**ADAMS COUNTY, COLORADO**  
**WASTE MANAGEMENT FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**For the Year Ended December 31, 2007**

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
<b>REVENUES:</b>				
Intergovernmental				
State Grants	\$ -	\$ 138,606	\$ 51,500	\$ (87,106)
Charges for Services	202,474	202,474	283,077	80,603
Total Revenues	<u>202,474</u>	<u>341,080</u>	<u>334,577</u>	<u>(6,503)</u>
<b>EXPENDITURES:</b>				
General Government	449,564	630,865	297,795	333,070
Total Expenditures	<u>449,564</u>	<u>630,865</u>	<u>297,795</u>	<u>333,070</u>
Net Change in Fund Balance	(247,090)	(289,785)	36,782	326,567
<b>Fund Balance, Beginning of Year</b>	<u>3,726,594</u>	<u>3,793,677</u>	<u>3,793,677</u>	<u>-</u>
<b>Fund Balance, End of Year</b>	<u>\$ 3,479,504</u>	<u>\$ 3,503,892</u>	<u>\$ 3,830,459</u>	<u>\$ 326,567</u>

See the accompanying independent auditors' report.

**ADAMS COUNTY, COLORADO**  
**OPEN SPACE PROJECTS FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**For the Year Ended December 31, 2007**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES:</b>				
Intergovernmental Grants	\$ 500,000	\$ 500,000	\$ 344,000	\$ (156,000)
Interest Earnings	11,970	11,970	37,261	25,291
Miscellaneous	27,568	27,568	52,262	24,694
Total Revenues	<u>539,538</u>	<u>539,538</u>	<u>433,523</u>	<u>(106,015)</u>
<b>EXPENDITURES:</b>				
Conservation of Natural Resources	10,000	43,000	41,642	1,358
Capital Outlay	1,561,839	1,553,939	380,221	1,173,718
Total Expenditures	<u>1,571,839</u>	<u>1,596,939</u>	<u>421,863</u>	<u>1,175,076</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,032,301)	(1,057,401)	11,660	1,069,061
Other Financing Sources (Uses)				
Transfers In	1,169,321	1,169,321	623,057	(546,264)
Total Other Financing Sources (Uses)	<u>1,169,321</u>	<u>1,169,321</u>	<u>623,057</u>	<u>(546,264)</u>
Net Change in Fund Balance	137,020	111,920	634,717	522,797
<b>Fund balance, Beginning of Year</b>	<u>420,346</u>	<u>1,243,317</u>	<u>1,243,317</u>	<u>-</u>
<b>Fund Balance, End of Year</b>	<u>\$ 557,366</u>	<u>\$ 1,355,237</u>	<u>\$ 1,878,034</u>	<u>\$ 522,797</u>

See the accompanying independent auditors' report.

**ADAMS COUNTY, COLORADO**  
**OPEN SPACE SALES TAX FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**For the Year Ended December 31, 2007**

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
<b>REVENUES:</b>				
Sales Taxes	\$ 10,353,770	\$ 10,353,770	\$ 10,041,140	\$ (312,630)
Interest Earnings	537,949	537,949	811,568	273,619
Miscellaneous	-	-	1,270	1,270
Total Revenues	<u>10,891,719</u>	<u>10,891,719</u>	<u>10,853,978</u>	<u>(37,741)</u>
<b>EXPENDITURES:</b>				
Conservation of Natural Resources	9,577,972	9,577,972	3,102,096	6,475,876
Capital Outlay	25,000	25,000	-	25,000
Total Expenditures	<u>9,602,972</u>	<u>9,602,972</u>	<u>3,102,096</u>	<u>6,500,876</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,288,747	1,288,747	7,751,882	6,463,135
Other Financing Sources (Uses)				
Transfers Out	<u>(694,034)</u>	<u>(949,884)</u>	<u>(623,057)</u>	<u>326,827</u>
Total Other Financing Sources (Uses)	<u>(694,034)</u>	<u>(949,884)</u>	<u>(623,057)</u>	<u>326,827</u>
Net Change in Fund Balance	594,713	338,863	7,128,825	6,789,962
<b>Fund Balance, Beginning of Year</b>	<u>11,443,271</u>	<u>13,540,207</u>	<u>13,540,207</u>	<u>-</u>
<b>Fund Balance, End of Year</b>	<u>\$ 12,037,984</u>	<u>\$ 13,879,070</u>	<u>\$ 20,669,032</u>	<u>\$ 6,789,962</u>

See the accompanying independent auditors' report.

**ADAMS COUNTY, COLORADO**  
**DIA NOISE MITIGATION FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**For the Year Ended December 31, 2007**

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual Amount</u>	
<b>REVENUES:</b>				
Interest Earnings	\$ -	\$ 56,000	\$ 52,874	\$ (3,126)
Total Revenues	<u>-</u>	<u>56,000</u>	<u>52,874</u>	<u>(3,126)</u>
<b>EXPENDITURES:</b>				
General Government	-	1,753,465	242,979	1,510,486
Total Expenditures	<u>-</u>	<u>1,753,465</u>	<u>242,979</u>	<u>1,510,486</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(1,697,465)	(190,105)	1,507,360
Other Financing Sources (Uses)				
Transfers In	-	1,096,104	1,096,104	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>1,096,104</u>	<u>1,096,104</u>	<u>-</u>
Net Change in Fund Balance	-	(601,361)	905,999	1,507,360
<b>Fund Balance, Beginning of Year</b>	<u>55,746</u>	<u>657,361</u>	<u>657,361</u>	<u>-</u>
<b>Fund Balance, End of Year</b>	<u>\$ 55,746</u>	<u>\$ 56,000</u>	<u>\$ 1,563,360</u>	<u>\$ 1,507,360</u>

See the accompanying independent auditors' report.

**ADAMS COUNTY, COLORADO**  
**COMMUNITY DEVELOPMENT BLOCK GRANT FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**For the Year Ended December 31, 2007**

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual Amount</u>	
<b>REVENUES:</b>				
Intergovernmental				
HUD-CDBG	\$ 1,727,298	\$ 4,380,717	\$ 1,962,279	\$ (2,418,438)
HUD-Home	955,770	955,770	2,405,956	1,450,186
Interest Earnings	-	-	1,066	1,066
Miscellaneous	200,000	200,000	147,904	(52,096)
Total Revenues	<u>2,883,068</u>	<u>5,536,487</u>	<u>4,517,205</u>	<u>(1,019,282)</u>
<b>EXPENDITURES:</b>				
Urban Housing/Redevelopment	<u>2,883,068</u>	<u>5,536,487</u>	<u>4,517,205</u>	<u>1,019,282</u>
Total Expenditures	<u>2,883,068</u>	<u>5,536,487</u>	<u>4,517,205</u>	<u>1,019,282</u>
Net Change in Fund Balance	-	-	-	-
<b>Fund Balance, Beginning of Year</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balance, End of Year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See the accompanying independent auditors' report.

**ADAMS COUNTY, COLORADO**  
**HEAD START FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**For the Year Ended December 31, 2007**

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual Amount</u>	
<b>REVENUES:</b>				
Intergovernmental				
HHS Head Start Grant	\$ 2,936,659	\$ 3,026,659	\$ 2,990,876	\$ (35,783)
CACFP Grant	180,000	180,000	205,588	25,588
Child and Parent Foundation Grants	-	-	45,747	45,747
State Grants	342,765	429,915	58,582	(371,333)
Other Intergovernmental	66,000	66,000	341,223	275,223
Miscellaneous	25,000	25,000	85,063	60,063
Total Revenues	<u>3,550,424</u>	<u>3,727,574</u>	<u>3,727,079</u>	<u>(495)</u>
<b>EXPENDITURES:</b>				
Health and Welfare	3,600,424	3,695,423	3,694,928	495
Capital Outlay	-	82,151	82,151	-
Total Expenditures	<u>3,600,424</u>	<u>3,777,574</u>	<u>3,777,079</u>	<u>495</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(50,000)	(50,000)	(50,000)	-
Other Financing Sources (Uses)				
Transfers In	50,000	50,000	50,000	-
Total Other Financing Sources (Uses)	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
Net Change in Fund Balance	-	-	-	-
<b>Fund Balance, Beginning of Year</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balance, End of Year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See the accompanying independent auditors' report.



**ADAMS COUNTY, COLORADO  
OTHER HUMAN SERVICES FUND  
BUDGETARY COMPARISON SCHEDULE  
For the Year Ended December 31, 2007**

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual Amount</u>	
<b>REVENUES:</b>				
Intergovernmental				
TEFAP-Commodity Distribution	\$ 60,000	\$ 60,000	\$ 46,148	\$ (13,852)
FEMA-Emergency Food & Shelter	20,000	20,000	20,043	43
Other Intergovernmental	-	-	15,000	15,000
Miscellaneous	-	-	412	412
Total Revenues	<u>80,000</u>	<u>80,000</u>	<u>81,603</u>	<u>1,603</u>
<b>EXPENDITURES:</b>				
Health and Welfare	<u>80,000</u>	<u>88,888</u>	<u>84,746</u>	<u>4,142</u>
Total Expenditures	<u>80,000</u>	<u>88,888</u>	<u>84,746</u>	<u>4,142</u>
Net Change in Fund Balance	-	(8,888)	(3,143)	5,745
<b>Fund Balance, Beginning of Year</b>	<u>13,356</u>	<u>29,228</u>	<u>29,228</u>	<u>-</u>
<b>Fund Balance, End of Year</b>	<u><u>\$ 13,356</u></u>	<u><u>\$ 20,340</u></u>	<u><u>\$ 26,085</u></u>	<u><u>\$ 5,745</u></u>

See the accompanying independent auditors' report.

**ADAMS COUNTY, COLORADO**  
**COMMUNITY SERVICES BLOCK GRANT FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**For the Year Ended December 31, 2007**

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual Amount</u>	
<b>REVENUES:</b>				
Intergovernmental				
CSBG	\$ 384,972	\$ 414,972	\$ 366,238	\$ (48,734)
State Grants	-	500,000	500,000	-
Miscellaneous	-	-	18,238	18,238
Total Revenues	<u>384,972</u>	<u>914,972</u>	<u>884,476</u>	<u>(30,496)</u>
<b>EXPENDITURES:</b>				
Health and Welfare	384,972	414,972	384,476	30,496
Capital Outlay	-	500,000	500,000	-
Total Expenditures	<u>384,972</u>	<u>914,972</u>	<u>884,476</u>	<u>30,496</u>
Net Change in Fund Balance	-	-	-	-
<b>Fund Balance, Beginning of Year</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balance, End of Year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See the accompanying independent auditors' report.

**ADAMS COUNTY, COLORADO**  
**WORKFORCE AND BUSINESS CENTER FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**For the Year Ended December 31, 2007**

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual Amount</u>	
<b>REVENUES:</b>				
Intergovernmental				
WIA Grants	\$ 4,870,955	\$ 4,870,955	\$ 4,609,874	\$ (261,081)
Consumer Navigator Grant	51,000	51,000	31,446	(19,554)
Employment 1st Grant	394,006	394,006	243,506	(150,500)
TANF	317,698	317,698	228,265	(89,433)
Other Intergovernmental	261,193	261,193	225,802	(35,391)
Miscellaneous	-	-	543	543
Total Revenues	<u>5,894,852</u>	<u>5,894,852</u>	<u>5,339,436</u>	<u>(555,416)</u>
<b>EXPENDITURES:</b>				
Economic Opportunity	<u>5,894,852</u>	<u>5,894,852</u>	<u>5,339,436</u>	<u>555,416</u>
Total Expenditures	<u>5,894,852</u>	<u>5,894,852</u>	<u>5,339,436</u>	<u>555,416</u>
Net Change in Fund Balance	-	-	-	-
<b>Fund Balance, Beginning of Year</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balance, End of Year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See the accompanying independent auditors' report.

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**Adams County, Colorado**  
**Explanation of Funds**  
**Non-major Capital Project Funds**

Capital Project Funds are used to account for the acquisition and construction of major capital facilities other than those financed by Proprietary Funds and Trust Funds.

DETENTION FACILITY EXPANSION FUND-This fund is used to account for the expansion of the Detention Facility. A temporary sales tax of one-half of one percent in the County was used to finance this project.

COURTHOUSE CONSTRUCTION FUND-This fund is used to account for the construction of a new courthouse. A temporary sales tax of one-half of one percent was used to finance this project.

**ADAMS COUNTY, COLORADO**  
**DETENTION FACILITY EXPANSION FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**For the Year Ended December 31, 2007**

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual Amount</u>	
<b>REVENUES:</b>				
Taxes				
Sales Taxes	\$ -	\$ -	\$ 8,192	\$ 8,192
Interest Earnings	393,787	393,787	282,174	(111,613)
Total Revenues	<u>393,787</u>	<u>393,787</u>	<u>290,366</u>	<u>(103,421)</u>
<b>EXPENDITURES:</b>				
Capital Outlay	1,024,674	1,224,674	539,476	685,198
Total Expenditures	<u>1,024,674</u>	<u>1,224,674</u>	<u>539,476</u>	<u>685,198</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(630,887)	(830,887)	(249,110)	581,777
Other Financing Sources (Uses)				
Transfers Out	(3,428,255)	(3,428,255)	(3,428,255)	-
Total Other Financing Sources (Uses)	<u>(3,428,255)</u>	<u>(3,428,255)</u>	<u>(3,428,255)</u>	<u>-</u>
Net Change in Fund Balance	(4,059,142)	(4,259,142)	(3,677,365)	581,777
<b>Fund Balance, Beginning of Year</b>	<u>7,712,216</u>	<u>7,186,314</u>	<u>7,186,314</u>	<u>-</u>
<b>Fund Balance, End of Year</b>	<u>\$ 3,653,074</u>	<u>\$ 2,927,172</u>	<u>\$ 3,508,949</u>	<u>\$ 581,777</u>

See the accompanying independent auditors' report.

