



COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the year ended Dec. 31, 2012



COMPREHENSIVE ANNUAL FINANCIAL REPORT

ADAMS COUNTY, COLORADO

For The Year Ended December 31, 2012

Board of County Commissioners

Eva J. Henry, Chairman

Charles “Chaz” Tedesco

Erik Hansen

County Administrator

James Robinson

Assistant County Administrator

Todd Leopold

Director of Finance

Richard C. Lemke

General Accounting Manager

Mary N. Ha

Accountants

Lynn Cruz, Denise Miller, Osgood McCollum

Issued by:

Finance Department

**Adams County, Colorado
Comprehensive Annual Financial Report
For the Year Ended December 31, 2012**

TABLE OF CONTENTS

	<u>Page</u>
I. <u>INTRODUCTORY SECTION:</u>	
Letter of Transmittal	i
GFOA Certificate of Achievement	vii
Organizational Chart	ix
Listing of Principal Officials	x
 II. <u>FINANCIAL SECTION:</u>	
Independent Auditors' Report	1
Management's Discussion and Analysis (Required Supplementary Information)	5
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Position	20
Statement of Activities.....	21
Fund Financial Statements:	
Balance Sheet-Governmental Funds.....	23
Statement of Revenues, Expenditures and Changes in Fund Balances-Governmental Funds.....	24
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement Activities.....	25
Statement of Net Position-Proprietary Funds.....	26
Statement of Revenues, Expenses and Changes in Fund Net Position-Proprietary Funds	27
Statement of Cash Flows-Proprietary Funds.....	28
Statement of Fiduciary Net Assets-Fiduciary Funds.....	29
Notes to the Basic Financial Statements.....	31
Required Supplementary Information:	
Budgetary Comparison Schedule-General Fund	63
Budgetary Comparison Schedule-Road and Bridge Fund	66
Budgetary Comparison Schedule-Social Services Fund.....	67
Notes to Required Supplementary Information	68
Supplementary Statements and Schedules:	
Combining Balance Sheet-Non-major Governmental Funds	70
Combining Statement of Revenues, Expenditures and Changes in Fund Balances-Non-major Governmental Funds.....	72
Budgetary Comparison Schedule-Capital Facilities Fund	74
Explanation of Nonmajor Special Revenue Funds.....	75
Budgetary Comparison Schedules-Special Revenue Funds:	
Developmentally Disabled Fund	76
Conservation Trust Fund	77
Waste Management Fund.....	78
Open Space Projects Fund	79
Open Space Sales Tax Fund.....	80
DIA Noise Mitigation Fund	81
Community Development Block Grant Fund	82
Head Start Fund	83
Other Human Services Fund	84
Community Services Block Grant Fund	85
Workforce and Business Center Fund.....	86
Explanation of Enterprise Fund.....	87
Budgetary Comparison Schedule-Enterprise Fund:	
Golf Course Fund	88
Explanation of Internal Service Funds.....	89
Combining Statement of Net Position-Internal Service Funds.....	90
Combining Statement of Revenues, Expenses and Changes in Fund Net Position-Internal Service Funds.....	91
Combining Statement of Cash Flows-Internal Service Funds.....	92
Budgetary Comparison Schedule-Equipment Service Fund.....	93
Budgetary Comparison Schedule-Insurance Claims Fund	94

Explanation of Agency Funds	95
Combining Statement of Changes in Fiduciary Assets and Liabilities	96

III. STATISTICAL SECTION:

Statistical Section Index	97
Financial Trends	
Net Assets by Component.....	99
Changes in Net Position	100
Governmental Activities Expense Change Graphs	102
Changes in Program and General Revenue Graph	104
Fund Balances, Governmental Funds.....	105
Changes in Fund Balances, Governmental Funds	106
Changes in Fund Balances, Governmental Funds Graphs	107
Revenue Capacity	
Assessed/Actual Value of Taxable Property.....	108
Property Tax Levies and Collections.....	109
Principal Property Tax Payers	110
Direct and Overlapping Property Tax Rates	111
Debt Capacity	
Ratio of Outstanding Debt by Type	112
Computation of Direct, Overlapping and Underlying Long-Term Debt.....	113
Legal Debt Margin Information.....	115
Demographic and Economic Information	
Demographic and Economic Statistics	116
Principal Employers	117
Operating Information	
Capital Asset Statistics by Function/Program	118
Full-Time Equivalent County Employees by Function/Program	119

IV. COMPLIANCE SECTION:

Schedule of Expenditures of Federal Awards	121
Notes to the Schedule of Expenditures of Federal Awards.....	124
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 <i>Government Auditing Standards</i>	126
Independent Auditors' Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133	128
Schedule of Findings and Questioned Costs	131
Schedule of Prior Audit Findings	136
Local Highway Finance Report	142



MISSION

To responsibly serve
the Adams County community
with integrity and innovation

Richard C. Lemke
DIRECTOR



Finance Department
4430 South Adams County Parkway
4th Floor, Suite C4000A
Brighton, CO 80601-8212
PHONE 720.523.6050
FAX 720.523.6058
www.adcogov.org

May 31, 2013

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

We are pleased to present the Comprehensive Annual Financial Report for Adams County, Colorado, for the fiscal year ended December 31, 2012.

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 compliance section of this report.

The County's financial statements have been audited by CliftonLarsonAllen LLP, a competitively selected 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, 2012 are free of material misstatements. The independent audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement

BOARD OF COUNTY COMMISSIONERS

Eva J. Henry
DISTRICT 1

Charles "Chaz" Tedesco
DISTRICT 2

Erik Hansen
DISTRICT 3

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, 2012 are presented fairly and in conformity with GAAP. The independent auditors' report is presented on the first page of the financial section of this report.

GAAP require 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 beginning on page 5 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 and ten 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, encompasses 1,182 square miles. It is topographically characterized by a series of wide valleys separated by gently rolling uplands. A number of growing municipalities make up the incorporated areas of the County: Commerce City, Northglenn, Federal Heights, Thornton, and portions of Aurora, Bennett, Brighton (the county seat), 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 public hearings on Mondays and study sessions on Monday's 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.

On the 2012 ballot, Adams County voters passed a measure that will expand the Board of County Commissioners from three members to five. The County is holding public hearings to determine the new alignment of the expanded number of commissioner districts. The increase to five commissioners will be in place beginning in January 2015 based upon an election in November of 2014.

In addition to the Board of County Commissioners, a number of fellow elected officials serving Adams County including; the Assessor, Clerk and Recorder, Coroner, Sheriff, Surveyor, Treasurer, and District

Attorney. These constitutionally established 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 comprehensive range of services, including; but not limited to, Assessor; Clerk and Recorder; 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.

During 2012, Adams County began implementing several initiatives to improve our programs and services direct efforts toward progress. Part of this effort included restructuring the departments under the county administrator. A Deputy County Administrator position was hired in 2012 and several of the existing departmental functions were assigned under this new alignment including; Parks and Community Resources Department, Planning Department, Public Works Department and a newly created Neighborhood Services Department. The Deputy County Administrator also manages the County's Sustainability Coordinator, Transportation Coordinator and GIS (Geographic Information Systems) Operations staff which consolidated personnel from four separate functional areas. Another position, the Assistant County Administrator, manages Legislative Policy, Criminal Justice Coordinator and the County's Communications Services functions. The County Administrator will continue to manage the Facility Planning and Operations Department, Finance Department, Human Resources Department, Human Services Department and manages a recently in-sourced Information Technology Department. The County Administrator will also manage the Deputy County Administrator, Assistant County Administrator and the Emergency Management Department. This new structure was approved in public hearing on December 5, 2012. Please page X to see the County's organization chart.

In January 2012, the Board of County Commissioners adopted a new mission, vision, values and goals for the County. The mission is to responsively serve the Adams County community with integrity and innovation. The vision is to provide our community a safe, healthy environment to work, raise families and build businesses. The values we are committed to are; a positive work environment, servant leadership, teamwork, transparency and credibility. Our goals focus on prosperity, customer service and community.

Also in 2012, the County launched our transparency portal which supports one of the new values mentioned above. The transparency portal offers information about our public meetings, financial reports including; contracts, purchasing card transactions, budget information and our CAFRs. The transparency portal also presents information about our lobbying efforts, land use, elections and how to obtain open records. Our efforts for providing a comprehensive portal for public information were rewarded by the Editors of the Sunshine Review, which gave Adams County an "A" grade. In April of 2012, the County hired an internal auditor to help examine the business processes and provide recommendation to strengthen internal controls and optimize efficiencies. An independent ethics officer was also hired in April. These efforts are aimed at helping Adams County improve with integrity.

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 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 preliminary budget that is recommended and presented by the County Administrator 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 68.

Any revisions altering total expenditures of a fund or spending agency, with a few exceptions by policy, require supplemental appropriation which is subject to public hearing and citizen response.

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.

State and Local economy

The forecast for the Colorado economy is somewhat more optimistic than the national economic forecast according to The University of Colorado's 2013 Economic Outlook. This is based primarily on stronger forecasted job creation, compared to the national level. The University of Colorado's 2013 Economic Outlook forecasts puts Colorado in the top ten states for 2013 jobs growth. The 2013 outlook also forecasts near-record farm income due to the easing of drought conditions. Also part of the 2013 economic outlook from the University of Colorado is waning budget pressure at the local government level, increasing home prices, and sustained rates of unemployment below 8.0% through 2013.

Adams County, part of the Denver Metropolitan Area collectively makes up the local economy. Global, national and state economic trends typically trickle down to the local economy. Overall growth measured by GDP has rebounded since the economic crisis hit in 2008. Adams County's unemployment rate is expected to remain flat or reduce marginally for 2013 while wages are anticipated to grow 3.0% to 5.0%. However, Adams County retains its position as one of the Colorado counties with the highest rates of unemployment, the U.S. Bureau of Labor Statistics shows the County's unemployment in early 2013 is 8.6%, while the metro area's unemployment was 7.2% and the state's unemployment rate is 7.3%. During the last ten years, the unemployment rate in Adams County has varied between a low of 4.3% in 2007 to a high of 10.2% in 2010. The County's unemployment rate for 2012 was 8.9%. Sustained high unemployment is projected through 2013 for Adams County when compared to the lows of 2007.

Adams County enjoys the same reputation as its counterpart counties of Colorado by having a well educated workforce. 50% have attended at least some college and 20% hold a Bachelor's degree or higher. The County's population is younger than the national average, with the median age of 33 for 2012 according to the Colorado Division of Local Government. This skilled workforce, combined with the availability of quality commercial real estate, a growing transportation system, and many institutions of higher learning, are some of the ways the Metro Area and Adams County make themselves very attractive to businesses. Adams County is poised to grow substantially with the largest amount of undeveloped land within close proximity to the Denver city center.

Some of the major industries located in Adams County include wholesale trade, construction, manufacturing, healthcare facilities, satellite television communication, telecommunication research and development, transportation and food distribution as well as several financial institutions.

The nominal projected growth in local GDP, modest growth in construction, an expected increase in sales tax revenues and projected growth in jobs should result in a continued recovery for the local 2013 economy.

Long-term financial planning

A growing community necessarily drives a growing need for infrastructure capacity. Adams County continues to plan for growing transportation needs. The County will be a beneficiary of the Regional Transportation District's (RTD) FasTracks project. This project will include the building of three light rail or commuter rail lines in addition to bus rapid transit lines through the County over the next ten years. In 2011 the Pecos Street grade separation project was completed allowing citizens to bypass the trains that cross there and allow for future expansion of the FasTracks project.

In early 2011, the county opened its new 300,000 square foot Government Center functioning as a single point of service for many government services. The intent of this centralized facility makes access to the county government more convenient for citizens. A sales tax extension was approved by the voters in 2006 to pay for this project as well as future building and countywide transportation projects. In 2012, the County began building the Flatrock Law Enforcement Training Facility that will provide space to train the County's and other jurisdictions' law enforcement personnel. The Flatrock facility has an anticipated opening scheduled for the summer of 2013.

Foresight with fiscal discipline has brought Adams County through the historically challenging years of recession and post-recession economies. Adams County has emerged from a recession period in exceptionally good condition maintaining adequate reserves and controlling spending. In fact, the County withstood the economic slowdown with no furloughs or major layoffs. Even though some positions were held open due to hiring freezes the County was able to continue to provide adequate customer service to the citizens. Employees will again be receiving a salary plan that rewards merit and keeps pay competitive in the market. The County is well positioned to help address future economic challenges should the economy not continue on the path of recovery.

Adams County's population is estimated to be 467,697 in 2013. This forecast estimate is a 1.7% increase over the 2012 number of 459,730. The Denver Regional Council of Government estimates Adams County to be one of the fastest growing counties in Colorado over the next several decades. This future growth requires strategic planning. Adams County's increased population is showing a developing growth trend in persons at or below federal poverty level. Over the last five years, the fastest growing socio-economic group are those at or below federal poverty, and particularly, young families with children. Impact is seen in enrollment in free and reduced lunch programs in the County, and also in monthly benefits issued in the Food Assistance program. The County continues to monitor these trends to properly provide quality services at a level that matches available resources.

One of the large efforts identified to address growth and the need for infrastructure included the implementation of a stormwater utility fee. The fee was approved in September 2012 for implementation in January of 2013. The County's effort included significant outreach to the citizens and businesses of the defined service area in the western part of unincorporated Adams County. The implementation is in process. As with the implementation of new fees, there has been citizen pushback for the cost of this service. Adjustments have been proposed to work toward a plan that will meet the needs of the program with an amount the citizens as a whole are willing to pay. Nevertheless, the need

for stormwater infrastructure is great and a consistent revenue source is needed to help fund critical to high hazard projects totaling \$30-\$60 million.

The County continues a disciplined adherence to fiscal policy ensuring maintenance of a strategic reserve that equips decision makers with the resources to successfully navigate the current economic downturn and anticipated “new normal” economic condition. The County continues to meet its yearly obligations and maintains a solid credit rating. The County’s willingness and ability to honor its financial obligations remains uncompromised.

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, 2011. This is the twenty-sixth 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, 2012. 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. Lynn Cruz, Ms. Denise Miller, Ms. Venita Dye and Mr. Osgood McCollum of the Finance Department. I also want to thank Ms. Brigitte Grimm and Ms. Sandy Brookman of the Treasurer’s Office, and Ms. Sue Bauserman for her administrative support. The staff of the independent auditing firm, CliftonLarsonAllen LLP, 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 their fellow elected officials of the County for their diligent commitment in planning and conducting the operations of the County in a responsible and progressive manner.

Respectfully submitted,



Richard C. Lemke
Finance Director, Department of Finance

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, 2011

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.