**ADAMS COUNTY, COLORADO**  
**COURTHOUSE CONSTRUCTION FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**For the Year Ended December 31, 2007**

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual Amount</u>	
<b>REVENUES:</b>				
Interest Earnings	\$ 258,993	\$ 258,993	\$ 261,160	\$ 2,167
Total Revenues	<u>258,993</u>	<u>258,993</u>	<u>261,160</u>	<u>2,167</u>
<b>EXPENDITURES:</b>				
Capital Outlay	<u>2,000,000</u>	<u>2,027,039</u>	<u>683,024</u>	<u>1,344,015</u>
Total Expenditures	<u>2,000,000</u>	<u>2,027,039</u>	<u>683,024</u>	<u>1,344,015</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,741,007)	(1,768,046)	(421,864)	1,346,182
Other Financing Sources (Uses)				
Transfers Out	<u>(178,523)</u>	<u>(178,523)</u>	<u>(178,523)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(178,523)</u>	<u>(178,523)</u>	<u>(178,523)</u>	<u>-</u>
Net Change in Fund Balance	(1,919,530)	(1,946,569)	(600,387)	1,346,182
<b>Fund Balance, Beginning of Year</b>	<u>5,082,571</u>	<u>5,126,095</u>	<u>5,126,095</u>	<u>-</u>
<b>Fund Balance, End of Year</b>	<u>\$ 3,163,041</u>	<u>\$ 3,179,526</u>	<u>\$ 4,525,708</u>	<u>\$ 1,346,182</u>

See the accompanying independent auditors' report.

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**Adams County, Colorado**  
**Explanation of Funds**  
**Enterprise Fund**

Enterprise Funds account for operations (a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

GOLF COURSE FUND-The enterprise fund used to account for the financial operations of the Riverdale (Adams County) Golf Complex.

**ADAMS COUNTY, COLORADO**  
**GOLF COURSE FUND**  
**BUDGETARY COMPARISON SCHEDULE (NON-GAAP)**  
**For the Year Ended December 31, 2007**

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual Amount</u>	
<b>REVENUES:</b>				
Charges for Services	\$ 2,538,000	\$ 2,576,800	\$ 2,516,068	\$ (60,732)
Interest Earnings	98,372	98,372	142,468	44,096
Miscellaneous	215,000	215,000	172,734	(42,266)
Total Revenues	<u>2,851,372</u>	<u>2,890,172</u>	<u>2,831,270</u>	<u>(58,902)</u>
<b>EXPENDITURES:</b>				
Cost of Sales	160,000	160,000	136,523	23,477
Contract Labor	825,000	995,000	951,216	43,784
Insurance Premiums	60,000	60,000	61,706	(1,706)
Operating Supplies	10,800	10,800	9,174	1,626
Repairs and Maintenance	197,500	225,500	190,144	35,356
Professional Fees	181,000	319,000	212,284	106,716
Travel and Training	10,600	10,600	11,645	(1,045)
Minor Supplies and Equipment	185,200	242,155	241,720	435
Rental Expense	7,000	7,000	6,043	957
Utilities	152,100	172,100	166,921	5,179
Other	29,900	29,900	26,968	2,932
Capital Outlay	712,500	828,713	369,299	459,414
Transfers Out	340,000	340,000	340,000	-
Total Expenditures	<u>2,871,600</u>	<u>3,400,768</u>	<u>2,723,643</u>	<u>677,125</u>
Change in Net Assets, Budgetary Basis	(20,228)	(510,596)	107,627	618,223
<b>Net Assets, Beginning of Year</b>	<u>10,808,619</u>	<u>10,808,619</u>	<u>10,808,619</u>	<u>-</u>
<b>Net Assets, End of Year</b>	<u>\$ 10,788,391</u>	<u>\$ 10,298,023</u>	10,916,246	<u>\$ 618,223</u>
<b>Adjustments to GAAP Basis</b>				
Depreciation			(286,570)	
Capital Outlay			369,299	
<b>Net Assets, GAAP Basis</b>			<u>\$ 10,998,975</u>	

See the accompanying independent auditors' report.

**Adams County, Colorado**  
**Explanation of Funds**  
**Internal Service Funds**

Internal service funds account for the financing of goods and services provided by one department or agency to other departments of the County on a cost reimbursement basis.

EQUIPMENT SERVICE FUND-The Equipment Service Internal Service Fund is used to account for the revenues generated from internal rental charges of vehicles, equipment and maintenance costs provided to other departments.

INSURANCE CLAIMS FUND-The Insurance Claims Internal Service Fund is used to account for the self-insurance activities of the County. The County is self insured for unemployment, a health plan, and the dental program. The workers' compensation and property and casualty programs are high deductible plans.

**ADAMS COUNTY, COLORADO**  
**INTERNAL SERVICE FUNDS**  
**COMBINING STATEMENT OF NET ASSETS**  
**December 31, 2007**

	<u>Equipment Service Fund</u>	<u>Insurance Claims Fund</u>	<u>Total</u>
<b>ASSETS:</b>			
Current Assets			
Cash and Cash Equivalents	\$ 4,217,425	\$ 6,873,840	\$ 11,091,265
Investments	3,148,208	5,131,159	8,279,367
Prepaid	-	166,420	166,420
Insurance Retainer	-	203,000	203,000
Receivables			
Accounts	29,639	62,970	92,609
Due From Other Funds	1,245,597	1,084,380	2,329,977
Inventories, at Cost	50,808	-	50,808
Total Current Assets	<u>8,691,677</u>	<u>13,521,769</u>	<u>22,213,446</u>
Capital Assets			
Machinery and Equipment	22,042,695	-	22,042,695
Accumulated Depreciation	(11,405,750)	-	(11,405,750)
Total Capital Assets	<u>10,636,945</u>	<u>-</u>	<u>10,636,945</u>
Total Assets	<u>19,328,622</u>	<u>13,521,769</u>	<u>32,850,391</u>
<b>LIABILITIES:</b>			
Current Liabilities			
Accounts Payable	196,749	170,640	367,389
Deposits Payable	-	18,462	18,462
Accrued Payroll	24,349	2,691	27,040
Accrued Vacation and Sick Leave	113,230	16,724	129,954
Due to Other Funds	-	853,507	853,507
Claims Payable-Current	-	3,377,361	3,377,361
Total Current Liabilities	<u>334,328</u>	<u>4,439,385</u>	<u>4,773,713</u>
Long-term Liabilities			
Claims Payable-Workers' Compensation	-	1,358,908	1,358,908
Claims Payable-General Liability	-	893,312	893,312
Total Long-term Liabilities	<u>-</u>	<u>2,252,220</u>	<u>2,252,220</u>
Total Liabilities	<u>334,328</u>	<u>6,691,605</u>	<u>7,025,933</u>
<b>NET ASSETS:</b>			
Invested in Capital Assets	10,636,945	-	10,636,945
Unrestricted	8,357,349	6,830,164	15,187,513
Total Net Assets	<u>\$ 18,994,294</u>	<u>\$ 6,830,164</u>	<u>\$ 25,824,458</u>

See the accompanying independent auditors' report.

**ADAMS COUNTY, COLORADO**  
**INTERNAL SERVICE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS**  
**For the Year Ended December 31, 2007**

	<u>Equipment Service Fund</u>	<u>Insurance Claims Fund</u>	<u>Total</u>
<b>OPERATING REVENUES:</b>			
Equipment Rental Fees	\$ 7,137,801	\$ -	\$ 7,137,801
Insurance Premiums-Medical/Dental	-	11,032,529	11,032,529
Insurance Premiums-General Liability	-	743,469	743,469
Insurance Premiums-Workers' Compensation	-	719,330	719,330
Insurance Premiums-Unemployment	-	73,207	73,207
Insurance Premiums-Administration	-	222,575	222,575
Miscellaneous	65,123	107,858	172,981
Total Operating Income	<u>7,202,924</u>	<u>12,898,968</u>	<u>20,101,892</u>
<b>OPERATING EXPENSES:</b>			
Salaries and Fringe Benefits	1,463,897	163,973	1,627,870
Insurance Claims	-	10,597,285	10,597,285
Insurance Premiums	-	1,501,219	1,501,219
Operating Supplies	46,387	416	46,803
Travel and Training	14,954	7,305	22,259
Minor Supplies and Equipment	2,564,284	1,764	2,566,048
Licenses and Fees	4,992	34,928	39,920
Utilities	52,276	333	52,609
Repairs and Maintenance	276,079	-	276,079
Professional Fees	160,772	64,176	224,948
Rental Expense	39,286	-	39,286
Other	332	1,067	1,399
Depreciation	2,871,919	-	2,871,919
Total Operating Expenses	<u>7,495,178</u>	<u>12,372,466</u>	<u>19,867,644</u>
Operating Income (Loss)	<u>(292,254)</u>	<u>526,502</u>	<u>234,248</u>
<b>NONOPERATING REVENUES (EXPENSES):</b>			
Gain (Loss) on Sale of Capital Assets	525,915	-	525,915
Total Nonoperating Revenues (Expenses)	<u>525,915</u>	<u>-</u>	<u>525,915</u>
Income (loss) before Contributions and Transfers	233,661	526,502	760,163
Transfers In	756,117	-	756,117
Changes in Net Assets	989,778	526,502	1,516,280
Total Net Assets-Beginning	18,004,516	6,303,662	24,308,178
Total Net Assets-Ending	<u>\$ 18,994,294</u>	<u>\$ 6,830,164</u>	<u>\$ 25,824,458</u>

See the accompanying independent auditors' report.

**ADAMS COUNTY, COLORADO**  
**INTERNAL SERVICE FUNDS**  
**COMBINING STATEMENT OF CASH FLOWS**  
**For the Year Ended December 31, 2007**

	<u>Equipment Service Fund</u>	<u>Insurance Claims Fund</u>	<u>Total</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Cash Received from Customers	\$ 7,506,074	\$ 12,084,744	\$ 19,590,818
Cash Payments to Suppliers for Goods and Services	(3,122,873)	(9,208,125)	(12,330,998)
Cash Payments to Employees for Services	(1,472,204)	(159,446)	(1,631,650)
Net Cash Provided (Used) by Operating Activities	<u>2,910,997</u>	<u>2,717,173</u>	<u>5,628,170</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Acquisition/Construction of Capital Assets	(3,837,741)	-	(3,837,741)
Proceeds from Sale of Property	622,955	-	622,955
Contributions by Other Funds	756,117	-	756,117
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(2,458,669)</u>	<u>-</u>	<u>(2,458,669)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>452,328</u>	<u>2,717,173</u>	<u>3,169,501</u>
Cash and Cash Equivalents, Beginning	<u>6,913,305</u>	<u>9,287,826</u>	<u>16,201,131</u>
Cash and Cash Equivalents, Ending	<u>\$ 7,365,633</u>	<u>\$ 12,004,999</u>	<u>\$ 19,370,632</u>
<b>Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities</b>			
Operating Income (Loss)	\$ (292,254)	\$ 526,502	\$ 234,248
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:			
Depreciation	2,871,919	-	2,871,919
(Increase) Decrease in Accounts Receivable	(13,367)	(35,053)	(48,420)
(Increase) Decrease in Inventory	(11,793)	-	(11,793)
(Increase) Decrease in Due From Other Funds	316,517	(775,849)	(459,332)
(Increase) Decrease in Prepaids	-	(3,322)	(3,322)
Increase (Decrease) in Accounts Payable	48,282	(50,530)	(2,248)
Increase (Decrease) in Claims Payable-Current	-	2,407,191	2,407,191
Increase (Decrease) in Due to Other Funds	-	274,538	274,538
Increase (Decrease) in Accrued Payroll	(5,175)	176	(4,999)
Increase (Decrease) in Accrued Vacation and Sick Leave	(3,132)	4,351	1,219
Increase (Decrease) in Deposits Payable	-	(1,621)	(1,621)
Increase (Decrease) in Claims Payable-Long Term	-	370,790	370,790
Total Adjustments	<u>3,203,251</u>	<u>2,190,671</u>	<u>5,393,922</u>
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>\$ 2,910,997</u>	<u>\$ 2,717,173</u>	<u>\$ 5,628,170</u>

See the accompanying independent auditors' report.

**ADAMS COUNTY, COLORADO**  
**EQUIPMENT SERVICE FUND**  
**BUDGETARY COMPARISON SCHEDULE (NON-GAAP)**  
**For the Year Ended December 31, 2007**

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual Amount</u>	
<b>REVENUES:</b>				
Charges for Services	\$ 7,418,730	\$ 7,418,730	\$ 7,137,801	\$ (280,929)
Miscellaneous	57,000	57,000	65,123	8,123
Transfers In	838,340	895,635	756,117	(139,518)
Gain on Sale of Assets	300,000	300,000	525,915	225,915
Total Revenues	<u>8,614,070</u>	<u>8,671,365</u>	<u>8,484,956</u>	<u>(186,409)</u>
<b>EXPENDITURES:</b>				
Salaries & Fringe Benefits	1,428,171	1,531,171	1,463,897	67,274
Operating Supplies	43,910	43,910	46,387	(2,477)
Repairs and Maintenance	174,400	314,400	276,079	38,321
Travel and Training	25,200	25,200	14,954	10,246
Minor Supplies and Equipment	2,283,850	2,764,615	2,564,284	200,331
Licenses and Fees	5,000	5,000	4,992	8
Professional Fees	167,000	167,000	160,772	6,228
Rental Expense	42,930	42,930	39,286	3,644
Utilities	51,760	51,760	52,276	(516)
Insurance Claims	14,000	14,000	-	14,000
Other	1,425	1,425	332	1,093
Capital Outlay	5,479,040	5,570,108	3,837,741	1,732,367
Total Expenditures	<u>9,716,686</u>	<u>10,531,519</u>	<u>8,461,000</u>	<u>2,070,519</u>
Change in Net Assets, Budgetary Basis	(1,102,616)	(1,860,154)	23,956	1,884,110
<b>Net Assets, Beginning of Year</b>	<u>18,004,516</u>	<u>18,004,516</u>	<u>18,004,516</u>	<u>-</u>
<b>Net Assets, End of Year</b>	<u>\$ 16,901,900</u>	<u>\$ 16,144,362</u>	18,028,472	<u>\$ 1,884,110</u>
<b>Adjustments to GAAP Basis</b>				
Depreciation			(2,871,919)	
Capital Outlay			3,837,741	
<b>Net Assets, GAAP Basis</b>			<u>\$ 18,994,294</u>	

See the accompanying independent auditors' report.