Christopher P. Morrill

President

Jeffrey R. Enos

Executive Director

This page is intentionally left blank

Elected Offices



Citizens of Adams County

Board of County Commissioners

County Administrator

Governor Appointee

Public Trustee

Team Title

Deputy County Administrator

Sustainability Coordinator

Transportation Coordinator

GIS Operations (PW, Parks, Planning, NS)

Assistant County Administrator

Retirement Administration

Emergency Management

Legislative Policy

Criminal Justice

Communication Services

Neighborhood Services

Parks & Community Resources

Planning & Development

Public Works

Facility Planning & Operations

Information Technology

Finance

Human Resources

Human Services

Building Inspection

Regional Park

Development Review

Construction Management

Maintenance Services

Telecommunications

Budget

Compensation & Classification

Children & Family Services

Stormwater Management

Open Space

Environmental

Engineering

Facility Operations

Technical Services

General Accounting

Employee Development & Relations

Self Sufficiency & Adult Services

Code Compliance

Fair & Rodeo

Long-Range Planning

Highways

Security Services

GIS Services

Payroll

Employee Recruitment

Supportive Services

Community Development

CSU Extension

Traffic

Construction Management

Application Services

Human Services Business Office

Risk Management & Benefits

Workforce & Business Center

Animal Shelter

Custodial Services

Fleet Management

Switchboard/Mailroom

Purchasing

Grants Analysis

Veterans Services

Head Start

Team Title

ADAMS COUNTY
LISTING OF PRINCIPAL OFFICIALS

BOARD OF COUNTY COMMISSIONERS

Eva J. Henry, District 1
Charles "Chaz" Tedesco, District 2
Erik Hansen, District 3

CLERK AND RECORDER

Karen Long

ASSESSOR

Gil Reyes

TREASURER

Brigitte Grimm

DISTRICT ATTORNEY

Dave Young

SHERIFF

Doug Darr

CORONER

Monica Broncucia-Jordan

PUBLIC TRUSTEE

Susan A. Orecchio

SURVEYOR

Tim Thoms



VISION

To provide our community a safe,
healthy environment to work,
raise families and build businesses



INDEPENDENT AUDITORS' REPORT

Board of County Commissioners
Adams County, Colorado

Report on the Financial Statements

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, Colorado as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the entity's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Front Range Airport Authority, the discretely presented component unit. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Front Range Airport Authority, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Adams County, Colorado, as of December 31, 2012, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and other postemployment benefits information on pages 5 through 17 and 63 through 68 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Adams County, Colorado's basic financial statements. The supplementary statements and schedules, the local highway finance report and the schedule of expenditures of federal awards, as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary statements and schedules, local highway finance report, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Board of County Commissioners
Adams County Government

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 31, 2013 on our consideration of Adams County, Colorado's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the result of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Adams County's internal control over financial reporting and compliance.

Clifton Larson Allen LLP

Greenwood Village, Colorado
May 31, 2013

This page is intentionally left blank

MANAGEMENT'S DISCUSSION AND ANALYSIS

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, 2012. 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 liabilities at the close of 2012 by \$801,145,119. Of this amount, \$150,253,952 is unrestricted and available to meet the County's ongoing obligations to citizens and creditors.
- Net position increased by \$9,351,815 in 2012.
- As of the end of 2012, the County's governmental funds recorded an increase in fund balance of \$7,722,446 compared to the prior year.
- Total fund balance in the General Fund, the chief operating fund of the County, decreased in 2012 to \$117,649,481. The County is in the process of building the Flatrock Law Enforcement Training Facility and constructing multiple drainage projects which contributed to this decrease.

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 Position presents information on all of the County's assets and liabilities. The difference between the two is reported as net position. Over time, trend analysis relating to the increases and decreases in net position 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 position changed during the most recent fiscal year. All changes in net position 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 activity. Governmental activities can be described as County functions 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 only 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 activity 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, also legally separate from the County, 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 20-21 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 reconciliation to the net position of governmental activities, and the Governmental Funds Statement of Activities provides a reconciliation to the change in net position of governmental activities.

The County maintained 15 individual governmental funds in 2012. 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, Social Services Fund, and Capital Facilities Fund all of which are considered to be major funds. Data from the other 11 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 beginning on page 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 activity 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 business-like 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 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 26-28 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 resources in those funds are not available to support the County's programs. The accounting used for fiduciary funds is much like that of proprietary funds. The County reports the Treasurer's Agency Fund, Clerk's Agency Fund, and the Public Trustee's Agency Fund as fiduciary funds. The basic fiduciary funds statement is found on page 29 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 31-62 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 63-96. Details of the original budgets, final budgets, and actual amounts are found in this section.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, trends in net position may, over time, serve as a useful indicator of a government's financial position. The County's assets exceeded its liabilities by \$801,145,119 at the close of 2012. The financial condition of the County remains healthy.

Seventy-five percent of the County's net position, \$604,333,376 reflects the investment in capital assets (e.g., land, buildings, machinery, equipment 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 capital assets is reported net of related debt, resources needed to repay such debt must normally be provided from other sources, since the capital assets themselves generally cannot be used to liquidate these liabilities.

An additional portion of the County's net position, \$46,557,791, represents resources that are subject to external restrictions on their use. For more information on the net position restriction, please see Note 1-D.4 in the notes to the basic financial statements. The remaining balance of unrestricted net assets, \$150,253,952, may be used to meet the County's ongoing obligations to citizens and creditors.

The County experienced an increase in net position for the government as a whole, for both governmental activities in the amount of \$9,148,261 and business-type activities in the amount of \$203,554.

Adams County Net Position

	Governmental Activities		Business-Type Activity		Total	
	2012	2011	2012	2011	2012	2011
Current and Other Assets	\$ 375,232,413	\$ 366,419,207	\$ 3,807,384	\$ 3,637,849	\$ 379,039,797	\$ 370,057,056
Capital Assets	724,430,376	727,832,911	7,778,089	7,738,452	732,208,465	735,571,363
Total Assets	1,099,662,789	1,094,252,118	11,585,473	11,376,301	1,111,248,262	1,105,628,419
Long-term Liabilities Outstanding	164,520,455	169,552,870	-	-	164,520,455	169,552,870
Other Liabilities	145,570,117	144,275,292	12,571	6,953	145,582,688	144,282,245
Total Liabilities	310,090,572	313,828,162	12,571	6,953	310,103,143	313,835,115
Net Assets:						
Net Investment in Capital Assets	596,555,287	592,522,933	7,778,089	7,738,452	604,333,376	600,261,385
Restricted	46,557,791	39,750,571	-	-	46,557,791	39,750,571
Unrestricted	146,459,139	148,150,452	3,794,813	3,630,896	150,253,952	151,781,348
Total Net Position	\$ 789,572,217	\$ 780,423,956	\$11,572,902	\$11,369,348	\$ 801,145,119	\$ 791,793,304

Adams County Change in Net Position

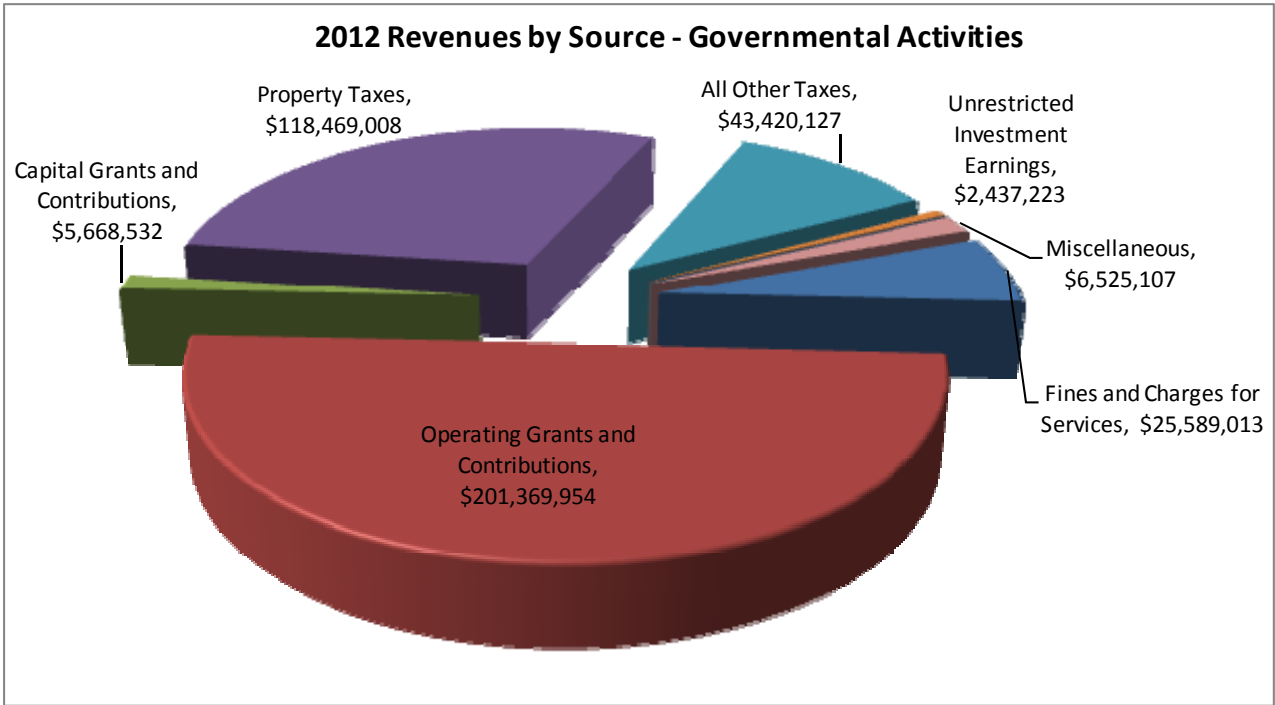
	Governmental Activities		Business-Type Activity		Total	
	2012	2011	2012	2011	2012	2011
Revenues:						
Program Revenues:						
Fines and Charges for Services	\$ 25,589,013	\$ 24,027,587	\$ 3,035,780	\$ 2,823,117	\$ 28,624,793	\$ 26,850,704
Operating Grants and Contributions	201,369,954	200,763,170	-	-	201,369,954	200,763,170
Capital Grants and Contributions	5,668,532	13,043,206	-	-	5,668,532	13,043,206
General Revenues:						
Property Taxes	118,469,008	120,000,652	-	-	118,469,008	120,000,652
All Other Taxes	43,420,127	39,330,295	-	-	43,420,127	39,330,295
Unrestricted Investment Earnings	2,437,223	3,038,344	8,518	4,590	2,445,741	3,042,934
Gain on Sale of Capital Assets	23,347	-	(2,081)	-	21,266	-
Miscellaneous	6,525,107	4,169,552	-	-	6,525,107	4,169,552
Total Revenues	403,502,311	404,372,806	3,042,217	2,827,707	406,544,528	407,200,513
Expenses:						
General Government	64,432,076	60,112,427	-	-	64,432,076	60,112,427
Public Safety	73,890,995	70,374,242	-	-	73,890,995	70,374,242
County Funded Human Services	3,414,463	3,244,279	-	-	3,414,463	3,244,279
Public Works	33,551,692	34,414,275	-	-	33,551,692	34,414,275
Culture and Recreation	4,068,729	3,815,451	-	-	4,068,729	3,815,451
Health and Welfare	188,698,818	189,256,037	-	-	188,698,818	189,256,037
Urban Housing and Redevelopment	4,340,822	3,983,241	-	-	4,340,822	3,983,241
Conservation of Natural Resources	9,074,943	12,258,504	-	-	9,074,943	12,258,504
Economic Opportunity	6,323,042	5,249,905	-	-	6,323,042	5,249,905
Interest Expense	6,898,470	7,141,671	-	-	6,898,470	7,141,671
Golf Course	-	-	2,498,663	2,472,748	2,498,663	2,472,748
Total Expenses	394,694,050	389,850,032	2,498,663	2,472,748	397,192,713	392,322,780
Increase in Net Position Before Special Items	8,808,261	14,522,774	543,554	354,959	9,351,815	14,877,733
Transfers	340,000	340,000	(340,000)	(340,000)	-	-
Change in Net Assets	9,148,261	14,862,774	203,554	14,959	9,351,815	14,877,733
Net Position - Beginning	780,423,956	765,561,182	11,369,348	11,354,689	791,793,304	759,213,890
Net Position - Ending	\$ 789,572,217	\$ 780,423,956	\$ 11,572,902	\$ 11,369,648	\$ 801,145,119	\$ 774,091,623

Governmental activities. Governmental activities contributed to a County net position increase of \$9,148,261 in 2012. Key elements are as follows:

REVENUES

- Revenues from Fines and Charges for Services increased by \$1,561,426 in 2012 to \$25,589,013.
- Revenue from capital grants and contributions decreased by \$7.4 million in 2012. In the prior year, the County recorded \$6.7 million of donated conservation easements. These are considered donated assets. A secondary reason for the decrease was in 2011, \$5.1 million was received from the Colorado Department of Transportation for the Pecos Street project. That project was completed in 2011.

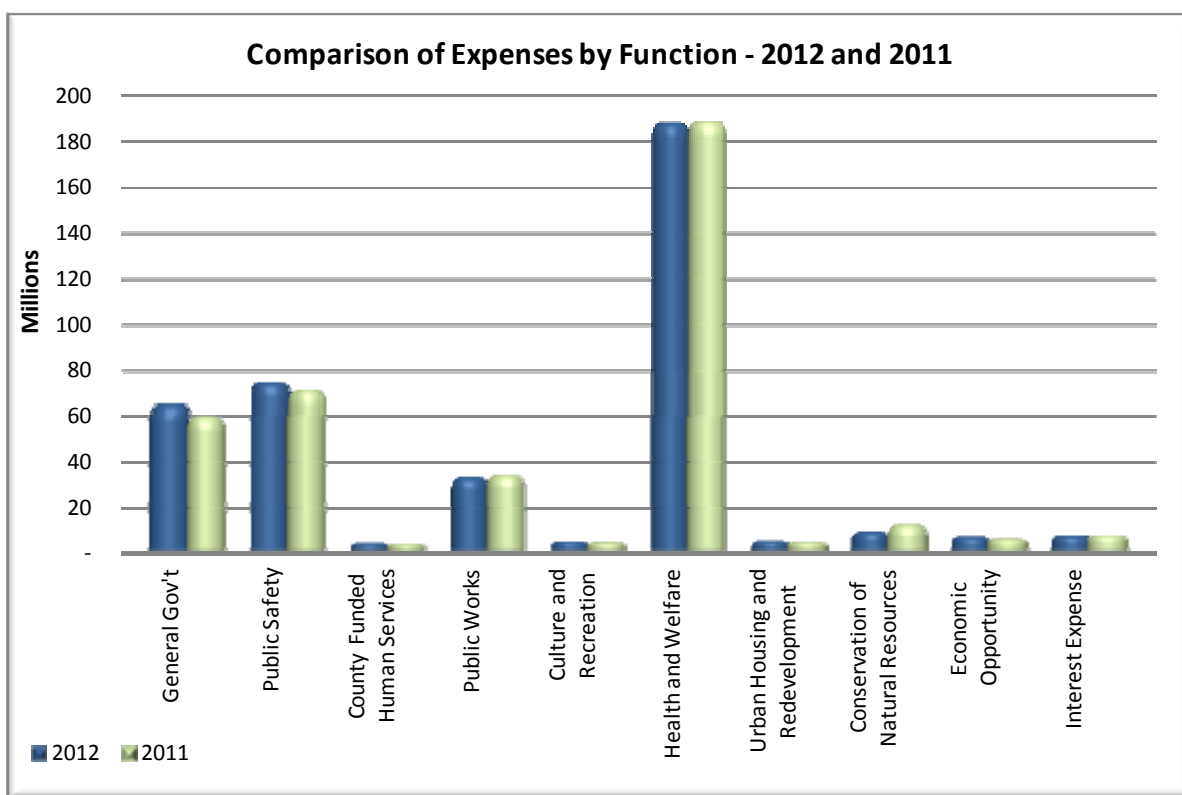
- Property tax revenue, accounting for 30% of the County’s total revenues, shrank an additional 1.3% or approximately \$1.5 million to \$118.4 million in 2012. The decline in property tax revenue is attributable to the decrease in assessed value in the County due to falling real estate values.
- Revenue from investment earnings decreased by \$601,121 or 20% in 2012 compared to 2011. Historically low interest rates continue to impact the County’s investment earnings for the year.
- Miscellaneous income which includes rents, royalties, franchise fees and contributions and donations increased by over \$2.3 million in comparison to 2011 primarily due to a \$1.0 million insurance recovery related to the Quality Paving fraud. Also contributing to the increase were proceeds from the sale of gold found on county owned property during the extraction of gravel on County owned land. The County also started collecting rent from a couple of outside agencies who use county owned buildings the county vacated when operations consolidated at the government center.