**ADAMS COUNTY, COLORADO**  
**INSURANCE CLAIMS FUND**  
**BUDGETARY COMPARISON SCHEDULE (NON-GAAP)**  
**For the Year Ended December 31, 2007**

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual Amount</u>	
<b>REVENUES:</b>				
Insurance Premiums	\$ 14,138,459	\$ 14,138,459	\$ 12,791,110	\$ (1,347,349)
Miscellaneous	-	-	107,858	107,858
Total Revenues	<u>14,138,459</u>	<u>14,138,459</u>	<u>12,898,968</u>	<u>(1,239,491)</u>
<b>EXPENDITURES:</b>				
Salaries & Fringe Benefits	163,098	163,098	163,973	(875)
Operating Supplies	900	900	416	484
Repairs and Maintenance	35,000	35,000	-	35,000
Travel and Training	7,400	7,400	7,305	95
Minor Supplies and Equipment	1,150	1,650	1,764	(114)
Utilities	-	-	333	(333)
Licenses and Fees	41,000	41,000	34,928	6,072
Professional Fees	92,400	101,900	64,176	37,724
Insurance Premiums	1,666,667	1,666,667	1,501,219	165,448
Insurance Claims	12,336,370	12,336,370	7,819,304	4,517,066
Other	<u>2,000</u>	<u>2,000</u>	<u>1,067</u>	<u>933</u>
Total Expenditures	<u>14,345,985</u>	<u>14,355,985</u>	<u>9,594,485</u>	<u>4,761,500</u>
Change in Net Assets, Budgetary Basis	(207,526)	(217,526)	3,304,483	3,522,009
<b>Fund Balance, Beginning of Year</b>	<u>6,303,662</u>	<u>6,303,662</u>	<u>6,303,662</u>	<u>-</u>
<b>Fund Balance, End of Year</b>	<u>\$ 6,096,136</u>	<u>\$ 6,086,136</u>	9,608,145	<u>\$ 3,522,009</u>
<b>Adjustments to GAAP Basis</b>				
Change in Insurance Claims Accrued Liability			<u>(2,777,981)</u>	
<b>Net Assets, GAAP Basis</b>			<u>\$ 6,830,164</u>	

See the accompanying independent auditors' report.



**Adams County, Colorado**  
**Explanation of Funds**  
**Agency Funds**

The Agency Funds account for assets held by the County as an agent for individuals, private organizations, other governments and/or other funds.

**TREASURER'S FUND-**The Treasurer's Fund accounts for all monies collected (principally tax collections) by the Adams County Treasurer for various local governmental units within the County.

**PUBLIC TRUSTEE'S FUND-** The Public Trustee's agency fund collects fees pertaining to deeds of trust transactions and distributes fees collected to mortgage companies, individuals, the County and other entities as appropriate.

**ADAMS COUNTY, COLORADO**  
**STATEMENT OF CHANGE IN NET ASSETS**  
**AGENCY FUNDS**  
**For the Year Ended December 31, 2007**

Treasurer's Fund

	<u>Balance</u> <u>January 1, 2007</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>December 31, 2007</u>
Total Assets	\$ 10,465,051	\$ 453,379,287	\$ (446,717,446)	\$ 17,126,892
Total Liabilities	\$ 10,465,051	\$ 453,379,287	\$ (446,717,446)	\$ 17,126,892

Public Trustee's Fund

	<u>Balance</u> <u>January 1, 2007</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>December 31, 2007</u>
Total Assets	\$ 900,977	\$ 2,382,882	\$ (2,617,450)	\$ 666,409
Total Liabilities	\$ 900,977	\$ 2,382,882	\$ (2,617,450)	\$ 666,409

Total Agency Funds

	<u>Balance</u> <u>January 1, 2007</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>December 31, 2007</u>
Total Assets	\$ 11,366,028	\$ 455,762,169	\$ (449,334,896)	\$ 17,793,301
Total Liabilities	\$ 11,366,028	\$ 455,762,169	\$ (449,334,896)	\$ 17,793,301

See the accompanying independent auditors' report.

**Adams County, Colorado  
Statistical Section Index**

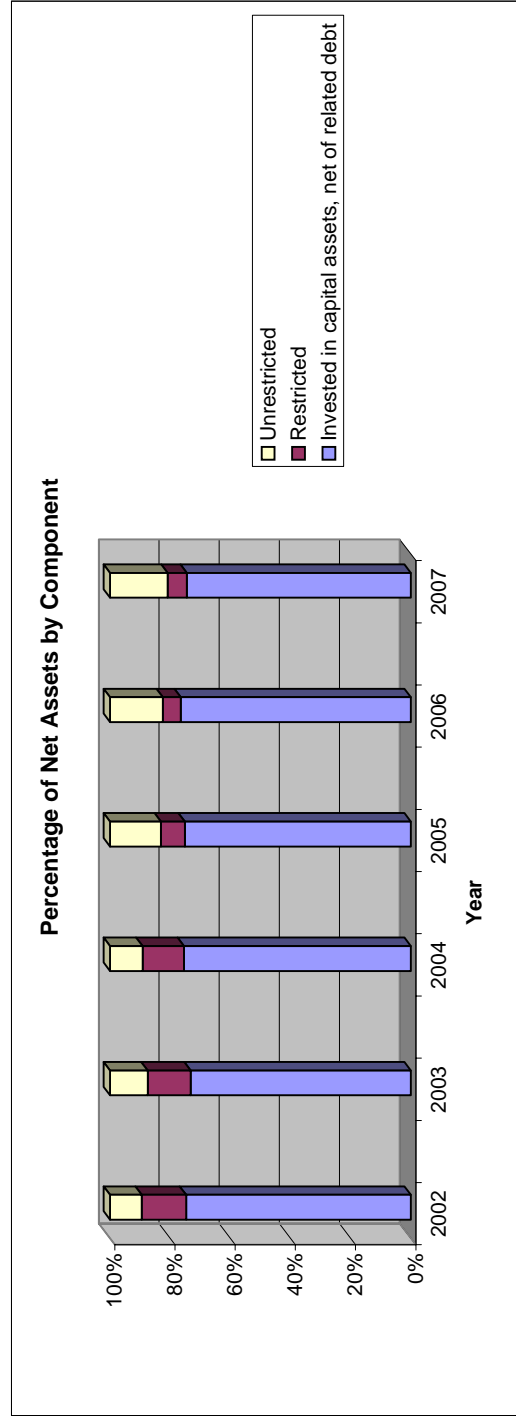
*This part of the Adams County comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.*

<b>Financial Trends</b>	<b>Page</b>
<i>These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.</i>	
Net Assets by Component	109
Changes in Net Assets	110
Changes in Program & General Revenue Graph	112
Governmental Activities Expenditure Changes Graph	113
Fund Balances, Governmental Funds	114
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<b>Revenue Capacity</b>	
<i>These schedules contain information to help the reader assess the County's most significant sources of revenue.</i>	
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Property Tax Levies and Collections	119
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Direct and Overlapping Property Tax Rates	122
<b>Debt Capacity</b>	
<i>These schedules contain information to help the reader assess the affordability of the County's current level of debt and the county's ability to issue debt in the future.</i>	
Computation of Direct, Overlapping and Underlying Long-Term Debt	124
Legal Debt Margin Information	126
<b>Demographic and Economic Information</b>	
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.</i>	
Demographic and Economic Statistics	127
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<b>Operating Information</b>	
<i>This schedule contains information regarding the number of employees in various job categories and types of assets by function/department.</i>	
Capital Asset Statistics by Function/Program	130
Full-Time Equivalent County Employees by Function/Program	131

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**Adams County, Colorado**  
**Net Assets by Component**  
**Last Six Years**

	Fiscal Year					
	2002	2003	2004	2005	2006	2007
<b>Governmental Activities</b>						
Invested in capital assets, net of related debt	\$ 427,316,464	\$ 440,937,367	\$ 474,873,142	\$ 495,306,316	\$ 534,593,275	\$ 536,994,805
Restricted	85,941,438	87,882,631	88,053,528	53,225,936	42,328,514	46,405,245
Unrestricted	60,018,628	75,357,855	67,507,247	111,080,386	122,288,680	137,797,761
Total governmental activities net assets	<u>\$ 573,276,530</u>	<u>\$ 604,177,853</u>	<u>\$ 630,433,917</u>	<u>\$ 659,612,638</u>	<u>\$ 699,210,469</u>	<u>\$ 721,197,811</u>
<b>Business-type Activities</b>						
Invested in capital assets	\$ 8,282,975	\$ 8,171,087	\$ 8,184,808	\$ 8,153,716	\$ 8,052,459	\$ 8,135,188
Unrestricted	1,481,049	1,555,818	1,809,515	2,221,705	2,756,160	2,863,787
Total business-type activities net assets	<u>\$ 9,764,024</u>	<u>\$ 9,726,905</u>	<u>\$ 9,994,323</u>	<u>\$ 10,375,421</u>	<u>\$ 10,808,619</u>	<u>\$ 10,998,975</u>
<b>Total Primary Government</b>						
Invested in capital assets, net of related debt	\$ 435,599,439	\$ 449,108,454	\$ 483,057,950	\$ 503,460,032	\$ 542,645,734	\$ 545,129,993
Restricted	85,941,438	87,882,631	88,053,528	53,225,936	42,328,514	46,405,245
Unrestricted	61,499,677	76,913,673	69,316,762	113,302,091	125,044,840	140,661,548
Total primary government net assets	<u>\$ 583,040,554</u>	<u>\$ 613,904,758</u>	<u>\$ 640,428,240</u>	<u>\$ 669,988,059</u>	<u>\$ 710,019,088</u>	<u>\$ 732,196,786</u>



Note: Ten years of comparable data is not available.