EXPENSES

- Expenses for all governmental activities in 2012 total \$394,694,050, which represents an increase of 1.2% over 2011.
- Expenses in the conservation of natural resources function decreased by \$3.2 million or 26% due to less open space grants. In 2011, there were three large land purchases made with Adams County open space grant dollars, in 2012 most of the open space projects were smaller dollar amounts.
- The economic opportunity function increased by \$1.0 million or 20.4% primarily due to the Workforce & Business Center focusing on meeting Colorado Department of Labor & Employment goals to provide client training to their customers.

- Expenses in the general government function increased by \$4.3 million or 7.2%. This increase is attributable to capital projects. The county is building the Flatrock Law Enforcement Training Facility that includes a driving track and shooting range. In 2012 the detention facility was retro-fitted with lights and plumbing that make the building more efficient in conserving water and electricity.
- A \$3.5 million increase in the public safety function expenses can be attributed to depreciation on building projects, personnel costs and service contracts.
- Public Works expenses decreased by \$862,583 or 2.5% due to the completion of the Pecos Street project in 2011. In 2012, infrastructure efforts were focused on the Goat Hill area and improvements to Washington Street.
- Interest expense decreased minimally between 2011 and 2012. The County continues to make interest payments on certificates of participation from 2003, 2009 and 2010. For more information on the County's certificates of participation, see Note 4-D.2 in the notes to the basic financial statements.



Business-type activity. The net position for the County's business-type activity (the Riverdale Golf Courses) increased by \$203,554. The increase is the result of improved business measured by rounds played and merchandise purchased at the golf course. Ending net position reached \$11,572,902.

2012 Business-type activity revenues totaling \$3,042,217 reflects an increase of \$214,510 or 7.6% over 2011. Revenue from charges for services went up by \$212,663, attributable primarily to more rounds of golf played. Revenue from investment earnings increased by \$3,928, or 85%.

The 2012 Riverdale Golf Course expenses increased \$25,915 from 2011, a 1% change. Management fees, minor supplies and equipment expenses were the major components of increased expenditures.

FINANCIAL ANALYSIS OF THE GOVERNMENTAL 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 reported combined ending fund balances of \$211,511,082 for its governmental funds, an increase of \$7,722,446 in comparison with the prior year. Approximately 75% or \$159,659,655 of the total fund balance constitutes unrestricted fund balance (committed, assigned and unassigned). The remainder of fund balance is restricted indicating that it is not available for new spending because it has been committed to external entities or contracts. For more information on the County's restrictions, commitments and assignment of fund balance please see Notes 1-D.9 and D.11 in 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 in the General Fund was \$117,649,481. Fund balance decreased by \$611,348 during the year. Key factors contributing to the change in fund balance and the changes in revenues and expenditures include:

- Property tax revenue decreased by \$1.4 million in 2012. As discussed in the governmental activities revenue section, the decline in the value of real estate properties contributed to this decrease. This component had the greatest impact on the overall decrease in revenue of \$935,766 in the general fund.
- Revenue from fees collected by the Clerk & Recorder for real estate and vehicles increased by \$763,594, this helped to offset the loss in property tax revenue.
- Revenue collected from Social Services for time spent by the county attorney consulting on legal matters for the Human Services Department increased \$772,536.
- Revenue from interest earnings in the General Fund decreased by \$646,728.
- Total expenditures of the General Fund increased by \$5.5 million, or 3.7%, from 2011. The County continues to invest more in sustainability programs that will save the County money. In 2012, as discussed above, the detention facility was retro-fitted to conserve water and electricity.
- Construction began on the Flatrock Law Enforcement Training Facility. In 2012 \$6.5 million was spent.
- Contributions to help Front Range Airport with their operation expenses and debt increased by almost \$400 thousand.
- Expenses for the election increased by just under \$1 million due to the presidential election held in 2012. Presidential elections have higher voter turnout and thus increase the cost of these elections compared to off-year elections.
- Other functions that realized the greatest increases over 2011 were general government with an increase of \$3.2 million and public safety with an increase of 1.7% or \$1.1 million.

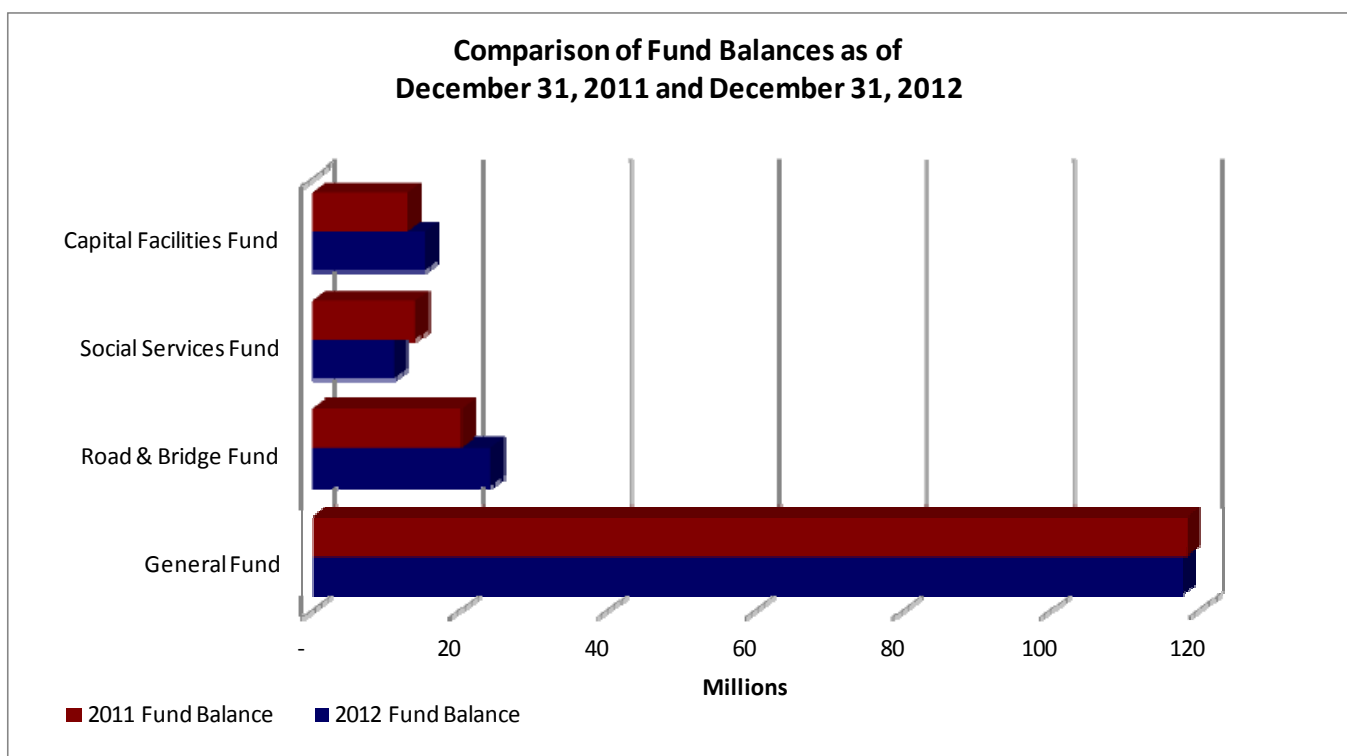
The fund balance of the Road and Bridge Fund as of the end of 2012 is \$25,031,194. This represents an increase of \$4,799,471 from 2011. Factors contributing to this increase include:

- Total capital outlay was \$6,528,799 in 2012, 75% lower than in the previous year. The decrease was the result of the completion of the Pecos Street project in the previous year.
- Miscellaneous revenue increased by \$1.0 million due to an insurance recovery received for the County's crime bond insurance. The County was able to receive insurance money to recover some of the money lost in fraud related to a company involved in road construction projects.
- The Road and Bridge Fund will have a carryover of approximately \$7.1 million in projects not completed in 2011. Multi-year projects are budgeted at 100% for the current year and any remaining appropriation is carried over to subsequent year's budget. Projects that will be carried over include improvements and expansion of Washington Street and improvements to the Goat Hill area.

Total fund balance for the Human Services Fund decreased by \$2,946,768 to \$11,096,308 in 2012. Available federal, state, and county funding for the Supplemental Food Assistance Program (SNAP), Medicaid eligibility determination, Adult Protective Services, Child Welfare Services and Adult Financial Assistance programs were insufficient to address the needs in the County. Demand for social services programs are inversely proportional to the economic climate, so citizen service requirements drove the need for use of County resources.

The fund balance of the Capital Facilities Fund at the end of 2012 is \$15,219,474, an increase of \$2,253,188 from 2011. This fund accounts for the construction of specific facilities planned in the County and money is transferred to the General Fund to cover the COP payments related the construction of these facilities.

- Total revenues of the Capital Facilities Fund were \$14.0 million in 2012. Most of this revenue is from the sales tax designated for the construction and operation of capital facilities in the County. Sales tax revenue increased by 10% or \$1.3 million.
- Total expenditures of the Capital Facilities Fund were \$199,565, a decrease of \$3.7 million, compared to 2011. The government center is complete. In 2012 most of the expenditures were for a salt/sand shed on the property and some maintenance on the building.



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 for the business-type activity.

Unrestricted net position in the Golf Course Fund at the end of the year amounted to \$3,794,813, while the amount invested in capital assets was \$7,778,089. Total net position increased by \$203,554. Factors relating to the finances of the Golf Course Fund have been addressed in the discussion of the County's business-type activity (page 9).

GENERAL FUND BUDGETARY HIGHLIGHTS

Differences between the total original budget and the total final amended budget for revenues were minimal (1.4% increase).

The final amended budget for expenditures was 11.7% higher than the original budget. Key factors include:

- The final budget for capital outlay was increased by \$5.4 million for projects that were carried over from the previous year. The projects included: 1) multiple drainage projects including Utah Junction Outfall/drainage, Brantner Gulch drainage water and sewer, and Pecos Street Storm Sewer Extension, \$3.2 million, 2) Information Technology improvements and enhancements totaling \$1.0 million, and 3) \$600,000 in parks projects. These projects were budgeted but not completed in 2011. The budget was adjusted in 2012 to re-appropriate funds for these and other multi-year projects.
- The Public Works budget increased by 16% in connection with expected carryover projects and necessary repair and maintenance expenditures.
- The General Government budget increased by 7.5% or \$4.6 million. Information technology projects that were carried over from 2011 make up \$1.6 million of the increase. Elections make up another \$1.0 million of the increase. The 2012 election was larger due to it being a presidential election. Additional budget was needed during the year to ensure the election ran smoothly. The admin/org function had an increase of \$1.0 million due to carryover of projects relating to the County's reform measures currently in the implementation phase. Specific measures include strategic planning and the internal audit, which is a 3-year contract.

The difference in the total final amended budget for revenue and actual amounts was (\$1,091,753), a negative variance of less than 1.0%. The primary reason for the shortfall is \$3.2 million less was collected in transit revenues than was expected. These revenues are funds that will be received on the Utah Junction project on a reimbursement basis. As the funds are spent on the project in future years, the revenue reimbursement will be collected.

Actual expenditures were 16% lower than the final budget due in large part to capital projects that were budgeted in 2012, but not completed. Additional savings occurred in operating by holding positions vacant. Incomplete projects will be carried over into the 2013 budget. Significant carryover projects include various parks projects and multiple drainage projects. Total carryover is estimated to be \$13.5 million.

CAPITAL ASSETS AND CERTIFICATES OF PARTICIPATION

Capital Assets. The County's investment in capital assets for its governmental and business-type activities as of December 31, 2012, amounts to \$732,208,465 (net of accumulated depreciation). This investment includes land, buildings and improvements, machinery and equipment, conservation easements, water rights, infrastructure, construction in progress, and software.

The County's capital assets decreased by 0.5% or \$3.3 million in 2012. The decrease for the year was primarily the result of depreciation on buildings and equipment. Many of the County's large drainage projects and road projects remain in CIP.

The following table provides capital asset totals by category for 2012 and 2011:

	Governmental Activities		Business- Type Activity		Total	
	2012	2011	2012	2011	2012	2011
Land	\$ 56,117,055	\$ 55,835,682	\$ 3,596,888	\$ 3,596,888	\$ 59,713,943	\$ 59,432,570
Art Collection	286,014	286,014	-	-	286,014	286,014
Buildings and Improvement	211,214,186	217,997,726	3,438,913	3,557,906	214,653,099	221,555,632
Machinery and Equipment	13,961,602	16,756,161	523,607	352,915	14,485,209	17,109,076
Conservation Easements	21,600,024	18,401,294	-	-	21,600,024	18,401,294
Infrastructure	382,314,077	383,677,783	218,681	230,743	382,532,758	383,908,526
Construction in Progress	37,758,897	33,462,309	-	-	37,758,897	33,462,309
Water Rights	711,347	711,347	-	-	711,347	711,347
Software	467,174	704,595	-	-	467,174	704,595
Total	\$ 724,430,376	\$ 727,832,911	\$ 7,778,089	\$ 7,738,452	\$ 732,208,465	\$ 735,571,363

Significant capital asset events occurred during the current fiscal year including the following:

- Construction began on the Flatrock Law Enforcement Training Facility; so far \$6.5 million of the \$9.6 million project budget has been spent. This project was in CIP for 2012 and is expected to be completed in 2013. The facility includes training rooms, a driving track and shooting range.
- \$2.8 million of drainage projects were moved from CIP into active assets. The two finished projects were the McKay outfall and the Pecos Street storm sewer extension.
- \$15.1 million was spent on projects that are still in the CIP phase. \$5.5 of that were on streets projects, \$1.4 million was drainage and \$3.6 million was spent on building projects.

Additional information on the County's capital assets can be found in Note 4-B in the notes to the basic financial statements.

Certificates of Participation. The County has entered into four separate sale-leaseback transactions for the sale and subsequent repurchase of several existing County properties and one lease-leaseback transaction.

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 new Offices of the District Attorney. The 2008 transaction resulted in the sale-leaseback of four properties: the Offices of the District Attorney Building, the Sheriff and Coroner's Headquarters, the Western Service Center, and the Development

Building. This provided financing for the construction of the Justice Center Expansion and the first phase of the new Government Center. The 2009 transaction resulted in the sale-leaseback of the Detention Facility to fund the construction of the Government Center. The 2009 B transaction resulted in the sale-leaseback of the Children and Family Services Center. This transaction refunded a sale-leaseback from 1999. The 2010 transaction was a lease-leaseback of a portion of the County's Justice Center. This provided funding for the construction of the Government Center.

At the end of the current year, the County's total certificates of participation outstanding totaled \$147,521,569, all of which are subject to an annual appropriation clause.

Additional information on the County's certificates of participation and long-term debt can be found in Note 4 - D.2 and Note 4 - E in the notes to the basic financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

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.

The forecast for the Colorado economy is somewhat more optimistic than the national economic forecast according to the University of Colorado's 2013 Economic Outlook. This forecast puts Colorado in the top ten states for 2013 jobs growth. Adams County's population is growing at a rate of 1.7%. However, Adams County growth includes a developing trend of growth in persons at or below federal poverty. Adams County has one of the state's highest rates of unemployment at 8.6% in early 2013.

Property taxes are the County's single largest source of income after intergovernmental revenues for social service programs and supports services across a variety of funds. Property taxes are budgeted to grow at a rate of 2.1%. The County allocates the property tax mill levy to the following funds: general fund 22.993, road & bridge fund 1.300, social services 2.353 and developmental disabled fund 0.257. The 2013 budget includes a monthly average increase in sales taxes of 10% or a total of a \$4.8 million increase. Growth in intergovernmental revenues is attributable to growth in Food Assistance benefits. Most of these increases are federal monies made available to qualifying citizens through entitlement programs. Budgeted 2013 expenditures are \$472.1 million or a 5.94% increase over 2012. The increase is related to the combined impact of growing entitlement program in the social services fund and the 2013 salary plan. The 2013 budget includes an increase of 58.5 FTEs (full-time equivalents). Forty-two are attributable to the termination of the County's contract for information technology services and in-sourcing those employees. Among the new positions seven are related to the County's ongoing reform initiative and nine were added in conjunction with either IRS regulations or to address operational needs. Seventeen-and-one-half of the positions were added in the social services fund to ensure the delivery of services that were formerly handled via contract. For 2013, the County approved a three percent market adjustment for Sheriff employees and a two percent market adjustment for all other employees. A two and one-half percent salary pool was also approved for merit increases.

The 2013 budget includes \$2.1 million for a modern irrigation system at the golf course, \$938,738 for facility projects such as parking lot repairs and modernization efforts, \$529,015 for information technology projects, \$4.3 million for storm water drainage projects, and \$2.9 million for vehicle and equipment replacements. The 2013 projects tend to have a future intent toward cost savings such as energy efficiencies.

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, 4430 South Adams County Parkway, 4th Floor, Suite C4000A, Brighton, CO 80601-8212

This page is intentionally left blank

This page is intentionally left blank

ADAMS COUNTY, COLORADO
STATEMENT OF NET POSITION
December 31, 2012

	Primary Government			Component Unit
	Business-type		Total	Airport Authority
	Governmental Activities	Activity		
ASSETS:				
Cash and Investments	\$ 234,752,243	\$ 4,123,538	\$ 238,875,781	\$ 138,011
Taxes Receivables (Net of Allowance)	121,286,570	-	121,286,570	-
Accounts Receivables (Net of Allowance)	15,060,478	-	15,060,478	495,834
Notes Receivables (Net of Allowance)	1,719,820	-	1,719,820	-
Insurance Retainer	291,000	-	291,000	-
Internal Balances	355,467	(355,467)	-	-
Inventory	114,049	39,313	153,362	151,288
Prepays	361,143	-	361,143	-
Issuance Costs (Net of Accumulated Amortization)	1,291,643	-	1,291,643	-
Capital Assets (Net of Accumulated Depreciation):				
Land	56,117,055	3,596,888	59,713,943	7,162,023
Art Collection	286,014	-	286,014	-
Water Rights	711,347	-	711,347	-
Buildings and Improvements	211,214,186	3,438,913	214,653,099	5,396,928
Machinery and Equipment	13,961,602	523,607	14,485,209	2,561,077
Conservation Easements	21,600,024	-	21,600,024	-
Infrastructure	382,314,077	218,681	382,532,758	10,417,387
Construction in Progress	37,758,897	-	37,758,897	5,004,728
Software	467,174	-	467,174	-
Total Assets	<u>1,099,662,789</u>	<u>11,585,473</u>	<u>1,111,248,262</u>	<u>31,327,276</u>
LIABILITIES:				
Accounts and Retainage Payable	11,266,022	12,571	11,278,593	503,530
Accrued Interest Payable	586,871	-	586,871	12,670
Deposits Payable	10,353	-	10,353	26,053
Unearned Revenue	121,476,620	-	121,476,620	38,774
Noncurrent Liabilities:				
Due Within One Year	12,230,251	-	12,230,251	286,772
Due In More Than One Year	164,520,455	-	164,520,455	861,276
Total Liabilities	<u>310,090,572</u>	<u>12,571</u>	<u>310,103,143</u>	<u>1,729,075</u>
NET POSITION:				
Net Investment in Capital Assets	596,555,287	7,778,089	604,333,376	29,526,840
Restricted for:				
TABOR	5,176,260	-	5,176,260	-
Health & Welfare	3,901,032	-	3,901,032	-
Conservation Trust	1,924,563	-	1,924,563	-
Hazardous Waste	2,280,601	-	2,280,601	-
Open Space Grants	27,472,996	-	27,472,996	-
DIA Noise Mitigation	1,364,984	-	1,364,984	-
Grant Programs	3,209,849	-	3,209,849	-
Other	1,227,506	-	1,227,506	-
Unrestricted	146,459,139	3,794,813	150,253,952	71,361
Total Net Position	<u>\$ 789,572,217</u>	<u>\$ 11,572,902</u>	<u>\$ 801,145,119</u>	<u>\$ 29,598,201</u>

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, 2012

FUNCTIONS/PROGRAMS	Program Revenues			Net (Expenses) Revenues and Changes in Net Position			Component Unit	
	Fines and Charges for Services		Operating Grants and Contributions	Capital Grants	Primary Government			Airport Authority
	Expenses	Operating Grants and Contributions			Governmental Activities	Business-type Activity		
Primary Government:								
Governmental Activities:								
General Government	\$ 64,432,076	\$ 17,778,143	\$ 2,582,257	\$ -	\$ -	\$ (44,071,676)	\$ -	
Public Safety	73,890,995	5,683,799	6,503,497	-	-	(61,703,699)	-	
County Funded Human Services	3,414,463	-	-	-	-	(3,414,463)	-	
Public Works	33,551,692	1,300,403	8,821,239	1,743,430	-	(21,686,620)	-	
Culture and Recreation	4,068,729	755,843	-	-	-	(3,312,886)	-	
Health and Welfare	188,698,818	-	172,599,784	-	-	(16,099,034)	-	
Urban Housing and Redevelopment	4,340,822	-	4,451,511	430,099	-	540,788	-	
Conservation of Natural Resources	9,074,943	25,524	377,732	3,495,003	-	(5,176,684)	-	
Economic Opportunity	6,323,042	45,301	6,033,934	-	-	(243,807)	-	
Interest Expense	6,898,470	-	-	-	-	(6,898,470)	-	
Total Governmental Activities	394,694,050	25,589,013	201,369,954	5,668,532	-	(162,066,551)	-	
Business-type Activity:								
Golf Course	2,498,663	3,035,780	-	-	537,117	537,117	-	
Total Business-type Activity	2,498,663	3,035,780	-	-	537,117	537,117	-	
Total Primary Government	\$ 397,192,713	\$ 28,624,793	\$ 201,369,954	\$ 5,668,532	\$ -	\$ (162,066,551)	\$ -	
Component Unit:								
Airport Authority	4,814,349	2,210,959	1,093,837	4,576,302	-	-	3,066,749	
Total Component Unit	\$ 4,814,349	\$ 2,210,959	\$ 1,093,837	\$ 4,576,302	\$ -	\$ -	\$ 3,066,749	
General Revenues:								
Property Taxes					\$ 118,469,008	\$ -	\$ -	
Sales Taxes					34,520,050	-	34,520,050	
Specific Ownership Tax					8,390,103	-	8,390,103	
Other Taxes					509,974	-	509,974	
Unrestricted Investment Earnings					2,437,223	8,518	2,445,741	
Gain on Sale of Capital Assets					23,347	(2,081)	21,266	
Miscellaneous					6,525,107	-	6,525,107	
Transfers					340,000	(340,000)	-	
Total General Revenues and Transfers					171,214,812	(333,563)	170,881,249	
Change in Net Position					9,148,261	203,554	9,351,815	
Net Position-Beginning					780,423,956	11,369,348	791,793,304	
Net Position-Ending					\$ 789,572,217	\$ 11,572,902	\$ 801,145,119	

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

This page is intentionally left blank

**ADAMS COUNTY, COLORADO
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2012**

	<u>General Fund</u>	<u>Road and Bridge Fund</u>	<u>Social Services Fund</u>	<u>Capital Facilities Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS:						
Cash and Investments	\$ 119,030,782	\$ 26,395,933	\$ 9,907,992	\$ 15,134,917	\$ 36,449,724	\$ 206,919,348
Receivables						
Taxes	103,659,149	5,860,779	10,608,011	-	1,158,631	121,286,570
Accounts	1,902,133	1,724,967	3,112,700	1,415,758	6,597,215	14,752,773
Notes	-	-	-	-	1,719,820	1,719,820
Interfund Receivable	3,581,864	-	26,588	-	562,600	4,171,052
Total Assets	<u>\$ 228,173,928</u>	<u>\$ 33,981,679</u>	<u>\$ 23,655,291</u>	<u>\$ 16,550,675</u>	<u>\$ 46,487,990</u>	<u>\$ 348,849,563</u>
LIABILITIES AND FUND BALANCES:						
Liabilities						
Accounts Payable	\$ 4,280,771	\$ 2,074,066	\$ 1,506,074	\$ -	\$ 1,793,196	\$ 9,654,107
Retainage Payable	333,066	583,523	-	-	20,463	937,052
Interfund Payable	2,149,079	432,117	357,230	1,331,201	999,525	5,269,152
Deposits Payable	-	-	-	-	1,550	1,550
Deferred Revenue	103,761,531	5,860,779	10,695,679	-	1,158,631	121,476,620
Total Liabilities	<u>110,524,447</u>	<u>8,950,485</u>	<u>12,558,983</u>	<u>1,331,201</u>	<u>3,973,365</u>	<u>137,338,481</u>
Fund Balances						
Restricted	17,468,266	-	3,901,032	-	36,252,993	57,622,291
Committed	39,850,069	-	-	-	-	39,850,069
Assigned	207,750	25,031,194	7,195,276	15,219,474	6,261,632	53,915,326
Unassigned	60,123,396	-	-	-	-	60,123,396
Total Fund Balance	<u>117,649,481</u>	<u>25,031,194</u>	<u>11,096,308</u>	<u>15,219,474</u>	<u>42,514,625</u>	<u>211,511,082</u>
Total Liabilities and Fund Balance	<u>\$ 228,173,928</u>	<u>\$ 33,981,679</u>	<u>\$ 23,655,291</u>	<u>\$ 16,550,675</u>	<u>\$ 46,487,990</u>	

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:	717,116,120
Prepaid expenses are not available to pay for current-period expenditures and therefore are not reported in the funds:	166,521
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:	1,291,643
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 Position	28,923,097
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:	<u>(169,436,246)</u>
Net Position of Governmental Activities	<u>\$ 789,572,217</u>

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, 2012

	<u>General Fund</u>	<u>Road and Bridge Fund</u>	<u>Social Services Fund</u>	<u>Capital Facilities Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES:						
Taxes	\$ 101,719,099	\$ 23,464,993	\$ 10,377,393	\$ 13,685,632	\$ 12,642,018	\$ 161,889,135
Licenses and Permits	744,476	32,539	-	-	-	777,015
Intergovernmental	9,188,734	8,819,674	167,924,163	-	16,071,288	202,003,859
Program Income	-	-	-	-	193,882	193,882
Charges for Services	23,783,898	557,585	-	-	470,515	24,811,998
Interest Earnings	2,336,734	1,862	-	25,638	72,989	2,437,223
Miscellaneous	4,962,014	1,035,819	-	298,907	181,740	6,478,480
Total Revenues	<u>142,734,955</u>	<u>33,912,472</u>	<u>178,301,556</u>	<u>14,010,177</u>	<u>29,632,432</u>	<u>398,591,592</u>
EXPENDITURES:						
Current Expenditures						
General Government	57,271,640	-	-	86,988	246,376	57,605,004
Public Works	2,628,249	22,584,202	-	-	-	25,212,451
Public Safety	66,346,785	-	-	7,867	-	66,354,652
County Funded Human Services	3,414,463	-	-	-	-	3,414,463
Health and Welfare	-	-	181,261,618	-	5,811,161	187,072,779
Culture and Recreation	3,402,746	-	-	-	-	3,402,746
Economic Opportunity	132,488	-	-	-	6,022,885	6,155,373
Urban Housing and Redevelopment	-	-	-	-	4,333,582	4,333,582
Conservation of Natural Resources	491,187	-	-	-	8,288,875	8,780,062
Debt Service						
Principal	7,043,300	-	-	-	1,000,000	8,043,300
Interest	6,911,967	-	-	-	9,325	6,921,292
Capital Outlay	6,576,908	6,528,799	-	104,710	726,372	13,936,789
Total Expenditures	<u>154,219,733</u>	<u>29,113,001</u>	<u>181,261,618</u>	<u>199,565</u>	<u>26,438,576</u>	<u>391,232,493</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(11,484,778)	4,799,471	(2,960,062)	13,810,612	3,193,856	7,359,099
Other Financing Sources (Uses)						
Transfers In	12,709,743	-	13,294	501,674	2,450,847	15,675,558
Transfers Out	(1,850,000)	-	-	(12,059,098)	(1,426,460)	(15,335,558)
Proceeds From Sale of Assets	13,687	-	-	-	9,660	23,347
Total Other Financing Sources (Uses)	<u>10,873,430</u>	<u>-</u>	<u>13,294</u>	<u>(11,557,424)</u>	<u>1,034,047</u>	<u>363,347</u>
Net Change in Fund Balances	(611,348)	4,799,471	(2,946,768)	2,253,188	4,227,903	7,722,446
Fund Balances, Beginning of Year	<u>118,260,829</u>	<u>20,231,723</u>	<u>14,043,076</u>	<u>12,966,286</u>	<u>38,286,722</u>	<u>203,788,636</u>
Fund Balances, End of Year	<u>\$ 117,649,481</u>	<u>\$ 25,031,194</u>	<u>\$ 11,096,308</u>	<u>\$ 15,219,474</u>	<u>\$ 42,514,625</u>	<u>\$ 211,511,082</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, 2012