Adams County, Colorado  
Changes in Net Assets  
Last Six Years

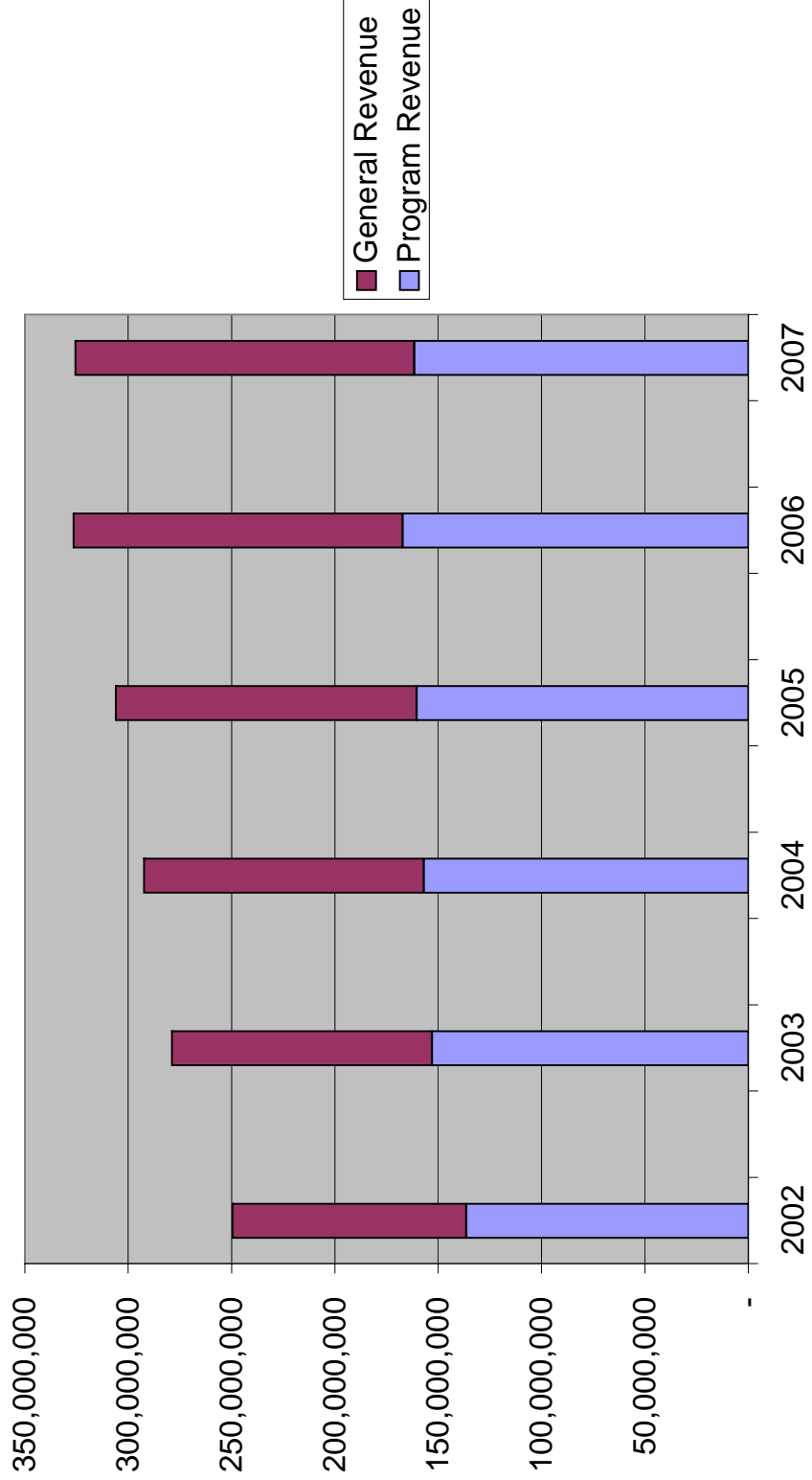
	Fiscal Year					
	2002	2003	2004	2005	2006	2007
<b>Expenses</b>						
Governmental Activities						
General Government	\$ 44,105,627	\$ 49,483,269	\$ 50,151,849	\$ 48,305,546	\$ 50,389,174	\$ 55,429,386
Public Safety	41,343,674	44,380,784	52,225,075	56,423,552	60,814,606	64,528,882
County Funded Human Services	2,476,508	2,758,542	2,969,393	3,267,211	3,464,240	3,629,566
Public Works	31,129,705	34,299,967	36,351,441	38,882,542	38,860,660	43,161,397
Culture and Recreation	2,502,932	1,248,330	2,940,434	3,032,133	3,374,562	3,669,852
Health and Welfare	94,432,003	101,907,815	108,597,884	113,316,811	117,325,278	118,151,381
Urban Housing and Redevelopment	3,935,295	4,349,783	2,451,400	3,463,570	3,227,952	4,528,589
Conservation of Natural Resources	5,612,457	4,394,082	4,262,388	3,756,320	3,686,796	4,150,045
Economic Opportunity	3,763,079	4,621,510	5,313,416	5,757,375	5,014,885	5,592,049
Interest Expense	496,128	903,535	1,092,976	919,671	963,590	919,108
Total governmental activities expense	229,797,408	248,347,617	266,356,256	277,124,731	287,121,743	303,760,255
Business-type Activities						
Golf Course	2,061,865	2,240,935	1,987,316	2,086,919	2,078,325	2,300,914
Total business-type activities expense	2,061,865	2,240,935	1,987,316	2,086,919	2,078,325	2,300,914
Total primary government expense	\$ 231,859,273	\$ 250,588,552	\$ 268,343,572	\$ 279,211,650	\$ 289,200,068	\$ 306,061,169
<b>Program Revenues</b>						
Governmental Activities						
Fines & Charges for Services						
General Government	\$ 19,647,713	\$ 24,089,909	\$ 14,575,087	\$ 15,545,725	\$ 16,237,322	\$ 17,156,815
Public Safety	2,820,964	3,102,996	2,988,733	4,641,285	4,611,018	4,377,538
Public Works	2,131,703	2,967,226	2,983,856	2,616,752	2,454,320	1,855,448
Culture & Recreation	714,296	655,612	602,824	617,769	666,705	609,389
Health & Welfare	-	-	4,435	-	350	-
Conservation of Natural Resources	-	-	-	56,556	60,916	77,080
Economic Opportunity	-	-	45,859	72,263	65,258	75,988
Total Charges for Services	25,314,676	30,815,743	21,200,794	23,550,350	24,095,889	24,152,258
Operating Grants and Contributions						
General Government	2,520,897	1,996,229	2,550,100	1,269,572	2,189,297	1,873,936
Public Safety	4,253,541	4,270,813	5,125,222	4,570,813	4,669,403	5,137,024
Public Works	8,552,400	6,835,327	6,860,833	6,078,488	8,600,237	7,490,684
Culture & Recreation	1,030,000	831,776	32,126	24,400	-	-
Health & Welfare	86,990,745	92,130,544	96,815,651	106,440,755	107,772,760	106,844,065
Urban Housing & Redevelopment	3,550,000	4,357,086	2,186,042	3,195,071	3,089,239	4,368,235
Conservation of Natural Resources	594,451	583,455	753,335	1,225,858	1,240,378	970,542
Economic Opportunity	3,593,354	4,430,479	5,157,622	5,528,502	4,750,854	5,338,893
Total Operating Grants and Contributions	111,085,388	115,435,709	119,480,931	128,333,459	132,312,168	132,023,379

Continued on the next page

	Fiscal Year					
	2002	2003	2004	2005	2006	2007
<b>Capital Grants and Contributions</b>						
General Government	-	-	200	13,070	456,758	451,910
Public Safety	-	137,425	98,173	-	635,634	14,500
Public Works	-	4,986,365	14,544,581	8,447,430	9,648,528	4,934,395
Conservation of Natural Resources	-	1,588,800	1,604,638	-	-	-
Total Capital Grants and Contributions	-	6,712,590	16,247,592	8,460,500	10,740,920	5,400,805
Total governmental activities program revenue	136,400,064	152,964,042	156,929,317	160,344,309	167,148,977	161,576,442
<b>Business-type Activities</b>						
Golf Course-Charges for Services	2,636,500	2,545,431	2,572,740	2,748,925	2,731,697	2,688,802
Total business-type activities program revenue	2,636,500	2,545,431	2,572,740	2,748,925	2,731,697	2,688,802
Total primary government program revenue	\$ 139,036,564	\$ 155,509,473	\$ 159,502,057	\$ 163,093,234	\$ 169,880,674	\$ 164,265,244
<b>Net (Expense)/Revenue</b>						
Governmental Activities	\$ (93,397,344)	\$ (95,383,575)	\$ (109,426,939)	\$ (116,780,422)	\$ (119,972,766)	\$ (142,183,813)
Business-type Activities	574,635	304,496	585,424	662,006	653,372	387,888
Total primary government net (expense)/revenue	\$ (92,822,709)	\$ (95,079,079)	\$ (108,841,515)	\$ (116,118,416)	\$ (119,319,394)	\$ (141,795,925)
<b>General Revenues and Other Changes in Net Assets</b>						
<b>Governmental Activities</b>						
Taxes						
Property Taxes	\$ 81,921,642	\$ 85,455,781	\$ 93,774,948	\$ 98,285,280	\$ 105,568,720	\$ 110,413,882
Sales Taxes	22,726,263	23,134,339	23,930,139	26,118,233	27,235,502	30,165,614
Specific Ownership Taxes	-	9,939,542	10,348,128	10,287,744	10,816,361	10,591,852
Other Taxes	387,712	360,418	378,521	361,249	419,199	398,255
Unrestricted Investment Earnings	3,653,448	2,704,641	3,425,198	6,642,999	10,318,270	12,244,860
Gain/Loss on Sale of Capital Assets	-	(169,186)	-	-	-	-
Miscellaneous	4,375,347	4,519,363	3,486,069	3,923,638	4,872,545	4,231,536
Special Items	-	-	-	-	-	(4,214,844)
Loss on Disposal of Capital Assets	-	-	-	-	-	-
Transfers	340,000	340,000	340,000	340,000	340,000	340,000
Total Governmental Activities	113,404,412	126,284,898	135,683,003	145,959,143	159,570,597	164,171,155
<b>Business-type Activities</b>						
Sales Taxes	815	-	-	-	-	-
Unrestricted Investment Earnings	47,514	15,976	21,994	59,092	119,826	142,468
Gain/Loss on Sale of Capital Assets	(6,227)	(17,591)	-	-	-	-
Transfers	(340,000)	(340,000)	(340,000)	(340,000)	(340,000)	(340,000)
Total Business-type Activities	(297,898)	(341,615)	(318,006)	(280,908)	(220,174)	(197,532)
Total Primary Government General Revenues	\$ 113,106,514	\$ 125,943,283	\$ 135,364,997	\$ 145,678,235	\$ 159,350,423	\$ 163,973,623
<b>Change in Net Assets</b>						
Governmental Activities	\$ 20,007,068	\$ 30,901,323	\$ 26,256,064	\$ 29,178,721	\$ 39,597,831	\$ 21,987,342
Business-type Activities	276,737	(37,119)	267,418	381,098	433,198	190,356
Total Primary Government	\$ 20,283,805	\$ 30,864,204	\$ 26,523,482	\$ 29,559,819	\$ 40,031,029	\$ 22,177,698

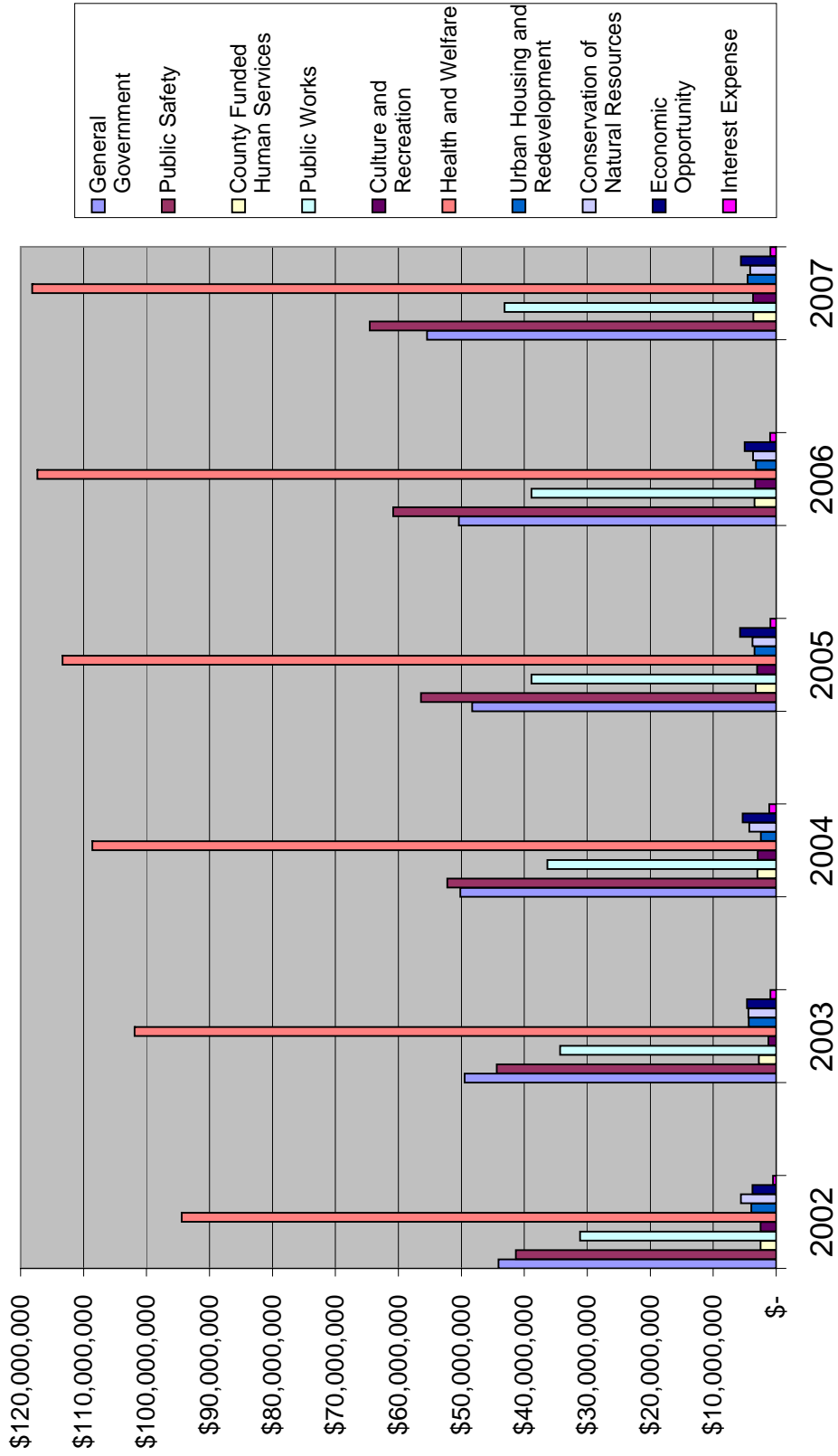
Note: Ten years of comparable data is not available.

### Changes in Program & General Revenues





# Governmental Activities Expenditure Changes



**Adams County, Colorado**  
**Fund Balances, Governmental Funds**  
**Last Six Years**

	Fiscal Year					
	2002	2003	2004	2005	2006	2007
<b>General Fund</b>						
Unreserved	\$ 53,940,105	\$ 68,641,146	\$ 63,572,141	\$ 71,217,307	\$ 82,074,695	\$ 95,414,250
Total general fund	<u>\$ 53,940,105</u>	<u>\$ 68,641,146</u>	<u>\$ 63,572,141</u>	<u>\$ 71,217,307</u>	<u>\$ 82,074,695</u>	<u>\$ 95,414,250</u>
<b>All Other Governmental Funds</b>						
Reserved	\$ 4,298,886	\$ 4,526,353	\$ 5,755,830	\$ 5,354,606	\$ 9,222,061	\$ 9,347,219
Unreserved, reported in:						
Major funds	38,224,646	40,770,566	43,272,518	46,061,332	36,570,272	38,477,055
Special revenue funds	14,120,423	18,276,723	18,077,323	21,476,468	21,532,411	30,629,297
Capital Project funds	30,092,495	26,868,970	22,969,802	18,189,410	12,312,409	8,034,657
Total all other governmental funds	<u>\$ 86,736,450</u>	<u>\$ 90,442,612</u>	<u>\$ 90,075,473</u>	<u>\$ 91,081,816</u>	<u>\$ 79,637,153</u>	<u>\$ 86,488,228</u>
Total General & All Other Governmental Funds	<u>\$ 140,676,555</u>	<u>\$ 159,083,758</u>	<u>\$ 153,647,614</u>	<u>\$ 162,299,123</u>	<u>\$ 161,711,848</u>	<u>\$ 181,902,478</u>

Note: Ten years of comparable data is not available.