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

Net change in fund balances - total governmental funds	\$ 7,722,446
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. This is the amount by which depreciation exceeds capital outlay in the current period.	(6,610,193)
Governmental funds report issuance costs as expenditures. However, in the Statement of Activities, the cost of these assets is allocated over their terms and reported as amortization expense. This is the amortization expense in the current period.	(138,908)
The net effect of various miscellaneous transactions involving capital assets (i.e. sales, disposals, and donations) is to increase net position.	4,671,875
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.	(1,654,213)
The net loss in the internal service funds is reported with governmental activities.	(3,052,567)
Governmental funds report prepaid items as expenditures under the purchases method. However, in the Statement of Activities the expenditure is applied to the prepaid asset account and therefore is not reported as an expenditure in governmental funds.	166,521
Governmental funds reported principal payment of certificates of participation and 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 expenses in governmental activities.	<u>8,043,300</u>
Change in net position of governmental activities	<u>\$ 9,148,261</u>

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

ADAMS COUNTY, COLORADO
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2012

	Business-type Activities Enterprise Fund	Governmental Activities
	Golf Course Fund	Internal Service Funds
ASSETS:		
Current Assets		
Cash and Cash Equivalents	\$ 4,123,538	\$ 27,832,895
Accounts Receivable	-	307,705
Prepaid	-	194,622
Insurance Retainer	-	291,000
Interfund Receivable	-	1,596,139
Inventory	39,313	114,049
Total Current Assets	4,162,851	30,336,410
Capital Assets		
Land	3,596,888	-
Land Improvements	778,750	-
Buildings	4,479,693	-
Improvements Other than Buildings	1,714,363	338,887
Machinery and Equipment	2,136,442	24,463,582
Infrastructure	319,983	-
Accumulated Depreciation	(5,248,030)	(17,488,213)
Total Capital Assets	7,778,089	7,314,256
Total Assets	11,940,940	37,650,666
LIABILITIES:		
Current Liabilities		
Accounts Payable	\$ 12,571	\$ 674,863
Deposits Payable	-	8,803
Compensated Absences	-	156,937
Interfund Payable	355,467	142,572
Claims Payable-Current	-	4,199,342
Total Current Liabilities	368,038	5,182,517
Long-term Liabilities		
Claims Payable-Workers' Comp.	-	1,043,268
Claims Payable-General Liability	-	2,501,784
Total Long-term Liabilities	-	3,545,052
Total Liabilities	368,038	8,727,569
NET POSITION:		
Net Investment in Capital Assets	7,778,089	7,314,256
Unrestricted	3,794,813	21,608,841
Total Net Position	\$ 11,572,902	\$ 28,923,097

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 POSITION
PROPRIETARY FUNDS
For the Year Ended December 31, 2012

	Business-type Activities Enterprise Fund Golf Course Fund	Governmental Activities Internal Service Funds
OPERATING REVENUES:		
Charges for Sales and Services		
Equipment Rental Fees	\$ -	\$ 6,740,561
Insurance Premiums-Medical/Dental	-	11,695,779
Insurance Premiums-General Liability	-	1,556,238
Insurance Premiums-Workers' Compensation	-	677,533
Insurance Premiums-Unemployment	-	115,605
Insurance Premiums-Administration	-	414,894
Insurance-Recovery of Losses	-	40,709
Charges for Services	2,828,052	-
Miscellaneous	207,728	75,556
Total Operating Revenues	3,035,780	21,316,875
OPERATING EXPENSES:		
Salaries and Fringe Benefits	-	1,573,911
Contract Labor	1,050,554	-
Insurance Claims	-	15,513,641
Insurance Premiums	83,302	1,925,404
Operating Supplies	4,596	69,065
Travel and Training	8,383	8,790
Minor Supplies and Equipment	239,736	2,602,847
Licenses and Fees	-	24,452
Utilities	166,457	54,808
Repairs and Maintenance	165,905	134,593
Professional Fees	193,171	221,370
Office Expense	14,882	-
Rental Expense	4,302	36,594
Miscellaneous	-	1,220
Cost of Sales	160,911	-
Other	61,945	-
Depreciation	344,519	2,403,724
Total Operating Expenses	2,498,663	24,570,419
Operating Income	537,117	(3,253,544)
NONOPERATING REVENUES:		
Interest Earnings	8,518	-
Gain (Loss) on Sale of Capital Assets	(2,081)	200,977
Total Nonoperating Revenues	6,437	200,977
Income before Contributions and Transfers	543,554	(3,052,567)
Transfers Out	(340,000)	-
Change in Net Position	203,554	(3,052,567)
Total Net Position-Beginning	11,369,348	31,975,664
Total Net Position-Ending	\$ 11,572,902	\$ 28,923,097

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, 2012

	Business-type Activities Enterprise Funds Golf Course Fund	Governmental Activities Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash Received from Customers	\$ 3,036,125	\$ 21,111,069
Cash Payments to Suppliers for Goods and Services	(1,791,909)	(18,494,254)
Cash Payments to Employees for Services	-	(1,564,419)
Net Cash Provided by Operating Activities	1,244,216	1,052,396
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Interfund Transfer	(340,000)	-
Net Cash Used by Noncapital and Related Financing Activities	(340,000)	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Acquisition/Construction of Capital Assets	(386,238)	(960,296)
Proceeds from Sale of Property	-	221,766
Net Cash Used by Capital and Related Financing Activities	(386,238)	(738,530)
CASH FLOW FROM INVESTING ACTIVITIES:		
Interest Earnings	8,518	-
Net Cash Provided by Investing Activities	8,518	-
Net Increase in Cash and Cash Equivalents	526,496	313,866
Cash and Cash Equivalents, Beginning	3,597,042	27,519,029
Cash and Cash Equivalents, Ending	\$ 4,123,538	\$ 27,832,895
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:		
Operating Income	\$ 537,117	\$ (3,253,544)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:		
Depreciation	344,519	2,403,724
(Increase) Decrease in Accounts Receivable	345	(244,674)
(Increase) Decrease in Inventories	12,891	22,530
(Increase) Decrease in Interfund Receivable	-	45,914
Increase (Decrease) in Prepays	-	(7,046)
Increase (Decrease) in Accounts Payable	5,619	301,482
Increase (Decrease) in Claims Payable-Current	-	850,321
Increase (Decrease) in Interfund Payable	343,725	(473,414)
Increase (Decrease) in Accrued Vacation and Sick Leave	-	9,492
Increase (Decrease) in Deposits Payable	-	(6,117)
Increase (Decrease) in Claims Payable-Long Term	-	1,403,728
Total Adjustments	707,099	4,305,940
Net Cash Provided by Operating Activities	\$ 1,244,216	\$ 1,052,396

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

ADAMS COUNTY, COLORADO
STATEMENT OF FIDUCIARY NET POSITION
December 31, 2012

	Agency Funds
ASSETS:	
Cash and Investments	\$ 13,578,322
Total Assets	13,578,322
 LIABILITIES:	
Due to:	
Other Governments	13,045,661
Others	532,661
Total Liabilities	\$ 13,578,322

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

This page is intentionally left blank

ADAMS COUNTY, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012

CONTENTS

Note 1. Summary of Significant Accounting Policies.....	33
A. Financial Reporting Entity	33
B. Government-wide and Fund Financial Statements.....	34
C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation.....	35
D. Assets, Liabilities, Net Position or Fund Balance.....	36
1. Deposits and Investments	36
2. Receivables and Payables	36
3. Inventories and Prepaid Items.....	37
4. Restricted Net Position	37
5. Capital Assets	38
6. Deferred Revenues.....	40
7. Claims Liabilities.....	40
8. Compensated Absences	40
9. Long-Term Liabilities.....	40
10. Contingent Liabilities	41
11. Fund Balances.....	41
12. Net Position.....	42
Note 2. Reconciliation of Government-wide and Fund Financial Statements	42
A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position.....	42
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	42
Note 3. Legal Compliance.....	44
A. TABOR Amendment	44
Note 4. Detailed Notes on All Funds.....	44
A. Cash and Investments.....	44
1. Deposits	45
2. Investments	45
3. Credit Risk.....	46
4. Concentration of Credit Risk	46
5. Local Government Investment Pool	46
6. Interest Rate Risk.....	46
7. Custodial Risk.....	46

B. Capital Assets	47
1. Governmental and Business-type Activities	47
2. Depreciation Expense	50
3. Construction Commitments	50
C. Interfund Balances and Transfers	51
1. Interfund Receivables and Payables	51
2. Interfund Transfers In and Out	52
D. Leases & Certificates of Participation.....	53
1. Operating Leases.....	53
2. Certificates of Participation	53
E. Long-Term Liabilities.....	54
Note 5. Insurance Claims Fund	55
Note 6. Defined Benefit Pension Plan	57
A. Plan Description	57
B. Funding Policy	57
Note 7. Other Post-Employment Benefits	57
A. Plan Description	57
B. Funding Policy	58
C. Annual OPEB Cost and Net OPEB Obligation	58
D. Funded Status and Funding Progress	59
E. Actuarial Methods and Assumptions.....	59
Note 8. Conduit Debt Obligations	60
Note 9. Nonspendable, Restricted, and Unrestricted Fund Balance.....	60
Note 10. Other Information	61
Note 11. New and Future Accounting Pronouncements	62

ADAMS COUNTY, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of Adams County, Colorado (the County) conform to generally accepted accounting principles in the United States (GAAP) as applied to government units. These policies 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 financial statements and notes are the responsibility of the County's management. The following summary of significant accounting policies is presented to assist the reader in evaluating the County's financial statements.

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 legally separate 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, exists solely to acquire real estate for lease to the County. The County is financially accountable for the activities of the Building Authority and its assets are reflected in the County's capital assets.

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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FRAA is reported as a discretely presented component unit and is reflected as such in the County's government-wide Statement of Net Position 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 position 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 Position presents the County's non-fiduciary assets and liabilities, with the difference reported as net position. Net position is reported in three categories:

Net investment in capital assets, 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 position results when constraints are placed on the use of assets either externally imposed by creditors, grantors, contributors, and the like, or imposed by law through constitutional provision.

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

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. 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 is the interfund charges between the Golf Course Fund and the General Fund. Elimination of these interfund activities would distort the direct costs reported.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 earned 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.

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 long-term debt, which is recognized when due. 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.

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 major revenue source is property taxes.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The Capital Facilities Fund is used to account for the construction of major County facilities. A temporary sales tax of one-half of one percent is used to finance construction projects.

The County reports the following major proprietary fund:

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

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.

D. ASSETS, LIABILITIES, NET POSITION 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 position as cash and investments. Deposits and investments of the Front Range Airport Authority and Public Trustee are held separately from those of other County funds. 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 "interfund receivable/payable." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Property taxes 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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 for uncollectibles is equal to 0.35% of outstanding property taxes at December 31, 2012.

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. Inventories of the proprietary funds are expensed when consumed.

For the government-wide statements and the fund statements, any 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 NET POSITION

Certain resources of the County have been set aside due to externally enforceable legal purpose restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments; or through constitutional provisions or enabling legislation. These restrictions are clearly identified in the government-wide Statement of Net Position.

Restricted for TABOR – An amount of \$5,176,260 is restricted for the purpose of compliance with the requirements of the Taxpayer’s Bill of Rights amendment to the Constitution of the State of Colorado, Amendment 1 to Article X, Section 20. See Note 3A – Legal Compliance, TABOR Amendment for additional information.

Restricted for Health & Welfare - This restriction of \$3,901,032 reserves excess Title IV-E money distributed to services for child welfare purposes.

Restricted for Conservation Trust – Funding restricted by the State of Colorado for the purpose of acquiring, developing and maintaining parks and trails in the amount of \$1,924,563.

Restricted for Hazardous Waste – Restriction of \$2,280,601 of the fund balance in the Waste Management Fund for unforeseen contingencies pertaining to hazardous waste management by the County pursuant to Colorado Revised Statutes 25-15-214; 2% of the annual fees received by the County from waste disposal shall be set aside for the purpose of funding the increased services required in the County by the hazardous waste disposal site.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Restricted for Open Space Grants – An amount of \$27,472,996 is restricted pursuant to voter authorizations in 1999 and 2004 to use sales tax revenue for specific grant projects. Additional information regarding the projects can be found in Note 10 - Other Information.

Restricted for DIA Mitigation – Pursuant to Judicial Order disbursing funds under Case Number 01-CV-558 in the matter of Board of County Commissioners of Adams County v City and County of Denver, April 21, 2003, monies have been segregated and must be used for the purpose of reimbursing Adams County property owners for mitigation of air noise at Denver International Airport. The balance at 12/31/12 is \$1,364,984.

Restricted for Grant Funds – Community Development Block Grant Fund, Headstart Fund, Community Services Block Grant Fund and Workforce & Business Center Fund are fully supported by grantors and the fund balance must be restricted for the uses as specified by the grantor. A total of \$3,209,849 is restricted for these purposes.

Restricted Other – Other restrictions totaling \$1,227,506 consists of:

Sheriff Booking Fees – Pursuant to Colorado Revised Statutes 30-1-104 and 30-1-119 20% of the revenue collected from the booking fee at the detention facility must be used for community-based treatment programs for mental illness. The unspent funds as of 12/31/12 is \$154,736.

Sheriff Intelligence Funds – Pursuant to Colorado Revised Statute 16-13-701 and 16-13-702 forfeited property shall be segregated from general funds. Funds held can only be expended upon approval by an appointed committee created. The current balance is \$41,711.

Public Land Dedication – Adams County Board of County Commissioners has adopted development standards as provided in the Colorado Constitution and the Colorado Revised Statutes, as amended. These statutes provide for setting aside fees paid by developers for the purpose of protecting and promoting public health, safety and general welfare of the County. The restricted amount at year end is \$517,253.

Restricted for Community Transit – \$513,806 is restricted by virtue of contractual agreements between the cities in Adams County. Contributions by the cities must be used for the purpose of providing community transit services.