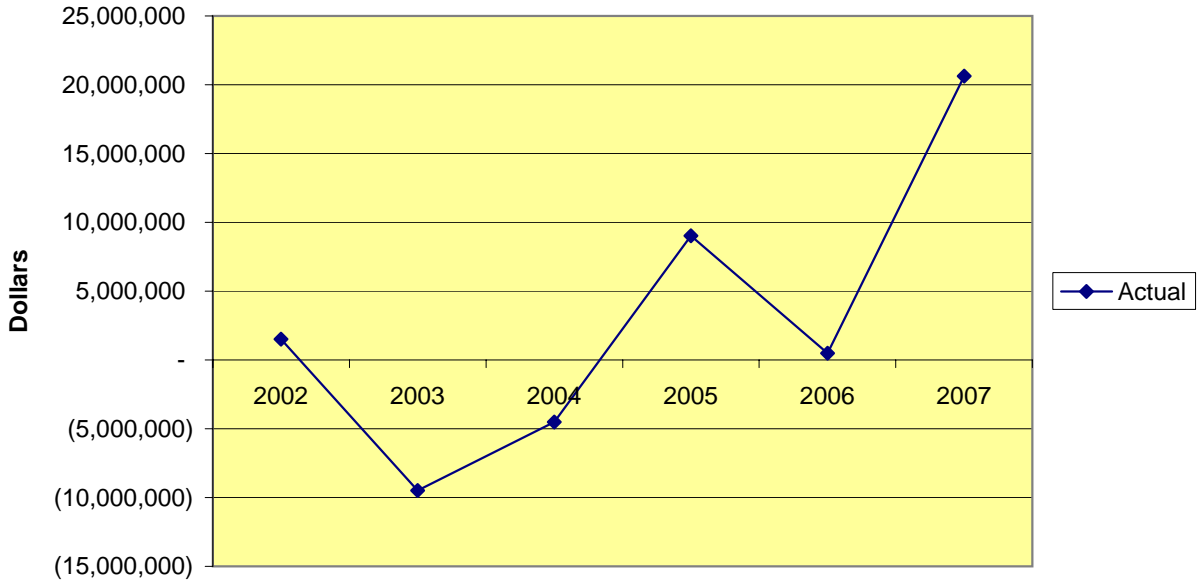
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**Adams County, Colorado**  
**Changes in Fund Balances, Governmental Funds**  
**Last Six Years**

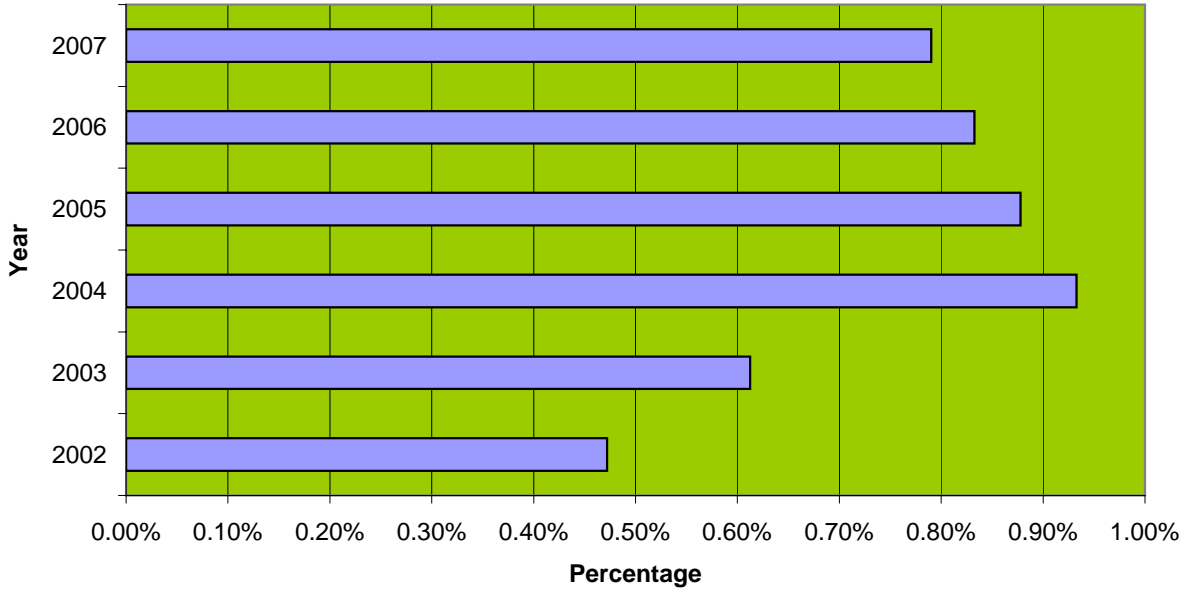
	Fiscal Year					
	2002	2003	2004	2005	2006	2007
<b>Revenues:</b>						
Taxes	\$ 104,647,905	\$ 118,529,664	\$ 128,053,215	\$ 135,052,506	\$ 144,039,782	\$ 151,569,603
Licenses and Permits	1,606,372	1,279,804	1,343,771	1,278,383	1,337,706	1,153,953
Intergovernmental	111,473,100	115,796,127	119,859,452	128,333,459	132,312,168	132,023,379
Charges for Services	23,708,304	29,535,939	19,857,023	22,271,967	22,758,183	22,998,305
Interest Earnings	3,653,448	2,704,641	3,425,198	6,642,999	10,318,270	12,244,860
Miscellaneous	4,375,347	4,664,347	3,862,174	3,928,138	4,877,045	4,236,036
<b>Total Revenues</b>	<b>249,464,476</b>	<b>272,510,522</b>	<b>276,400,833</b>	<b>297,507,452</b>	<b>315,643,154</b>	<b>324,226,136</b>
<b>Expenditures:</b>						
General Government	43,190,168	43,877,141	45,988,101	46,278,182	48,377,182	52,229,232
Public Works	34,919,441	39,760,674	30,068,876	31,671,119	33,146,782	36,689,909
Public Safety	38,740,480	43,257,538	47,123,634	51,423,724	56,335,493	59,744,019
County Funded Human Services	2,476,508	2,758,542	2,969,393	3,267,211	3,464,240	3,629,566
Health and Welfare	93,736,440	101,563,982	107,898,233	112,686,336	116,434,773	116,900,553
Culture and Recreation	2,234,982	2,538,005	2,518,499	2,586,029	3,006,940	3,258,609
Economic Opportunity	3,741,833	4,636,538	5,201,006	5,690,464	4,941,304	5,531,616
Urban Housing/Redevelopment	3,924,711	4,344,519	2,427,225	3,454,746	3,218,874	4,517,205
Conservation of Nation Resources	6,075,227	4,369,963	4,287,091	3,733,965	3,633,261	3,989,670
Capital Outlay	17,822,490	33,378,047	30,115,273	25,409,458	40,326,430	14,839,548
Debt Service						
Interest	585,000	610,000	1,225,000	1,029,001	968,994	1,345,000
Principal	496,128	903,535	1,092,976	1,260,000	1,300,000	918,526
<b>Total Expenditures</b>	<b>247,943,408</b>	<b>281,998,484</b>	<b>280,915,307</b>	<b>288,490,235</b>	<b>315,154,273</b>	<b>303,593,453</b>
Excess of revenues over (under) expenditures	1,521,068	(9,487,962)	(4,514,474)	9,017,217	488,881	20,632,683
<b>Other Financing Sources(Uses)</b>						
Transfers in	8,629,193	8,387,265	12,377,357	9,439,698	12,778,296	5,867,033
Transfers out	(9,297,585)	(8,874,035)	(13,351,399)	(9,906,355)	(13,572,943)	(6,283,150)
Proceeds from Capital Leases	-	15,890,000	-	-	-	-
Sale of Assets	-	12,614,468	-	-	-	-
<b>Total other financing sources(uses)</b>	<b>(668,392)</b>	<b>28,017,698</b>	<b>(974,042)</b>	<b>(466,657)</b>	<b>(794,647)</b>	<b>(416,117)</b>
<b>Net Change in Fund Balances</b>	<b>\$ 852,676</b>	<b>\$ 18,529,736</b>	<b>\$ (5,488,516)</b>	<b>\$ 8,550,560</b>	<b>\$ (305,766)</b>	<b>\$ 20,216,566</b>
Debt service as a percentage of noncapital expenditures	0.47%	0.61%	0.93%	0.88%	0.83%	0.79%

Note: Ten years of comparable data is not available.

**Revenues Over/Under Expenditures**



**Debt as a Percentage of Expenditures**



**Adams County, Colorado**  
**Assessed/Actual Value of Taxable Property(1)**  
**Last Ten Years**

<b>Year Ended 12/31</b>	<b>Residential Property</b>	<b>Commercial Property</b>	<b>Industrial Property</b>	<b>Vacant Land</b>	<b>Agricultural Acre Valuation</b>	<b>Natural Resources</b>	<b>State Assessed Property</b>	<b>Tax-Exempt Property</b>	<b>Total Taxable Assessed Value</b>	<b>Total Direct Tax Rate(2)</b>
1998	1,003,066,160	634,809,040	155,682,030	79,603,800	23,228,720	38,108,190	216,289,300	89,095,440	2,150,787,240	26.817
1999	1,185,498,420	761,407,530	166,557,280	101,167,100	24,162,790	28,849,990	243,904,200	116,684,290	2,511,547,310	24.517
2000	1,258,868,550	824,942,560	173,988,300	96,657,350	24,139,530	31,470,760	236,512,900	138,291,330	2,646,579,950	25.681
2001	1,475,018,240	956,532,830	207,931,300	144,509,180	21,645,990	48,521,490	251,518,410	180,613,840	3,105,677,440	23.541
2002	1,584,778,700	983,332,370	189,015,800	145,426,730	21,750,360	42,693,550	284,046,230	319,637,600	3,251,043,740	26.370
2003	1,723,627,420	1,101,364,920	183,927,020	168,058,710	21,485,880	31,473,880	281,088,610	243,226,160	3,511,026,440	26.779
2004	1,817,164,600	1,133,324,020	172,585,680	163,125,320	21,377,270	47,395,610	304,244,440	433,574,640	3,659,216,940	26.903
2005	1,996,105,110	1,211,307,330	179,284,260	189,052,140	18,299,200	57,591,930	309,937,150	485,896,500	3,961,577,120	26.804
2006	2,078,292,790	1,253,123,650	189,591,830	191,121,120	18,144,350	68,024,410	301,926,570	552,668,600	4,100,224,720	26.974
2007	2,133,545,890	1,413,864,230	283,101,710	206,593,000	18,542,410	65,225,140	316,986,840	753,675,810	4,437,859,220	26.899

(1) The County assesses property frequently; therefore assessed and actual are substantially equal.

(2) Tax rate is per \$1,000 of assessed value

Source: Adams County Assessor's Office

**Adams County, Colorado**  
**Property Tax Levies and Collections**  
**Last Seven Years**

<b>Fiscal Year Ended December 31</b>	<b>Taxes Levied for Collection in the Fiscal Year</b>		<b>Current Collections</b>			<b>Total Collections to Date</b>		
	<b>Year</b>	<b>Amount</b>	<b>Percentage of Levy</b>	<b>Collections in Subsequent Years (1)</b>	<b>Total Taxes Collected</b>	<b>Percentage of Levy</b>		
2001	\$ 67,966,820	\$ 67,850,792	99.83%	\$ 84,705	\$ 67,935,497	99.95%		
2002	73,110,752	72,949,188	99.78%	109,863	73,059,051	99.93%		
2003	85,730,023	85,514,011	99.75%	171,673	85,685,684	99.95%		
2004	94,021,777	93,875,226	99.84%	120,549	93,995,775	99.97%		
2005	98,443,913	97,912,755	99.46%	155,140	98,067,895	99.62%		
2006	106,186,113	105,414,152	99.27%	127,208	105,541,360	99.39%		
2007	\$ 110,599,462	\$ 109,940,545	99.40%	-	\$ 109,940,545	99.40%		

(1) Property taxes are collected in the fiscal year following the year levied.

Source: Adams County Clerk and Recorder, Adams County Assessor, Adams County Treasurer

Note: The information in this schedule relates to the County's own property tax levies, and does not include those it collects on behalf of other governments.

Note: Ten years of comparable data is not available.