5. CAPITAL ASSETS

The County's capital assets include land, buildings and improvements, machinery and equipment, software, conservation easements, water rights, 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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The County defines a capital asset as an asset with an expected useful life of more than one year. The capitalization thresholds for the assets of governmental activities are as follows:

Asset	Threshold
Buildings	\$ 50,000
Improvements	\$ 50,000
Infrastructure	\$ 50,000
Machinery and Equipment	\$ 5,000
Software	\$ 5,000

The capitalization thresholds for assets of the business-type activity of the County (the Golf Course Fund) are as follows:

Asset	Threshold
Buildings	\$ 2,500
Improvements	\$ 2,500
Infrastructure	\$ 2,500
Machinery and Equipment	\$ 2,500
Software	\$ 2,500

All land, conservation easements and water rights 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 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:

Asset	Years
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, conservation easements, and water rights 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 revenues that have been collected but corresponding expenditures have not been incurred. Grant receivables not available at year-end are deferred in the governmental fund 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 administrators 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 financial resources. Therefore, these liabilities are being reported on the government-wide financial statements and the expenditures are reported at the fund level only when due.

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 position. Debt premiums, discounts, refunding losses, and issuance costs are deferred and amortized over the life of the related debt. In the governmental fund statements, the face amount, premiums, and discounts of the debt are reported as other financing sources. Issuance costs are reported as debt service expenditures.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

10. CONTINGENT LIABILITIES

At December 31, 2012, 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.

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.

At December 31, 2012, the County has entered into tax rebate incentive contracts with numerous businesses operating in the County. Currently, contracts total an estimated amount of \$8.1 million for the years 2013 to 2023.

11. FUND BALANCES

In the fund financial statements, governmental funds report fund balance based on the extent to which the county is bound to honor constraints on the specific purpose for which funds can be spent. Fund balance classifications are based on the requirements of GASB statement 54. Classifications are nonspendable, restricted, committed, assigned and unassigned. Restricted amounts are not available for appropriation because they are legally restricted by an outside party for a specific purpose. Committed funds are funds reserved for a specific purpose by the Board of County Commissioners, funds cannot be committed or uncommitted without formal action by the Board. Assigned funds are assigned by the County Administrator or the Finance Director for a specific purpose. Unassigned is a residual classification within the General Fund. The General Fund should be the only fund that reports a positive unassigned fund balance. For further details on the various fund balance classifications refer to note 9.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the County considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned or unassigned fund balances are available, the County considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board has provided otherwise in its commitment or assignment actions.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

12. NET POSITION

Net position represents the difference between assets and liabilities. Net investment in capital assets, 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 position is 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 POSITION

The governmental funds balance sheet includes a reconciliation between fund balance – total governmental funds, and net position – governmental activities, as reported in the government-wide statement of net position. One element of that reconciliation explains, “long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.” The detail of this (\$169,436,246) difference is as follows:

Certificates of Participation Principal Payable	\$ (147,521,569)
Certificates of Participation Interest Payable	(586,871)
Bond Refunding and Premium	(405,169)
Section 108 Loan Payable	(999,930)
Net Other Post Employment Benefits Obligation	(7,242,214)
Compensated Absences	<u>(12,680,493)</u>
Net adjustment to reduce fund balance - total government funds to arrive at net position - governmental activities	<u>\$ (169,436,246)</u>

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 position 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

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (CONTINUED)

statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.” The detail of this \$6,610,193 difference is as follows:

Capital Outlay	\$ 13,936,789
Depreciation Expense	<u>(20,546,982)</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ (6,610,193)</u>

Another element of the reconciliation states, “The net effect of various miscellaneous transactions involving capital assets is to decrease net position”. The detail of this \$4,671,875 follows:

Capital Asset Donations/Contributions	\$ 4,840,745
Prior Year Construction In Progress Written Off	(9,352)
Net Book Value of Disposed Assets	<u>(159,518)</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 4,671,875</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 (\$1,654,213) difference is as follows:

Compensated Absences	\$ (106,356)
Net Other Post Employment Benefits Obligation	(1,577,306)
Accrued Interest	22,822
Refunding Amortization	(40,000)
Premium Amortization	<u>\$ 46,627</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ (1,654,213)</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 (**T**axpayer's **B**ill **O**f **R**ights) 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 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 or spending limitations. However, the County still must ask for voter approval to increase tax rates and issue bonded debt. The County will continue to reserve 3% of fiscal year spending as required by TABOR.

NOTE 4. DETAILED NOTES ON ALL FUNDS

A. CASH AND INVESTMENTS

Cash and investments at December 31, 2012, consisted of the following:

Deposits	\$ 67,974,995
Cash on Hand	30,054
Investments	<u>184,449,054</u>
Total	<u>\$ 252,454,103</u>

Cash and investments at December 31, 2012 reported in government-wide and agency funds consisted of the following:

Government-wide	
Cash and Investments	\$ 238,875,781
Agency Funds	<u>13,578,322</u>
Total	<u>\$ 252,454,103</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.

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
- Corporate bonds

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

At December 31, 2012, the County had the following investments:

	S & P Rating	Investment Maturities		Fair Value	Percent of Investments
		Less than 1 Year	1-5 years		
Local Government Investment Pools	AAAm	\$ 70,639,246	\$ -	\$ 70,639,246	38.30%
U.S. Agency Securities:					
FNMA	AA+	-	57,095,190	57,095,190	30.95%
FHLMC	AA+	-	17,061,130	17,061,130	9.25%
FHLB	AA+	-	3,000,720	3,000,720	1.62%
FFCB	AA+	-	7,023,660	7,023,660	3.81%
Gen Electric Capital Co. Note	AA+	-	12,312,910	12,312,910	6.68%
Wells Fargo Advantage Government Money Market Funds	AAAm	11,064,591	-	11,064,591	6.00%
Repurchase agreements	Not rated	6,251,607	-	6,251,607	3.39%
Total		\$ 87,955,444	\$ 96,493,610	\$ 184,449,054	100.00%

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. State statute requires repurchase agreements to be collateralized at no less than 102% with U.S. Treasury or Agency securities.

4. CONCENTRATION OF CREDIT RISK

State statute generally does not limit the amount the County may invest in one issuer.

5. LOCAL GOVERNMENT INVESTMENT POOL

The County had \$5,720,173 invested in Colorado Surplus Asset Fund Trust (CSAFE), \$12,528,852 invested in Colorado Statewide Investment Program (CSIP), and \$52,390,221 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 Colorado Division of Securities administers and enforces the requirements of creating and operating CSAFE, CSIP and COLOTRUST. CSAFE, CSIP and COLOTRUST operate in conformity with the Securities and Exchange Commission's Rule 2a7 as promulgated under the Investment Company Act of 1940, as amended. CSAFE, CSIP and COLOTRUST are rated AAAM by Standard & Poor's. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodian's internal records identify the investments owned by 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.

7. CUSTODIAL RISK

At December 31, 2012 the County's investments in U.S. Federal Agency Securities were held by the counterparty (broker), not in the County's name. The County is, however, listed as the beneficiary. The brokers include Southwest Securities and First Financial Equity Corporation.

NOTE 4. DETAILED NOTES ON ALL FUNDS (CONTINUED)

B. CAPITAL ASSETS

1. GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES

Capital asset activity for the year ended December 31, 2012 for governmental and business-type activities was as follows.

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$ 55,835,682	\$ 281,373	\$ -	\$ 56,117,055
Construction in Progress	33,462,309	15,139,941	(10,843,353)	37,758,897
Conservation Easements	18,401,294	3,198,730	-	21,600,024
Art Collection	286,014	-	-	286,014
Water Rights	711,347	-	-	711,347
Total Capital Assets, Not Being Depreciated	<u>108,696,646</u>	<u>18,620,044</u>	<u>(10,843,353)</u>	<u>116,473,337</u>
Capital Assets, Being Depreciated:				
Buildings and Improvements	287,542,653	2,959,321	(1,703,888)	288,798,086
Machinery and Equipment	51,687,256	1,989,561	(1,612,203)	52,064,614
Infrastructure	491,740,219	7,002,905	-	498,743,124
Software	3,699,994	-	-	3,699,994
Total Capital Assets, Being Depreciated	<u>834,670,122</u>	<u>11,951,787</u>	<u>(3,316,091)</u>	<u>843,305,818</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	(69,544,926)	(9,714,927)	1,675,953	(77,583,900)
Machinery and Equipment	(34,931,095)	(4,631,748)	1,459,831	(38,103,012)
Infrastructure	(108,062,437)	(8,366,610)	-	(116,429,047)
Software	(2,995,399)	(237,421)	-	(3,232,820)
Total Accumulated Depreciation	<u>(215,533,857)</u>	<u>(22,950,706)</u>	<u>3,135,784</u>	<u>(235,348,779)</u>
Total Capital Assets, Being Depreciated, Net	<u>619,136,265</u>	<u>(10,998,919)</u>	<u>(180,307)</u>	<u>607,957,039</u>
Governmental Activities Capital Assets, Net	<u>\$ 727,832,911</u>	<u>\$ 7,621,125</u>	<u>\$ (11,023,660)</u>	<u>\$ 724,430,376</u>

NOTE 4. DETAILED NOTES ON ALL FUNDS (CONTINUED)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$ 3,596,888	\$ -	\$ -	\$ 3,596,888
Total Capital Assets, Not Being Depreciated	<u>3,596,888</u>	<u>-</u>	<u>-</u>	<u>3,596,888</u>
Capital Assets, Being Depreciated:				
Buildings and Improvements	6,904,900	76,388	(8,482)	6,972,806
Machinery and Equipment	1,826,592	309,850	-	2,136,442
Infrastructure	319,983	-	-	319,983
Total Capital Assets, Being Depreciated	<u>9,051,475</u>	<u>386,238</u>	<u>(8,482)</u>	<u>9,429,231</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	(3,346,994)	(193,299)	6,400	(3,533,893)
Machinery and Equipment	(1,473,677)	(139,158)	-	(1,612,835)
Infrastructure	(89,240)	(12,062)	-	(101,302)
Total Accumulated Depreciation	<u>(4,909,911)</u>	<u>(344,519)</u>	<u>6,400</u>	<u>(5,248,030)</u>
Total Capital Assets, Being Depreciated, Net	<u>4,141,564</u>	<u>41,719</u>	<u>(2,082)</u>	<u>4,181,201</u>
Adams County Golf Course Capital Assets, Net	<u>\$ 7,738,452</u>	<u>\$ 41,719</u>	<u>\$ (2,082)</u>	<u>\$ 7,778,089</u>

NOTE 4. DETAILED NOTES ON ALL FUNDS (CONTINUED)

Discretely presented component unit

Capital asset activity for the year ended December 31, 2012 for Front Range Airport was as follows.

	Beginning Balance	Increases	Decreases	Ending Balance
Component Unit Activities				
Capital Assets, Not Being Depreciated:				
Land	\$ 7,162,023	\$ -	\$ -	\$ 7,162,023
Construction in Progress	<u>1,207,638</u>	<u>4,642,576</u>	<u>845,486</u>	<u>5,004,728</u>
Total Capital Assets, Not Being Depreciated	<u>8,369,661</u>	<u>4,642,576</u>	<u>845,486</u>	<u>12,166,751</u>
Capital Assets, Being Depreciated:				
Runways, Taxiways and Roads	35,511,373	174,593	-	35,685,966
Buildings & Improvements	11,214,203	838,353	-	12,052,556
Water and Wastewater Systems	2,116,049	-	-	2,116,049
Equipment and Furniture	<u>4,429,104</u>	<u>5,000</u>	<u>19,000</u>	<u>4,453,104</u>
Total Capital Assets, Being Depreciated	<u>53,270,729</u>	<u>1,017,946</u>	<u>19,000</u>	<u>54,307,675</u>
Less Accumulated Depreciation For:				
Runways, Taxiways and Roads	(24,123,659)	(1,144,920)	-	(25,268,579)
Buildings & Improvements	(6,267,153)	(388,475)	-	(6,655,628)
Water and Wastewater Systems	(128,620)	(53,167)	-	(181,787)
Equipment and Furniture	<u>(3,576,079)</u>	<u>(231,210)</u>	<u>(19,000)</u>	<u>(3,826,289)</u>
Total Accumulated Depreciation	<u>(34,095,511)</u>	<u>(1,817,772)</u>	<u>(19,000)</u>	<u>(35,932,283)</u>
Total Capital Assets, Being Depreciated, Net	<u>19,175,218</u>	<u>(799,826)</u>	<u>-</u>	<u>18,375,392</u>
Total Capital Assets, Net	<u>\$ 27,544,879</u>	<u>\$ 3,842,750</u>	<u>\$ 845,486</u>	<u>\$ 30,542,143</u>

NOTE 4. DETAILED NOTES ON ALL FUNDS (CONTINUED)

2. DEPRECIATION EXPENSE

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

Governmental Activities:	
General Government	\$ 5,402,211
Conservation of Natural Resources	172,926
Culture and Recreation	614,419
Economic Opportunity	89,618
Health and Welfare	499,956
Public Safety	5,560,975
Public Works	8,206,877
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the asset	<u>2,403,724</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 22,950,706</u>

3. CONSTRUCTION COMMITMENTS

The County has numerous active capital construction projects as of December 31, 2012. These projects include: improvements to Washington St, an underpass on Pecos Street, sidewalks near an elementary school, and a training facility for the Sheriff's Office. At year-end, the County's commitments with contractors for capital construction are as follows:

Description of Project	Original Commitment	Spent-to-Date	Remaining Commitment
Clay Street Trail	\$ 8,703	\$ -	\$ 8,703
Dupont St Phase III - Storm Sewer	18,525	17,393	1,132
Flatrock Training Facility	7,074,878	4,343,531	2,731,347
Goat Hill Phase 2B	2,916,253	2,682,970	233,283
Lowell Blvd	299,400	167,017	132,383
Mann Lakes Interconnects	884,736	864,754	19,982
Pecos St	1,240,415	1,237,290	3,125
Rotella Park	105,945	62,060	43,885
Safe Routes to School	174,696	162,526	12,170
Washington St Phase III	7,826,531	7,666,982	159,549
Washington St Phase IV	300,879	281,248	19,631
West 62nd Pkwy - Pecos - Huron	688,283	661,322	26,961
Total	<u>\$ 21,539,244</u>	<u>\$ 18,147,093</u>	<u>\$ 3,392,151</u>

NOTE 4. DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. INTERFUND BALANCES AND TRANSFERS

1. INTERFUND RECEIVABLES AND PAYABLES

The composition of interfund balances as of December 31, 2012 is as follows:

	Receivable Fund:				Total
	General Fund	Social Services Fund	Non-major Governmental Funds	Internal Service Funds	
Payable Fund:					
General Fund	\$ -	\$ -	\$ 552,940	\$ 1,596,139	\$ 2,149,079
Road and Bridge Fund	432,117				432,117
Social Services Fund	357,230				357,230
Capital Facilities Fund	1,331,201				1,331,201
Non-major Governmental Funds	972,937	26,588			999,525
Internal Service Funds	132,912		9,660		142,572
Golf Course Fund	355,467	-	-	-	355,467
Total Interfund Payables	\$ 3,581,864	\$ 26,588	\$ 562,600	\$ 1,596,139	\$ 5,767,191

As shown above, in 2012 the General Fund has paid \$3,581,864 to the County's other funds to cover year end 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 \$562,600 due from other funds at the end of the year. The Other Human Services Fund owes the General Fund \$39,854 for operating expenses and cash flow, and owes the Social Services Fund \$26,588 due to the closing of the fund in December 2012.