**Adams County, Colorado  
Principal Property Tax Payers (1)  
Current Year and Nine Years Ago**

Taxpayer	2007			1998		
	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total County Taxable Assessed Value</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total County Taxable Assessed Value</u>
Suncor Energy, USA, Inc	\$ 107,262,370	1	2.42%			
Xcel Energy Company	101,148,970	2	2.28%	77,372,600	1	3.60%
Qwest Corporation	64,994,200	3	1.46%	41,782,800	2	1.94%
Blue Spruce Energy Center	29,237,200	4	0.66%			
Tri-State Generation	19,837,000	5	0.45%			
Colorado Interstate Gas Co.	19,384,600	6	0.44%	9,593,500	6	0.45%
Avaya, Inc	18,270,000	7	0.41%			
Verizon Wireless, LLC	15,920,700	8	0.36%			
Denver News/Rocky Mtn News	14,306,430	9	0.32%	15,512,680	5	0.72%
United Power, Inc	12,994,800	10	0.29%			
AT & T Communications				40,443,500	3	1.88%
Avaya Equipment Leasing						
Conoco Phillips Company				26,149,420	4	1.22%
US West Newvector Group				8,553,200	7	0.40%
Security Capital				7,595,700	8	0.35%
NS-MPG, Inc				7,341,730	9	0.34%
Brighton Lease Management				7,152,160	10	0.33%
<b>Total</b>	<u><u>\$ 403,356,270</u></u>		<u><u>9.09%</u></u>	<u><u>\$ 241,497,290</u></u>		<u><u>11.23%</u></u>

(1) Source: Adams County Assessor's Office



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Adams County, Colorado  
Direct and Overlapping Property Tax Rates (1)  
Last Ten Fiscal Years

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
<b>Adams County</b>	26.817	25.273	25.681	23.541	26.370	26.779	26.903	26.804	26.974	26.899
<b>Cities</b>										
Arvada	4.310	4.310	4.310	4.310	4.310	4.310	4.310	4.310	4.310	4.310
Aurora	11.507	11.796	10.594	12.193	11.409	11.161	11.079	10.958	10.867	10.701
Bennett	11.950	11.950	11.950	11.950	11.950	11.950	11.950	11.950	11.950	11.950
Brighton	8.861	7.356	8.130	7.248	7.248	6.650	6.650	6.650	6.650	6.650
Broomfield	13.894	13.894	13.894	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Commerce City	23.280	33.280	33.182	33.280	33.280	33.033	33.280	3.280	3.280	3.280
Federal Heights	0.680	0.680	0.680	0.680	0.680	0.680	0.680	0.680	0.680	0.680
Lochbuie	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	13.876	13.876
Northglenn	11.597	11.597	11.597	11.597	11.597	11.597	11.597	11.597	11.597	11.597
Thornton	10.210	10.210	10.210	25.210	25.210	25.210	25.210	10.210	10.210	10.210
Westminster	3.650	3.650	3.650	19.650	19.650	19.650	19.650	3.650	3.650	3.650
<b>School Districts</b>										
District No 1	41.535	39.032	46.106	42.142	42.089	39.878	39.550	36.273	37.107	36.454
District No 12	69.939	64.111	67.694	64.429	63.786	62.040	68.763	67.060	67.044	64.595
District No 14	63.942	56.083	54.507	48.335	47.214	43.886	43.839	41.340	47.443	45.279
District No 26	39.287	39.373	37.461	34.108	34.187	33.121	33.000	31.163	30.169	27.432
District No 27	51.806	48.068	54.581	47.017	47.016	44.494	48.022	39.244	45.562	45.264
District No 28	60.935	53.799	53.686	49.978	49.825	47.964	47.003	45.824	45.745	45.530
District No 29	33.788	32.397	29.982	29.272	30.121	30.072	37.903	36.340	34.156	34.246
District No 31	44.984	45.030	56.502	52.441	52.821	51.676	49.666	49.666	50.631	50.631
District No 32	53.701	49.162	49.093	44.688	44.844	44.560	36.451	34.284	33.910	33.603
District No 50	50.029	44.651	44.073	39.270	50.360	48.427	48.154	46.790	54.276	55.601
District No RE 3	29.307	47.017	47.700	40.723	39.500	40.040	40.040	32.145	31.230	30.708
District No RE 50	39.138	35.702	35.666	50.460	47.251	44.804	42.719	38.603	35.853	36.027
<b>Library Districts</b>										
Arapahoe Library	4.050	3.837	3.808	3.682	3.695	4.916	4.900	4.963	4.893	4.814
Rangeview Library	1.335	1.326	1.296	1.388	1.391	1.387	1.394	1.388	3.659	3.504
<b>Water, Sewer &amp; Sanitation Districts</b>	0.028 to 18.532	0.028 to 15.875	0.025 to 15.703	0.028 to 12.375	0.026 to 90.000	0.027 to 90.000	0.027 to 90.000	0.027 to 60.000	0.027 to 60.000	0.028 to 60.000
<b>Fire Districts</b>	2.786 to 12.004	2.979 to 11.312	2.979 to 12.903	0.940 to 12.828	0.880 to 13.783	0.890 to 13.677	0.890 to 13.684	0.500 to 13.569	4.300 to 13.595	4.300 to 21.000
<b>Park and Recreation Districts</b>	2.960 to 5.020	2.702 to 5.012	2.728 to 5.012	2.589 to 5.012	2.589 to 5.946	2.636 to 7.500	2.517 to 10.000	2.497 to 10.000	2.575 to 10.000	2.589 to 10.000
<b>Metro Districts</b>	10.845 to 60.545	10.845 to 60.545	10.845 to 89.545	10.845 to 89.545	5.497 to 90.000	6.912 to 90.000	10.845 to 112.530	3.000 to 112.530	84.183 to 115.581	3.000 to 65.000
<b>Urban Renewal/Improvement Districts</b>	2.484 to 118.044	2.825 to 118.044	2.825 to 115.487	.500 to 115.487	2.024 to 115.487	1.488 to 115.487	1.488 to 115.487	1.383 to 115.581	5.000 to 121.061	5.000 to 45.000
<b>Urban Drainage Districts</b>	0.080 to 0.676	0.072 to 0.583	0.073 to 0.594	0.069 to 0.521	0.071 to 0.531	0.065 to 0.533	0.066 to 0.538	0.065 to 0.532	0.066 to 0.542	.061 to 0.507

Adams County, Colorado  
Direct and Overlapping Property Tax Rates (1)  
Last Ten Fiscal Years

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
<b>Other Districts</b>										
Aims Junior College	6.253	6.343	6.351	6.620	6.316	6.322	6.328	6.357	6.330	6.308
Airways Business Center	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	37.000
Aurora Singletree	0.000	40.000	40.000	42.579	42.579	48.944	48.944	50.656	48.944	48.944
Brighton Crossing	0.000	0.000	0.000	0.000	0.000	0.000	44.000	44.000	44.000	
Bromley Park	18.000 to 38.000	38.000	38.000	18.000 to 38.000	18.000 to 38.000	18.000 to 43.682	18.000 to 49.500	18.000 to 61.725	18.000 to 61.725	18.000 to 61.725
Buckley Ranch	0.000	0.000	0.000	0.000	0.000	0.000	45.000	45.000	50.000	58.500
Buffalo Highlands	0.000	0.000	0.000	0.000	0.000	0.000	42.000	42.000	42.000	42.000
Buffalo Ridge	30.000	35.000	35.000	35.000	37.257	42.827	42.827	42.653	42.827	42.827
Buffalo Run Mesa	0.000	0.000	0.000	0.000	42.000	42.000	42.000	42.000	44.000	44.000
Colorado International No. 3	0.000	0.000	0.000	0.000	0.000	0.000	46.000	50.000	51.000	51.000
Country Club Highlands	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	25.000
Country Club Village	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	45.000
Cutler Farms	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	45.000
Eagle Shadow	0.000	0.000	0.000	0.000	0.000	0.000	0.000	45.000	45.000	45.000
Fronterra Village 1 & 2	0.000	0.000	35.000	47.918	45.000	45.000	43.000	43.000	43.000	43.000
Heritage Todd Creek	0.000	0.000	0.000	0.000	0.000	0.000	44.255	44.255 to 46.500	44.255 to 46.500	45.500 to 46.500
Huntington Trails	0.000	0.000	0.000	0.000	0.000	0.000	0.000	55.000	55.000	55.000
Lakeview Estates	0.000	49.000	44.000	42.371	41.936	51.460	49.000	42.827	40.000	70.000
Lambertson Lakes	0.000	0.000	0.000	20.000	28.000	32.186	32.186	37.000	37.000	40.000
Prairie Center 1 to 5	0.000	0.000	0.000	0.000	0.000	0.000	35.000 to 45.980	35.000 to 45.980	35.000 to 45.980	35.000 to 50.000
River Oaks	0.000	0.000	0.000	0.000	0.000	0.000	40.000	40.000	50.000	58.500
Riverdale Dunes	40.000	40.000	50.138	50.000	45.000	45.000	45.000	45.000	31.200	31.700
Riverdale Peaks	0.000	0.000	0.000	0.000	0.000	0.000	0.000	48.000	48.000	48.000
Second Creek Farm 1 to 4	0.000	0.000	0.000	0.000	0.000	0.000	0.000	45.000	45.000	45.000
Second Creek Ranch	200.000	182.383	182.383	182.383	90.000	90.000	90.000	60.000	60.000	60.000
Sheridan Crossing	12.000	12.000	12.000	12.000	12.000	12.000	12.000	12.000	12.000	12.000
South BeBee Draw	0.000	0.000	0.000	0.000	0.000	0.000	38.000	38.000	38.000	0.000
Todd Creek Farms No. 2	30.000	30.000	30.000	30.000	18.000	16.500	15.000	15.000	11.000	11.000
Villages at Centricom	0.000	0.000	0.000	38.000	0.000	0.000	0.000	0.000	0.000	0.000
Western Adams County District 1	0.500 to 0.700	0.500 to 0.657	0.500 to 0.657	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Windler Homestead	0.000	0.000	0.000	0.000	0.000	0.000	0.000	27.000	27.000	27.000
Wright Farms	23.000	23.000	23.000	23.000	20.000	20.000	20.000	20.000	20.000	20.000

(1) Source: Adams County Assessor's Office

**Adams County, Colorado**  
**Computation of Direct, Overlapping and Underlying Long-Term Debt**  
**December 31, 2007**

<u>GOVERNMENTAL UNIT</u>	<u>Long-Term Debt</u>	<u>Percent Applicable to County</u>	<u>County's Share of Debt</u>
<b>Direct:</b>			
Adams County	\$ -	0.00%	\$ -
<b>Overlapping:</b>			
City of Aurora	36,545,000	18.05%	6,594,649
City of Brighton	7,000,000	96.76%	6,772,950
School District No. 12	408,831,066	86.33%	352,963,891
School District No. 27J	166,795,000	96.65%	161,203,363
School District No. 28J		30.36%	-
School District No. 29J	10,325,000	53.09%	5,481,190
School District No. 31J	11,639,187	67.90%	7,903,479
School District No. 32J		43.52%	-
School District No. RE-3J	40,014,711	1.13%	452,202
School District No. RE-50J	4,100,000	2.69%	110,451
Bromley Park #2	33,515,000	99.98%	33,509,441
Central Colorado Groundwater Mgmt		8.09%	-
Central Colorado Well Augmentation		0.80%	-
North Metro Fire Rescue District		26.24%	-
North Washington Fire Protection Dist 3	5,585,000	98.76%	5,515,495
Sable-Altura Fire Protection District		64.91%	-
Sand Creek Metropolitan		70.16%	-
<b>Underlying:</b>			
School District No. 1		100.00%	-
School District No. 14	89,255,000	100.00%	89,255,000
School District No. 50		100.00%	-
Aberdeen Metro No. 1	7,000,910	100.00%	7,000,910
Aberdeen Metro No. 2	2,090,000	100.00%	2,090,000
Airways Business Center Metro District	2,550,037	100.00%	2,550,037
Aspen Hills Metropolitan District	1,100,000	100.00%	1,100,000
Aurora Single Tree Metropolitan District	8,190,000	100.00%	8,190,000
Belle Creek Metropolitan District No. 1	5,095,000	100.00%	5,095,000
Bennett Park & Rec		100.00%	-
BNC Metropolitan District No. 1	5,985,000	100.00%	5,985,000
BNC Metro No. 2	5,000,000	100.00%	5,000,000
Bradburn Metro No. 2	3,130,000	100.00%	3,130,000
Bradburn Metro No. 3	6,040,000	100.00%	6,040,000
Brighton Crossing No. 4	13,800,000	100.00%	13,800,000
Bromley Park No. 3		100.00%	-
Bromley Park N. 6		100.00%	-
Buckley Ranch Metropolitan District	2,850,000	100.00%	2,850,000
Buffalo Ridge Metropolitan District	10,774,000	100.00%	10,774,000
Buffalo Run Mesa Metropolitan District	7,244,000	100.00%	7,244,000
Colorado International Center Metro Dist 3-10	8,875,000	100.00%	8,875,000
Commerce City Northern Infrastructure GID	54,590,000	100.00%	54,590,000
Country Club Village 1		100.00%	-
Eagle Creek Metropolitan District	3,190,000	100.00%	3,190,000
Eagle Shadow Metropolitan Dist. No. 1	11,405,000	100.00%	11,405,000
Eastpark 70 Metro	5,762,004	100.00%	5,762,004
Fallbrook Metropolitan District	8,500,000	100.00%	8,500,000
Front Range Metropolitan District		100.00%	-
Fronterra Village Metropolitan District	15,450,000	100.00%	15,450,000
Fronterra Village Metropolitan District No. 2	7,860,000	100.00%	7,860,000
Greatrock North Water & Sanitation District	4,420,000	100.00%	4,420,000