The \$1,331,201 due from the Capital Facilities Fund to the General Fund is for part of the COP payments and to reimburse the General Fund for facilities employees working at the government center.

The \$1,596,139 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 \$437,208 due from the General Fund in operating and depreciation expenses for December that will be reimbursed immediately in 2013. The Insurance Claims Fund is due \$1,158,931 from the General Fund as of December 31, 2012. This amount is made up of reimbursements for insurance expenses and dental, health, and workers' compensation insurance premiums.

NOTE 4. DETAILED NOTES ON ALL FUNDS (CONTINUED)

2. INTERFUND TRANSFERS IN AND OUT

The composition of the interfund transfers as of December 31, 2012 is as follows:

	Transfers In:				Total
	General Fund	Social Services Fund	Capital Facilities Fund	Non-major Governmental Funds	
Transfers Out:					
General Fund	\$ -	\$ -	\$ -	\$ 1,850,000	\$ 1,850,000
Capital Facilities Fund	12,059,098	-	-	-	12,059,098
Non-major Governmental Funds	310,645	13,294	501,674	600,847	1,426,460
Golf Course Fund	340,000	-	-	-	340,000
Total	<u>\$ 12,709,743</u>	<u>\$ 13,294</u>	<u>\$ 501,674</u>	<u>\$ 2,450,847</u>	<u>\$15,675,558</u>

As identified above, at the end of the current year, the total amount transferred to the General Fund was \$12,709,743. Of this amount, \$12,059,098 was transferred from the Capital Facilities Fund to the General Fund to reimburse the General Fund for interest and principal payments associated with certificates of participation and for operating expense of the Government Center. Please see Note 4D for more detailed information on the County certificates of participation. The Open Space Sales Tax Fund transferred \$310,645 to the general fund to cover expenses for a trail through the Mann Lake property. The Golf Course Fund transferred \$340,000 to the General Fund in 2012. 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 of \$1,850,000 was transferred out of the General Fund into non-major governmental funds. The transfer included \$1,000,000 transferred from the General Fund to the CDBG Fund for various community projects. The General Fund also transferred \$850,000 to the Waste Management Fund to fulfill the requirements of a settlement related to the Deer Trail Facility.

The Other Human Services Fund transferred \$13,294 to the Social Services Fund to close the fund. The activities of the Other Human Services Fund will now be handled by the Social Services Fund.

The Open Space Sales Tax Fund transferred \$501,674 to the Capital Facilities Fund to cover expenses for the natural park at the Government Center.

The transfer of \$600,847 between Non-major Governmental Funds consisted of transfers from the Open Space Sales Tax Fund to the Open Space Projects Fund. These were the monies collected as part of the open space tax from companies located in unincorporated Adams County. The funds will be used for open space related projects in the county.

NOTE 4. DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. LEASES & CERTIFICATES OF PARTICIPATION

1. OPERATING LEASES

The County has entered into various lease obligations for both office space and office equipment. Payments made in 2012 total \$828,013 in governmental funds. The County also receives building usage fees from grant programs including, but not limited to, Social Services, Workforce Investment Act, and Head Start. These building usage fees are not included in the schedule below.

The following is a schedule of estimated future minimum lease payments for the County’s operating lease obligations as of December 31, 2012:

Year	Annual Lease Payments
2013	\$ 637,503
2014	364,700
2015	236,352
2016	170,476
2017	156,707
2018	150,264
2019	11,405
Total	\$ 1,727,407

2. CERTIFICATES OF PARTICIPATION

The County has participated in four separate sale-leaseback transactions for the sale and subsequent repurchase of several existing County properties and one lease-leaseback transaction.

The 2003 transaction resulted in the sale-leaseback in the amount of \$15,890,000 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 Building. The Western Service Center opened in February 2004 and the Offices of the District Attorney Building opened in May 2004. The 2003 leaseback matures in December 2023 with interest rates varying by year from 3.5% to 4.75%.

The 2008 transaction resulted in the sale-leaseback in the amount of \$35,000,000 of four properties: the Offices of the District Attorney Building, the Sheriff and Coroner’s Headquarters, the Western Service Center, and the Development Building. This provided financing for the construction of the Justice Center Expansion, which was completed in 2009, and the first phase of the new Adams County Government Center, a multi-year project. The 2008 leaseback matures in December 2018 with interest rates ranging from 3.87% to 4.175%.

The 2009 transaction resulted in the sale-leaseback in the amount of \$105,000,000 of the Detention Facility. This provided financing for the construction and equipping of phase one of the new Government Center,

NOTE 4. DETAILED NOTES ON ALL FUNDS (CONTINUED)

which was completed in 2011. The 2009 leaseback matures in December 2029 with interest rates ranging from 3.0% to 5.25%.

The 2009 B transaction resulted in the sale-leaseback of the Children and Family Services Center for \$5,645,000. This transaction refunded a sale-leaseback from 1999. The 2009 B leaseback matures in November 2014 with interest rates varying by year from 3.0% to 4.0%.

The 2010 transaction resulted in the lease-leaseback in the amount of \$15,500,000 of the new wing of the Justice Center. This provided financing for the construction and equipping of phase one of the new Government Center, which was completed in 2011. The 2010 leaseback matures in December 2030 with an interest rate of 4.24%.

The future minimum obligations, subject to annual appropriation, and the net present value of these minimum payments as of December 31, 2012 are as follows:

<u>Year Ending December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 7,304,914	\$ 6,655,097	\$ 13,960,011
2014	7,571,819	6,387,617	13,959,436
2015	6,804,231	6,109,219	12,913,450
2016	7,067,370	5,846,441	12,913,811
2017	7,341,470	5,567,970	12,909,440
2018-2022	41,606,765	22,975,743	64,582,508
2023-2027	47,010,000	12,821,350	59,831,350
2028-2030	22,815,000	1,807,736	24,622,736
Total	<u>\$ 147,521,569</u>	<u>\$ 68,171,173</u>	<u>\$ 215,692,742</u>

E. LONG-TERM LIABILITIES

During the year ended December 31, 2012, 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					
Certificates of Participation	\$ 154,564,869	\$ -	\$ (7,043,300)	\$147,521,569	\$ 7,304,914
Loss on Refunding	(103,333)	-	40,000	(63,333)	-
Debt Premium	515,129	-	(46,627)	468,502	-
Section 108 Loan	1,999,930	-	(1,000,000)	999,930	-
Claims	5,490,345	15,398,037	(13,143,988)	7,744,394	4,199,342
Net OPEB Obligation	5,664,908	2,257,983	(680,677)	7,242,214	-
Compensated Absences	<u>12,721,582</u>	<u>10,252,908</u>	<u>(10,137,060)</u>	<u>12,837,430</u>	<u>725,995</u>
Total Long-Term Liabilities	<u>\$ 180,853,430</u>	<u>\$ 27,908,928</u>	<u>\$ (32,011,652)</u>	<u>\$176,750,706</u>	<u>\$ 12,230,251</u>

NOTE 4. DETAILED NOTES ON ALL FUNDS (CONTINUED)

In 2011, the County entered into a long-term loan guarantee with US Department of Housing and Urban Development under the Section 108 Loan Guarantee Program. The County uses the loan to provide funding to The Globeville Commercial Urban Redevelopment Area (Globeville) for its construction of low income housing. The Globeville Commercial Urban Redevelopment Area has entered a loan agreement with the County for this funding. The County has pledged future Community Development Block Grants as security for the guaranteed loan with HUD. The County has been approved for an advance up to \$10 million. As of December 31, 2012, \$1.9 million has been advanced. Interest is payable quarterly at a variable interest rate equal to the LIBO rate plus 0.2%. The County’s first principal payment to HUD is due beginning August 1, 2016, however a payment of \$1,000,000 was made in 2012.

Globeville is responsible for making payments to the County for the principal and interest on the loan. Globeville will begin making payments to the County in 2013. At this time, the County expects Globeville to pay for 100% of the loan amount plus interest. In the unlikely event that Globeville is unable to pay, the County will be responsible for the repayment of the loan to the US Department of Housing and Urban Development. The total due from Globeville as of December 31, 2012 was \$1,719,820.

OPEB and 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.

Discretely presented component unit

During the year ended December 31, 2012, the following changes occurred in long-term liabilities:

Front Range Airport

	Beginning				Due Within
	Balance	Additions	Reductions	Ending Balance	One Year
2007 Note Payable	\$ 1,143,263	\$ -	\$ (176,722)	\$ 966,541	\$ 182,023
2002 Note Payable	103,686	-	(103,686)	-	-
2000 Note Payable	28,271	-	(28,271)	-	-
Total Notes Payable	1,275,220	-	(308,679)	966,541	182,023
Capital Lease Payable	95,447	-	(46,685)	48,762	48,762
Compensated Absences	126,766	49,675	(43,696)	132,745	55,987
Total Long Term Liabilities	<u>\$ 1,497,433</u>	<u>\$ 49,675</u>	<u>\$ (399,060)</u>	<u>\$ 1,148,048</u>	<u>\$ 286,772</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.

NOTE 5. INSURANCE CLAIMS FUND (CONTINUED)

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 general liability 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.

There are no reductions in insurance coverage from prior years. Settlements have not exceeded insurance coverage in the past three years.

The County has a stop-loss policy for the self-insured health plans. Any individual claim paid which exceeds \$175,000 is covered by the stop-loss policy.

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 County 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 plan is \$600,000 per claim.

Current protection for the property and general liability programs is also provided through a combination of self-insurance and an excess insurance policy. Under a general liability claim (including employment discrimination liability), the County will assume the first \$500,000 per occurrence. Covered claims over these amounts are covered by excess insurance up to \$10 million per occurrence with a \$10 million annual aggregate. Property is protected by an excess insurance policy for replacement cost subject to a deductible of \$50,000 per occurrence and \$150 million limit.

The following represents the changes in unpaid claims liabilities during the past two years.

	General Liability	Workers Comp	Dental	Health	Total
Unpaid Claims January 1, 2011	\$ 941,000	\$ 1,818,781	\$ 148,900	\$ 2,471,642	\$ 5,380,323
Incurred Claims	1,512,033	458,831	744,183	9,468,599	12,183,646
Claim Payments	<u>(1,091,485)</u>	<u>(750,818)</u>	<u>(765,656)</u>	<u>(9,465,665)</u>	<u>(12,073,624)</u>
Unpaid Claims December 31, 2011	1,361,548	1,526,794	127,427	2,474,576	5,490,345
Incurred Claims	2,848,248	652,756	816,836	11,080,197	15,398,037
Claim Payments	<u>(1,077,624)</u>	<u>(690,829)</u>	<u>(812,462)</u>	<u>(10,563,073)</u>	<u>(13,143,988)</u>
Unpaid Claims December 31, 2012	<u>\$ 3,132,172</u>	<u>\$ 1,488,721</u>	<u>\$ 131,801</u>	<u>\$ 2,991,700</u>	<u>\$ 7,744,394</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

The Plan issues a publicly available annual financial report that may be obtained by writing to Adams County Retirement Plan, 4430 South Adams County Parkway, Brighton, Colorado, 80601 or by calling 720-523-6167.

B. FUNDING POLICY

The authority for establishing the funding policy of the Plan is vested with the Board of County Commissioners. The Commissioners mandate the contribution obligation by resolution. In 2009, the Commissioners resolved to increase both employee and employer contributions to the plan by 0.25% per year up to 9.00%. The rate of 9.00% will be effective January 1, 2015.

Per the resolution, the 2012 funding policy calls for equal contributions of 8.25% of base salaries from the employers and from covered employees. The County contributed \$7,347,844 at the rate of 8.25% during 2012. This amount represents 100% of the contribution required by the funding policy.

The total contribution made by the County in 2011 was \$7,041,711 at a contribution rate of 8.00%. The total contribution made by the County in 2010 was \$6,905,289 at a contribution rate of 7.75%. These amounts represented 100% of the contributions required by the funding policies for 2011 and 2010.

NOTE 7. OTHER POST-EMPLOYMENT BENEFITS

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 retires 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. Members of the plan hired after January 1, 2011 are not eligible for the \$50 per month County subsidy. On October 29, 1990, the Board of County Commissioners adopted a

NOTE 7. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

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 by, and may be amended by, the Board of County 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 Board of County Commissioners. The County contributions are on a pay-as-you-go basis. For the year ended December 31, 2012, the County contributed \$195,445 towards the premiums plus the County also paid claims for the self-insured health plan in excess of retiree’s contribution. The self-funded plans administrative fees and claims are paid on a pay-as-you-go basis.

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:

	<u>2012</u>
Annual required contribution	\$ 2,251,808
Interest on net OPEB obligation	198,272
Adjustment to annual required contribution	<u>(192,097)</u>
Annual OPEB cost	\$ 2,257,983
County contributions	<u>(680,677)</u>
Increase in net OPEB obligation	\$ 1,577,306
Net OPEB obligation – beginning of year	<u>5,664,908</u>
Net OPEB obligation – ending of year	<u><u>\$ 7,242,214</u></u>

NOTE 7. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

The County’s annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for 2012 and the preceding two years follows.

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
12/31/2010	\$ 2,028,881	43.25%	\$ 4,142,392
12/31/2011	\$ 2,180,175	30.17%	\$ 5,664,908
12/31/2012	\$ 2,257,983	30.15%	\$ 7,242,214

D. FUNDED STATUS AND FUNDING PROGRESS

At January 1, 2012, the date of the most recent actuarial valuation, the Actuarial Accrued Liability (AAL) was \$22.7 million. There was no asset value. The covered payroll (annual payroll of active employees covered by the plan) was \$85.1 million. The ratio of the UAAL at December 31, 2011 to the covered payroll was 26.74 percent.

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. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

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 January 1, 2012 actuarial valuation, the individual entry-age actuarial cost method was used. The actuarial assumptions also included a 3.5 percent investment rate of return on the employer’s own investments (there are currently no plan assets), a 3.5 percent increase in covered payroll, zero inflation, and initially, an annual healthcare cost trend rate of 9.0 percent with an expected reduction to 4.5 percent by 2022. The UAAL is being amortized by a level percent of payroll method. The amortization period is on an open 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, 2012, a total of \$309,781,600 in bonds are outstanding as conduit debt. The original amount of the debt was \$507,149,700. The oldest issue was in 1984, maturing in 2014. A new bond was issued in 2012 in the amount of \$8,450,000. Reductions included two maturities in the amount of \$65,545,000, early retirements in the amount of \$29,415,000 and other reductions of \$14,925,317.