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<b>GOVERNMENTAL UNIT</b>	<b>Long-Term Debt</b>	<b>Percent Applicable to County</b>	<b>County's Share of Debt</b>
Heritage Todd Creek Metro District	27,882,000	100.00%	27,882,000
Hi-land Acres Water & Sanitation	74,190	100.00%	74,190
Highpoint Metropolitan District	1,645,000	100.00%	1,645,000
Himalaya Water & Sanitation	4,815,000	100.00%	4,815,000
Horse Creek Metropolitan District		100.00%	-
Huntington Trails Metropolitan	3,000,000	100.00%	3,000,000
Hyland Hills Metro Parks & Rec District	14,910,000	100.00%	14,910,000
Lambertson Lakes Metropolitan District	6,500,000	100.00%	6,500,000
Laredo Metropolitan District	4,700,000	100.00%	4,700,000
Larkridge Metropolitan District No. 1	10,000,000	100.00%	10,000,000
Larkridge Metropolitan District No. 2	5,200,000	100.00%	5,200,000
North Range Metropolitan District No. 1	38,785,420	100.00%	38,785,420
North Range Village Metropolitan District	8,665,000	100.00%	8,665,000
Northern Metropolitan District		100.00%	-
Potomac Farms Metropolitan District	4,680,000	100.00%	4,680,000
Riverdale Dunes Metropolitan Dist. No. 1	2,900,000	100.00%	2,900,000
Riverdale Peaks No. 2	3,100,000	100.00%	3,100,000
River Oaks Metropolitan District	3,915,000	100.00%	3,915,000
South Beebe Draw		100.00%	-
Southwest Adams County Fire District 2	1,545,570	100.00%	1,545,570
Todd Creek Farms Metropolitan Dist. No. 2	2,205,000	100.00%	2,205,000
Tower Metro District	14,535,000	100.00%	14,535,000
	<b>\$ 1,173,563,095</b>		<b>\$ 1,029,720,242</b>

Source: Adams County Finance Department

Adams County, Colorado  
Legal Debt Margin Information \*  
Last Ten Years

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Assessed Property Value	\$ 2,239,882,680	\$ 2,628,231,600	\$ 2,784,871,280	\$ 3,286,291,280	\$ 3,570,681,340	\$ 3,754,252,600	\$ 4,092,791,580	\$ 4,447,473,620	\$ 4,652,893,320	\$ 5,191,535,030
Statutory Debt Limit 3%	67,196,480	78,846,948	83,546,138	98,588,738	107,120,440	112,627,578	122,783,747	133,424,209	139,586,800	155,746,051
Constitutional Limit 1.5%	33,598,240	39,423,474	41,773,069	49,294,369	53,560,220	56,313,789	61,391,874	66,712,104	69,793,400	77,873,025
Debt Applicable to Limit										
General Obligation Bonds	-	-	-	-	-	-	-	-	-	-
Other Applicable Debt	-	-	-	-	-	-	-	-	-	-
Net Debt Applicable to Limits	-	-	-	-	-	-	-	-	-	-
Legal Debt Margin (1)	\$ 33,598,240	\$ 39,423,474	\$ 41,773,069	\$ 49,294,369	\$ 53,560,220	\$ 56,313,789	\$ 61,391,874	\$ 66,712,104	\$ 69,793,400	\$ 77,873,025
Total Debt as percentage of debt limit	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

(1) Adams County complies with the Constitutional Limit as required under Article X TABOR amendment of 1.5%

\* Difference between Assessed Property Value to compute Legal Debt Margin and Assessed Valuation for Assessed/Actual Value of Taxable Property is value of Exempt property.

**Adams County, Colorado**  
**Demographic and Economic Statistics**  
**Last Ten Years**

<b>Fiscal Year</b>	<b>Population (1)</b>	<b>Per Capita Personal Income (2)</b>	<b>Annual Total Personal Income (2)</b>	<b>Median Age (3)</b>	<b>Public School Enrollment (4)</b>	<b>Unemployment Rate (2)</b>
1998	314,075	23,112	7,929,673,000	31.40	56,443	3.6%
1999	328,167	24,780	8,775,741,000	31.50	56,975	2.7%
2000	366,660	26,721	9,811,286,000	31.50	60,663	2.8%
2001	360,531	24,764	10,355,847,000	31.60	63,340	4.2%
2002	373,551	27,605	10,300,515,000	31.70	65,990	6.4%
2003	381,739	27,438	10,464,981,000	31.90	67,922	7.0%
2004	390,794	28,119	10,967,707,000	32.00	68,629	6.5%
2005	402,110	29,001	11,664,586,000	32.20	73,348	5.2%
2006	415,010	Not Available	Not Available	32.40	74,157	5.0%
2007	424,245	Not Available	Not Available	32.60	75,780	4.8%

(1) Source: State Demography Office, Colorado Division of Local Government.  
Population is adjusted as forecasts and estimates change

(2) Source: Bureau of Economic Analysis, Colorado Department of Labor & Employment

(3) Source: Colorado Department of Local Affairs

(4) Source: Colorado Department of Education

**Adams County, Colorado  
Principal Employers  
2007 and 1998**

<b>Employer</b>	<b>2007</b>			<b>1998</b>		
	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total County Employment</b>	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total County Employment</b>
Lucent/Bell Technologies				3800	1	2.1862%
United Parcel Service	3500	1	1.6361%	2500	2	1.4383%
Children's Hospital	3000	2	1.4024%			
Echo Star Communications	1400	3	0.6544%	1300	3	0.7479%
Avaya Communications	1000	4	0.4675%			
Western Distributing	750	5	0.3506%			
Shamrock Foods	650	6	0.3038%			0.0000%
T-Mobile	650	6	0.3038%			
Wagner Equipment Company	630	8	0.2945%			
HealthOne: North Suburban Medical Center	630	8	0.2945%			
St Anthony Hospital North	625	10	0.2922%			
Tele Tech, Electrical Service & Support				1100	4	0.6329%
King Soopers				1077	5	0.6196%
Nations Way Transport				1000	6	0.5753%
Kmart				805	7	0.4631%
Columbia North Suburban Medical Center				700	8	0.4027%
Metro Temporaries				660	9	0.3797%
McDonalds				601	10	0.3458%
<b>Total</b>	<b>12,835</b>		<b>5.9998%</b>	<b>13,543</b>		<b>7.7917%</b>

Sources: Adams County Economic Development (Employer Data)  
Colorado Department of Labor & Employment (Total employed in Adams County)

Does not include governmental entities.



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**Adams County, Colorado**  
**Capital Asset Statistics by Function/Program**  
**Last Three Years**

<u>Function/Program</u>	<u>2005</u>	<u>Fiscal Year</u> <u>2006</u>	<u>2007</u>
<b>General Government</b>			
Square Footage of Buildings	392,750	392,750	392,750
Number of Vehicles (Including Motor Pool)	89	85	87
<b>Public Safety</b>			
Square Footage of Detention Center	342,107	342,107	342,107
Square Footage of Other Buildings	158,108	186,468	168,360
Number of Vehicles	152	164	169
<b>Public Works</b>			
Number of Vehicles	67	65	65
Miles of Roads and Streets Maintained	1,147	1,159	1,162
Number of Traffic Signals Maintained	25	25	29
<b>Culture &amp; Recreation</b>			
Acres of Parks	1,200	1,200	1,200
Miles of Trails	20	20	22
<b>Health and Welfare</b>			
Square Footage of Buildings	134,798	134,798	134,798
<b>Conservation of Natural Resources</b>			
Acres of Open Space Land	827	1,157	1,157
Acres of Conservation Easements	385	385	406

Source: Various Adams County Departments

Note: Ten years of comparable data is not available.

**Adams County, Colorado**  
**Full-time Equivalent County Employees by Function/Program**  
**Last Five Years**

**Full-time Equivalent Employees as of December 31**

<b>Program/Function</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
<b>General Government</b>					
Management	47.00	53.00	77.00	72.50	85.00
Professional/Technical	159.00	148.50	136.00	129.50	151.00
Administrative Support	157.00	169.75	163.25	157.50	180.75
Labor and Trade	38.00	40.00	48.50	25.00	36.00
<b>Public Safety</b>					
Management	7.00	7.00	7.00	6.00	6.00
Officers	336.00	365.00	359.00	384.00	396.00
Civilian Professional/Technical	33.00	32.50	45.00	37.00	45.25
Administrative Support	91.25	94.00	84.50	94.00	93.75
<b>Health &amp; Welfare</b>					
Management	12.00	11.00	12.00	8.00	9.00
Professional/Technical	339.00	372.00	347.50	377.00	376.50
Administrative Support	67.00	66.50	55.00	76.00	76.00
Labor & Trade	9.00	8.00	11.50	10.00	10.75
<b>Economic Opportunity</b>					
Management	1.00	1.00	0.00	2.00	2.00
Professional/Technical	39.50	40.50	58.00	57.00	45.00
Administrative Support	3.00	2.50	4.00	4.00	3.00
<b>Public Works</b>					
Management	5.00	5.00	5.00	5.00	4.00
Professional/Technical	28.00	29.00	27.00	28.00	25.00
Administrative Support	6.00	6.00	7.00	8.00	8.00
Labor & Trade	65.00	67.00	76.00	82.00	84.00
<b>Urban Housing and Redevelopment</b>					
Management	1.00	1.00	1.00	2.00	2.00
Professional/Technical	4.00	4.00	4.00	4.00	5.00
Administrative Support	3.00	3.00	3.00	2.00	2.00
<b>Conservation of Natural Resources</b>					
Management	2.00	2.00	4.00	4.00	4.00
Professional/Technical	7.00	11.00	7.00	5.00	7.00
Administrative Support	6.00	5.00	5.00	1.50	2.75
Labor & Trade	20.00	19.00	20.00	24.00	17.00
<b>Total FTE Employees</b>	<b>1,485.75</b>	<b>1,563.25</b>	<b>1,567.25</b>	<b>1,605.00</b>	<b>1,676.75</b>

Source: Adams County Human Resource Department

Note: Ten years of comparable data is not available.

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Board of County Commissioners  
Adams County, Colorado

**INDEPENDENT AUDITORS' REPORT ON SCHEDULE OF  
EXPENDITURES OF FEDERAL AWARDS**

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Adams County, as of and for the year ended December 31, 2007, which collectively comprise the basic financial statements of Adams County, and have issued our report thereon dated May 12, 2008. These financial statements are the responsibility of Adams County's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards*, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Adams County's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. The information in this schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Swanhorst & Company LLC*

May 12, 2008

**ADAMS COUNTY, COLORADO**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Year Ended December 31, 2007**

Agency/Program Title	Federal CFDA Number	Grant Number	Grant Period	2006 Expenditures
<b>Department of Health and Human Services:</b>				
<i>Passed Through Colorado Department of Human Services:</i>				
TANF	93.558		01/07 to 12/07	\$ 8,962,387
Title IV-D Child Support Enforcement	93.563		01/07 to 12/07	2,489,588
Low-Income Home Energy Assistance (LEAP)	93.568		01/07 to 12/07	2,270,170
Child Care and Development Block Grant (CCDF)	93.575		01/07 to 12/07	968,462
Child Care and Development Fund (CCDF)	93.596		01/07 to 12/07	2,640,665
Title IV-B Child Welfare Service	93.645		01/07 to 12/07	404,060
Title IV-E Foster Care	93.658		01/07 to 12/07	6,137,770
Title IV-E Adoption Assistance	93.659		01/07 to 12/07	1,536,551
Social Services Block Grant	93.667		01/07 to 12/07	2,082,148
Chafee Foster Care Independence Program	93.674		01/07 to 12/07	156,141
Title XIX - Medical Assistance Program	93.778		01/07 to 12/07	2,195,286
Subtotal:				<u>\$ 29,843,228</u>
<i>Passed Through Colorado Department of Local Affairs:</i>				
Community Services Block Grant:	93.569			
PY 2006/2007		L6CSBG01	3/06 to 2/07	\$ 58,359
PY 2007/2008		L7CSBG01	3/07 to 3/08	307,880
Subtotal:				<u>\$ 366,239</u>
<i>Passed Through Denver Regional Council of Governments:</i>				
Aging Title III Part B Grants Special Programs for Aging	93.044	EX06068	7/06 to 6/07	\$ 39,117
Aging Title III Part B Grants Special Programs for Aging	93.044	EX07068	7/07 to 6/08	24,640
Subtotal:				<u>\$ 63,757</u>
<i>Direct Programs:</i>				
Head Start	93.600			
FY 2005/2006		08CH0008/33	11/05 to 10/06	\$ (1,704)
FY 2006/2007		08CH0008/34	11/06 to 10/07	2,529,826
FY 2007/2008		08CH0008/35	11/07 to 10/08	522,122
Subtotal:				<u>\$ 3,050,244</u>
<b>Total Department of Health &amp; Human Services</b>				<b><u>\$ 33,323,468</u></b>
<b>Department of Agriculture:</b>				
<i>Passed Through Colorado Department of Human Services:</i>				
Food Stamps - non-cash	10.551		01/07 to 12/07	\$ 29,838,496
Food Stamp Administration	10.561		01/07 to 12/07	2,725,399
Emergency Food Assistance Admin. (TEFAP)	10.568		01/07 to 12/07	46,148
Emergency Food Assistance - Food Commodities (TEFAP)	10.569		01/07 to 12/07	170,319
Subtotal:				<u>\$ 32,780,362</u>
<i>Passed Through Colorado Department of Public Health &amp; Environment:</i>				
Child & Adult Care Food Program (CACFP) 06/07	10.558		9/06 to 8/07	\$ 124,465
Child & Adult Care Food Program (CACFP) 07/08	10.558		9/07 to 8/08	59,446
Subtotal:				<u>\$ 183,911</u>
<b>Total Department of Agriculture</b>				<b><u>\$ 32,964,273</u></b>

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**ADAMS COUNTY, COLORADO**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Year Ended December 31, 2007**

Agency/Program Title	Federal CFDA Number	Grant Number	Grant Period	2006 Expenditures
<b>Department of Labor:</b>				
<i>Passed Through Colorado Dept. of Labor &amp; Employment:</i>				
Workforce Investment Act:				
Disabled Veterans Outreach (DVOP)	17.801	07/08 KAA 0001	10/06 to 9/08	\$ 18,119
Local Veteran's Employment Representative Program (LVER)	17.804	07/08 KAA 0001	10/06 to 9/08	15,156
25% Enhanced Dislocated Worker	17.260	06 KAA 0001	7/05 to 6/07	282,710
25% Enhanced Dislocated Worker	17.260	07 KAA 0001	9/07 to 6/09	43,339
Adult	17.258	07 KAA 0001	10/06 to 6/08	1,458,055
Youth	17.259	06 KAA 0001	7/05 to 6/07	66,098
Youth	17.259	07 KAA 0001	7/06 to 6/08	964,767
10% Summer Job Hunt	17.259	07 KAA 0001	2/07 to 8/07	32,000
Dislocated Workers	17.260	07 KAA 0001	7/06 to 6/08	400,089
UI Reemployment Services	17.207	06 KAA 0001	7/05 to 6/06	6,401
25% Set Aside	17.258	06 KAA 0001	10/06 to 6/07	23,500
25% Set Aside	17.258	07 KAA 0001	7/06 to 6/08	29,820
25% Discretionary/BSN/RN	17.260	06 KAA 0001	10/05 to 6/07	3,930
Subtotal:				<u>\$ 3,343,984</u>
Wagner Peyser:				
Wagner Peyser 10% Spec	17.207	07 KAA 0001	12/06 to 6/08	\$ 36,739
Wagner Peyser	17.207	07 KAA 0001	7/06 to 6/07	\$ 600,373
Wagner Peyser	17.207	08 KAA 0001	7/07 to 6/08	573,997
Subtotal:				<u>\$ 1,211,109</u>
<i>Passed Through Department of Local Affairs:</i>				
10% Discretionary/Marketing	17.260	07WF05AD	9/06 to 7/07	\$ 25,000
10% Discretionary/Marketing	17.260	08WF12AD	8/07 to 7/08	3,763
10% Discretionary/BSN/RN	17.260	06WF30AD	1/06 to 12/07	115,216
10% Discretionary/CIMS	17.260	07WF14AD	12/06 to 9/07	21,665
10% Discretionary/CIMS	17.260	08WF23AD	11/07 to 10/08	3,000
10% Discretionary/Clinical Scholars	17.260	06WF31AD	1/06 to 12/07	56,341
Disability Program Navigator	17.266	L5DPNAD	7/05 to 6/06	(434)
Disability Program Navigator	17.266	L7DPNAD	7/06 to 9/07	25,299
Disability Program Navigator	17.266	REHB0800231	8/07 to 6/08	11,079
Disability Program Navigator	17.266	L8DPNAD	8/07 to 6/08	12,121
Subtotal:				<u>\$ 273,050</u>
<b>Total Department of Labor</b>				<b><u>\$ 4,828,143</u></b>
<b>Department of Housing and Urban Development:</b>				
<i>Direct Programs:</i>				
Community Development Block Grant	14.218			
PY 2006/2007		B-06-UC-08-0001	3/06 to 2/07	167,084
PY 2007/2008		B-07-UC-08-0001	3/07 to 2/08	2,281,263
Subtotal:				<u>\$ 2,448,347</u>
Home Investment Partnerships Program (HOME)	14.239			
PY 2006/2007		M-06-DC-08-0001	3/06 to 2/07	462,112
PY 2007/2008		M-07-DC-08-0001	3/07 to 2/08	1,451,729
Subtotal:				<u>\$ 1,913,841</u>
<b>Total Department of Housing &amp; Urban Development</b>				<b><u>\$ 4,362,188</u></b>

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**ADAMS COUNTY, COLORADO**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Year Ended December 31, 2007**

<b>Agency/Program Title</b>	<b>Federal CFDA Number</b>	<b>Grant Number</b>	<b>Grant Period</b>	<b>2006 Expenditures</b>
<b>Department of Homeland Security</b>				
<i>Passed Through Colorado Department of Local Affairs:</i>				
Emergency Management Performance Grants (FEMA-LEMS)	97.042	7EM07L01	12/06 to 12/07	\$ 54,000
<i>Passed Through Metro Emergency Food and Shelter Board</i>				
Emergency Food and Shelter Program	97.024	LRO-096800-005	1/07 to 12/07	\$ 20,043
<i>Passed Through Department of Local Affairs</i>				
Disaster Grants - Public Assistance	97.036	7EM79B1	12/06 to 12/06	\$ 137,768
<i>Passed Through Arapahoe County</i>				
State Homeland Security Program	97.073	5EM75803	4/05 to 8/07	\$ 73,252
Citizen Corps	97.053		1/07 to 12/07	15,077
Subtotal:				\$ 88,329
<b>Total Department of Homeland Security</b>				<b>\$ 300,140</b>
<b>Department of Justice:</b>				
<i>Direct Programs:</i>				
SCAAP	16.606	2007APBX0446	1/07 to 12/08	\$ 244,599
SCAAP	16.606	2008APBX0265	1/07 to 12/08	259,822
Bulletproof Vest Program	16.607	2006BOBX06132944	9/06 to 9/11	7,417
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2007-DJ-BX-0296	10/06to 9/10	68,645
Subtotal:				\$ 580,483
<i>Passed Through State Department of Public Safety:</i>				
Crime Victim Assistance (Domestic Violence)	16.575	25-VA-17-48	1/06 to 12/06	\$ 47,962
Crime Victim Compensation	16.576	25-VC-17 & 26-VC-17		719,421
Juvenile Accountability Incentive Block Grants	16.523	25-JB-L-17-22	10/06 to 9/07	47,078
Juvenile Accountability Incentive Block Grants	16.523	26-JB-L-17-22	10/07 to 9/08	11,396
Subtotal:				\$ 825,857
<b>Total Department of Justice</b>				<b>\$ 1,406,340</b>
<b>Department of Transportation:</b>				
<i>Passed Through Colorado Department of Transportation.</i>				
Highway Planning & Construction (YorkNiver)	20.205	STE-C120-013	9/05 to	\$ 296,238
Highway Planning & Construction (Pecos Street Gradation)	20.205	SHO- R600-277	4/06 to	231,467
<b>Total Department of Transportation</b>				<b>\$ 527,705</b>
<b>Corporation for National and Community Service</b>				
<i>Passed Through Colorado Child &amp; Parent Foundation</i>				
Americorps	94.006		9/06 to 8/08	\$ 32,246
<b>Total Corporation for Federal and National Community Service</b>				<b>\$ 32,246</b>
<b>Department of Education</b>				
<i>Passed Through Colorado Child &amp; Parent Foundation</i>				
Parental Assistance Centers	84.310A		10/07 to 9/08	\$ 13,500
<b>Total Department of Education</b>				<b>\$ 13,500</b>
<b>Total Expenditures of Federal Awards</b>				<b>\$ 77,758,003</b>



**ADAMS COUNTY, COLORADO**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Year Ended December 31, 2007**

**NOTE 1: BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards is presented in accordance with the requirements of OMB Circular A-133 *Audits of States, Local Governments, and non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in the financial statements.

**NOTE 2: SUBRECIPIENTS**

The following programs receiving funds from the U.S. Department of Housing Urban Development, and the U.S. Department of Health and Human Services passed through the Colorado Department of Local Affairs, provided awards to subrecipients as follows:

<u>Agency/Program Title</u>	<u>CFDA #</u>	Amount Provided to <u>Subrecipients</u>
Community Development Block Grant	14.218	\$1,399,307
HOME Partnership Investment Act	14.239	\$1,836,161
Community Services Block Grant	93.569	\$94,723



Board of County Commissioners  
Adams County, Colorado

**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***

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Adams County, as of and for the year ended December 31, 2007, which collectively comprise the basic financial statements of Adams County, and have issued our report thereon dated May 12, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered Adams County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Adams County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Adams County's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects Adams County's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of Adams County's financial statements that is more than inconsequential will not be prevented or detected by Adams County's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by Adams County's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

### Compliance and Other Matters

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

This report is intended solely for the information and use of the Board of County Commissioners, management, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Swanlund & Company LLC*

May 12, 2008



Board of County Commissioners  
Adams County, Colorado

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH  
REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND  
ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE  
WITH OMB CIRCULAR A-133**

**Compliance**

We have audited the compliance of Adams County with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 2007. Adams County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Adams County's management. Our responsibility is to express an opinion on Adams County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Adams County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Adams County's compliance with those requirements.

In our opinion, Adams County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2007.

**Internal Control Over Compliance**

The management of Adams County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Adams County's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Adams County's internal control over compliance.

A control deficiency in Adams County's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects Adams County's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by Adams County's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by Adams County's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Board of County Commissioners, management, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Swanlund & Company LLC*

May 12, 2008

ADAMS COUNTY, COLORADO  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For the Year Ended December 31, 2007

**Summary of Auditors' Results**

*Financial Statements*

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

- Material weaknesses identified? \_\_\_\_\_ yes     no
  
- Significant deficiencies identified that are not considered to be material weaknesses? \_\_\_\_\_ yes     none reported

Noncompliance material to financial statements noted?

\_\_\_\_\_ yes     no

*Federal Awards*

Internal control over major programs:

- Material weaknesses identified? \_\_\_\_\_ yes     no
  
- Significant deficiencies identified that are not considered to be material weaknesses? \_\_\_\_\_ yes     none reported

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

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133?

\_\_\_\_\_ yes     no

Identification of major programs:

10.551 Food Stamps

10.561 State Administrative Matching Grants for Food Stamp Program

Dollar threshold used to distinguish between type A and type B programs: \$2,332,740

Auditee qualified as low-risk auditee?

yes    \_\_\_\_\_ no

**Financial Statement Findings**

The audit of the financial statements did not disclose significant deficiencies in internal control that would be considered material weaknesses, and did not disclose fraud, illegal acts, violations of provisions of contracts and grant agreements, or abuse that were material to those financial statements.

**Federal Awards Findings and Questioned Costs**

The audit of federal awards did not disclose significant deficiencies in internal control that would be considered material weaknesses, and did not disclose instances of noncompliance or abuse that were material to those federal awards.

**ADAMS COUNTY, COLORADO**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**For the Year Ended December 31, 2007**

None.

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

<b>LOCAL HIGHWAY FINANCE REPORT</b>	City or County: County of Adams
	YEAR ENDING : December 2007
This Information From The Records Of (example - City of _ or County of County of Adams)	Prepared By: Tracy B. Vidmar Phone: 303-654-6292

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES		III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES	
ITEM	AMOUNT	ITEM	AMOUNT
<b>A. Receipts from local sources:</b>		<b>A. Local highway disbursements:</b>	
1. Local highway-user taxes		1. Capital outlay (from page 2)	14,082,665
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	8,978,026
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	1,323,151
2. General fund appropriations		b. Snow and ice removal	310,951
3. Other local imposts (from page 2)	36,469,161	c. Other	
4. Miscellaneous local receipts (from page 2)	100,362	d. Total (a. through c.)	1,634,102
5. Transfers from toll facilities		4. General administration & miscellaneous	18,272,768
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	811,330
a. Bonds - Original Issues		6. Total (1 through 5)	43,778,891
b. Bonds - Refunding Issues		<b>B. Debt service on local obligations:</b>	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	
7. Total (1 through 6)	36,569,523	b. Redemption	
<b>B. Private Contributions</b>	745,320	c. Total (a. + b.)	0
<b>C. Receipts from State government (from page 2)</b>	7,708,815	2. Notes:	
<b>D. Receipts from Federal Government (from page 2)</b>	137,768	a. Interest	
<b>E. Total receipts (A.7 + B + C + D)</b>	45,161,426	b. Redemption	
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	0
		<b>C. Payments to State for highways</b>	
		<b>D. Payments to toll facilities</b>	
		<b>E. Total disbursements (A.6 + B.3 + C + D)</b>	43,778,891

**IV. LOCAL HIGHWAY DEBT STATUS**  
(Show all entries at par)

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

**V. LOCAL ROAD AND STREET FUND BALANCE**

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	19,456,410	45,161,426	43,778,891	20,838,945	0

Notes and Comments: f



<b>LOCAL HIGHWAY FINANCE REPORT</b>	STATE: Colorado
	YEAR ENDING (mm/yy): December 2007

**II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL**

ITEM	AMOUNT	ITEM	AMOUNT
<b>A.3. Other local imposts:</b>		<b>A.4. Miscellaneous local receipts:</b>	
a. Property Taxes and Assessments	5,321,484	a. Interest on investments	61,757
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes	20,116,281	c. Parking Garage Fees	
2. Infrastructure & Impact Fees	387,000	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses	52,544	f. Charges for Services	315
5. Specific Ownership &/or Other	10,591,852	g. Other Misc. Receipts	16,124
6. Total (1. through 5.)	31,147,677	h. Other	22,166
c. Total (a. + b.)	36,469,161	i. Total (a. through h.)	100,362
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
<b>C. Receipts from State Government</b>		<b>D. Receipts from Federal Government</b>	
1. Highway-user taxes	6,803,045	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	137,768
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	378,066	d. Federal Transit Admin	
d. Other (Pecos Street Project)	231,466	e. U.S. Corps of Engineers	
e. Other (Niver/York Project)	296,238	f. Other Federal	
f. Total (a. through e.)	905,770	g. Total (a. through f.)	137,768
4. Total (1. + 2. + 3.f)	7,708,815	3. Total (1. + 2.g)	
			(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)
<b>A.1. Capital outlay:</b>			
a. Right-Of-Way Costs		21,134	21,134
b. Engineering Costs		834,965	834,965
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements		6,988,114	6,988,114
(3). System Preservation		6,238,452	6,238,452
(4). System Enhancement & Operation			0
(5). Total Construction (1) + (2) + (3) + (4)	0	13,226,566	13,226,566
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	14,082,665	14,082,665
			(Carry forward to page 1)

**Notes and Comments:**

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