NOTE 9. NONSPENDABLE, RESTRICTED, AND UNRESTRICTED FUND BALANCE

Fund balance is categorized into five categories:

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

Restricted – amounts that are subject to externally enforceable legal purpose restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments; or through constitutional provisions or enabling legislation.

Committed – amounts that are subject to a purpose constraint imposed by a formal action of the Board. The Board is the highest level of decision-making authority for the County. Commitments may be established, modified or rescinded only through resolutions approved by the Board.

Assigned – amounts that are subject to a purpose constraint that represents an intended use, but does not meet the criteria to be classified as restricted or committed. The purpose of the assignment must be narrower than the purpose of the General Fund, and in funds other than the General Fund, assigned fund balance represents the residual amount of fund balance.

Unassigned – represents the residual classification for the General Fund and could report a surplus or deficit.

NOTE 9. NONSPENDABLE, RESTRICTED AND UNRESTRICTED FUND BALANCE (CONTINUED)

Nonspendable, restricted, committed, and assigned fund balances of the Governmental Funds consists of the following:

	<u>General Fund</u>	<u>Road & Bridge Fund</u>	<u>Social Services Fund</u>	<u>Capital Facilities Fund</u>	<u>Other Governmental</u>	<u>Total</u>
Fund Balances						
Restricted For:						
TABOR	\$ 5,176,260	\$ -	\$ -	\$ -	\$ -	\$ 5,176,260
Sheriff Booking Fee	154,736	-	-	-	-	154,736
Sheriff Intelligence Funds	41,711	-	-	-	-	41,711
Public Land Dedication	517,253	-	-	-	-	517,253
Long Term Debt Reserve	11,064,500	-	-	-	-	11,064,500
Special Transit	513,806	-	-	-	-	513,806
IV - E Program	-	-	3,901,032	-	-	3,901,032
Conservation Trust	-	-	-	-	1,924,563	1,924,563
Hazardous Waste	-	-	-	-	2,280,601	2,280,601
Open Space Grants	-	-	-	-	27,472,996	27,472,996
DIA Noise Mitigation	-	-	-	-	1,364,984	1,364,984
Grant Programs	-	-	-	-	3,209,849	3,209,849
Total Restricted	<u>17,468,266</u>	<u>-</u>	<u>3,901,032</u>	<u>-</u>	<u>36,252,993</u>	<u>57,622,291</u>
Committed To:						
Strategic Reserve	39,747,015	-	-	-	-	39,747,015
DIA Legal Fees	103,054	-	-	-	-	103,054
Total Committed	<u>39,850,069</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>39,850,069</u>
Assigned To:						
Sheriff Projects	170,217	-	-	-	-	170,217
CSU Programs	37,533	-	-	-	-	37,533
Public Works	-	25,031,194	-	-	-	25,031,194
Health & Welfare	-	-	7,195,276	-	154,781	7,350,057
Capital Projects	-	-	-	15,219,474	-	15,219,474
Waste Management	-	-	-	-	3,209,698	3,209,698
Open Space	-	-	-	-	2,897,153	2,897,153
Total Assigned	<u>207,750</u>	<u>25,031,194</u>	<u>7,195,276</u>	<u>15,219,474</u>	<u>6,261,632</u>	<u>53,915,326</u>
Unassigned	60,123,396	-	-	-	-	60,123,396
Total Fund Balance	<u>\$ 117,649,481</u>	<u>\$ 25,031,194</u>	<u>\$ 11,096,308</u>	<u>\$ 15,219,474</u>	<u>\$ 42,514,625</u>	<u>\$ 211,511,082</u>

NOTE 10. 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.

NOTE 10. OTHER INFORMATION (CONTINUED)

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.

NOTE 11. NEW AND FUTURE ACCOUNTING PRONOUNCEMENTS

Effective January 1, 2012, the County implemented GASB Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements (GASB 62) and GASB Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position (GASB 63).

GASB 62 incorporates into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in the Financial Accounting Standards Board (FASB) and American Institute of Certified Public Accountants (AICPA) pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements. The County has already been following these standards.

GASB 63 provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources as introduced and defined in GASB Concepts Statement No. 4, Elements of Financial Statements. The County does not have any financial statement balances that meet the definition of a deferred outflow of resources or a deferred inflow of resources. In addition, net assets is now net position, the statement of net assets is now the statement of net position and the statement of net revenues, expenses and changes in fund net assets is now the statement of revenues, expenses and changes in fund net position. As such, the names of certain statements and certain line items were changed as required by GASB 63, otherwise, the adoption of this pronouncement had no impact to the County's financial statements.

The GASB issued Statement No. 68 Accounting and Financial Reporting for Pensions (GASB 68), which revises and establishes new financial reporting requirements for most governments that provide their employees with pension benefits. GASB 68 requires cost-sharing employers participating in the Adams County Retirement Plan (the Plan), such as the County, to record their proportionate share, as defined in GASB 68, of the Plan's unfunded pension liability. The County has no legal obligation to fund this shortfall nor does it have any ability to affect funding, benefits, or annual required contribution decisions made by the Plan. The requirement of GASB 68 to record a portion of the Plan's unfunded liability may negatively impact the County's future unrestricted net position. GASB 68 is effective for fiscal year 2015. At this time, management is unable to estimate the magnitude of this impact. Information regarding the Plan's current funding status can be found in its annual financial report.

REQUIRED SUPPLEMENTARY INFORMATION
ADAMS COUNTY, COLORADO
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2012

	<u>Budgeted Amounts</u>			Variance with Final
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	Budget - Positive (Negative)
REVENUES:				
Taxes				
General Property Taxes	\$ 101,438,858	\$ 101,438,858	\$ 101,089,861	\$ (348,997)
Delinquent Property Taxes	(30,000)	(30,000)	119,264	149,264
Other Taxes	303,697	535,861	509,974	(25,887)
Total Taxes	<u>101,712,555</u>	<u>101,944,719</u>	<u>101,719,099</u>	<u>(225,620)</u>
Licenses and Permits				
Liquor Licenses	25,000	25,000	20,613	(4,387)
Marriage Licenses	14,000	14,000	15,148	1,148
Building Permits	650,000	650,000	668,893	18,893
Other Licenses and Permits	24,680	24,680	39,822	15,142
Total Licenses and Permits	<u>713,680</u>	<u>713,680</u>	<u>744,476</u>	<u>30,796</u>
Intergovernmental				
Grants				
Victim Compensation	500,000	655,000	735,000	80,000
Victim Assistance	264,398	350,166	325,432	(24,734)
Juvenile Incentive	51,066	51,066	46,893	(4,173)
Juvenile Diversion	41,188	41,188	37,544	(3,644)
Sheriff-LEAF	15,000	88,800	70,554	(18,246)
Sheriff-VALE	7,811	7,811	8,746	935
Sheriff-Miscellaneous	19,000	70,773	63,965	(6,808)
SCAAP-USDOJ	230,000	230,000	119,361	(110,639)
FEMA - LEMS	91,000	91,000	195,232	104,232
Community Corrections	5,924,041	6,036,067	5,950,507	(85,560)
Veterans Affairs	2,400	2,400	3,600	1,200
Other Grants	159,538	526,325	389,993	(136,332)
Total Grants	<u>7,305,442</u>	<u>8,150,596</u>	<u>7,946,827</u>	<u>(203,769)</u>
Other Governmental				
State Reimbursements	498,699	498,699	551,808	53,109
Special Transit	3,705,310	3,735,550	522,372	(3,213,178)
Other Governmental	96,912	132,717	167,727	35,010
Total Other Governmental	<u>4,300,921</u>	<u>4,366,966</u>	<u>1,241,907</u>	<u>(3,125,059)</u>
Total Intergovernmental	<u>11,606,363</u>	<u>12,517,562</u>	<u>9,188,734</u>	<u>(3,328,828)</u>
Charges for Services				
Assessor	47,500	47,500	40,375	(7,125)
Clerk and Recorder	7,484,546	7,484,546	8,614,043	1,129,497
District Attorney	1,492,269	1,492,269	1,469,489	(22,780)
Legal Services	2,858,613	2,858,613	2,968,614	110,001
Corner Services - Broomfield	201,325	286,550	286,550	-
Sheriff - School Resource Officer	119,004	119,004	121,239	2,235
Sheriff - Bennett and Watkins	330,000	330,000	246,635	(83,365)
Sheriff	2,995,977	2,995,977	3,002,607	6,630
Treasurer	2,571,050	2,571,050	2,518,631	(52,419)
Animal Shelter/Adoption Center	313,036	313,036	283,469	(29,567)
Finance	333,501	333,501	308,053	(25,448)
Human Resources	351,619	351,619	285,851	(65,768)
Regional Park	365,500	365,500	379,444	13,944
CSU Extension	59,050	59,050	70,825	11,775
County Fair	359,100	359,100	376,399	17,299
Planning & Development	82,200	82,200	104,179	21,979
Public Trustee	1,354,000	1,354,000	811,660	(542,340)
Payment in Lieu of Taxes	27,500	27,500	27,366	(134)
Fines & Forfeitures	1,501,800	1,501,800	1,475,151	(26,649)

REQUIRED SUPPLEMENTARY INFORMATION
ADAMS COUNTY, COLORADO
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final</u>
	<u>Original</u>	<u>Final</u>		<u>Budget - Positive</u> <u>(Negative)</u>
Copies, Maps, & Plans	238,880	238,880	112,443	(126,437)
Other Charges for Services	345,296	345,296	280,875	(64,421)
Total Charges for Services	<u>23,431,766</u>	<u>23,516,991</u>	<u>23,783,898</u>	<u>266,907</u>
Investment Income				
Investment Income	1,400,400	1,400,400	2,336,734	936,334
Total Investment Income	<u>1,400,400</u>	<u>1,400,400</u>	<u>2,336,734</u>	<u>936,334</u>
Miscellaneous Revenues				
Rents and Royalties	1,894,408	2,003,564	2,004,407	843
Franchise Fees	500,000	500,000	576,655	76,655
Indirect Costs	523,502	523,502	759,608	236,106
Telecommunication Reimbursements	185,000	185,000	159,829	(25,171)
Postage Reimbursements	127,000	127,000	110,626	(16,374)
Tax Sale Premiums	160,000	160,000	204,331	44,331
IDRB Issuer Fees	-	-	41,063	41,063
Contributions and Donations	75,650	100,650	107,023	6,373
Other Miscellaneous Revenues	89,640	133,640	998,472	864,832
Total Miscellaneous Revenues	<u>3,555,200</u>	<u>3,733,356</u>	<u>4,962,014</u>	<u>1,228,658</u>
Total Revenues	<u>142,419,964</u>	<u>143,826,708</u>	<u>142,734,955</u>	<u>(1,091,753)</u>
EXPENDITURES:				
General Government				
County Commissioners	633,063	647,111	612,084	35,027
County Administration	1,028,859	1,032,457	899,953	132,504
County Attorney	3,574,299	3,613,920	3,134,623	479,297
Finance	2,904,884	3,121,293	2,804,624	316,669
Human Resources	1,740,152	1,801,988	1,618,724	183,264
County Clerk and Recorder				
Recording	909,232	909,232	710,166	199,066
Elections	2,169,164	3,139,351	2,116,630	1,022,721
Motor Vehicle	3,837,594	3,885,165	3,524,336	360,829
County Treasurer	1,330,032	1,333,511	1,118,246	215,265
County Assessor	3,797,819	3,869,979	3,426,099	443,880
District Attorney	14,907,443	15,119,073	14,509,860	609,213
17th Judicial District	106,409	136,409	50,886	85,523
Information Technology	6,614,188	8,191,916	6,035,359	2,156,557
Telecommunications	1,527,879	1,527,879	1,323,351	204,528
Special Transportation	530,540	560,780	449,914	110,866
Facilities Management	8,294,725	8,650,802	6,928,342	1,722,460
Public Trustee	606,889	606,889	499,286	107,603
Planning and Development	1,467,823	1,542,828	1,336,105	206,723
Economic Development Center	554,608	554,608	554,608	-
Economic Incentives	600,000	600,000	120,233	479,767
Admin/Org Support	5,010,506	5,934,295	5,421,569	512,726
County Surveyor	16,549	16,549	16,193	356
Veterans Service Office	59,409	62,109	60,449	1,660
Total General Government	<u>62,222,066</u>	<u>66,858,144</u>	<u>57,271,640</u>	<u>9,586,504</u>
Public Safety				
Sheriff-Field and Administration	24,825,088	24,963,392	23,507,744	1,455,648
Sheriff-Funds & Grants	1,332,421	1,415,026	905,204	509,822
Sheriff-Corrections	30,725,752	30,811,546	29,872,121	939,425
Emergency Management	373,585	312,600	272,134	40,466
Facilities Management	2,008,477	2,388,597	2,086,621	301,976
County Coroner	1,595,017	1,701,996	1,662,813	39,183

REQUIRED SUPPLEMENTARY INFORMATION
ADAMS COUNTY, COLORADO
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final</u>
	<u>Original</u>	<u>Final</u>		<u>Budget - Positive</u> <u>(Negative)</u>
Animal Shelter/Adoption Center	1,780,855	1,828,027	1,769,087	58,940
Community Corrections	5,928,529	6,040,555	6,006,253	34,302
Weed and Pest Control	273,098	273,098	264,808	8,290
Total Public Safety	<u>68,842,822</u>	<u>69,734,837</u>	<u>66,346,785</u>	<u>3,388,052</u>
County Funded Human Services				
Human Service Agency Grants	170,200	170,200	156,200	14,000
Tri-County Health	3,258,263	3,258,263	3,258,263	-
Total County Funded Human Services	<u>3,428,463</u>	<u>3,428,463</u>	<u>3,414,463</u>	<u>14,000</u>
Public Works				
Engineering	1,509,164	1,497,922	1,451,055	46,867
Code Enforcement	885,291	885,291	769,856	115,435
Public Works-CIP	275,000	700,577	407,338	293,239
Total Public Works	<u>2,669,455</u>	<u>3,083,790</u>	<u>2,628,249</u>	<u>455,541</u>
Conservation of Natural Resources				
CO State University Extension	570,332	574,159	491,187	82,972
Total Conservation of Natural Resources	<u>570,332</u>	<u>574,159</u>	<u>491,187</u>	<u>82,972</u>
Culture and Recreation				
Parks and Recreation	2,870,518	3,299,298	2,949,784	349,514
Fair and Rodeo	481,183	481,183	452,962	28,221
Total Culture and Recreation	<u>3,351,701</u>	<u>3,780,481</u>	<u>3,402,746</u>	<u>377,735</u>
Economic Opportunity				
CO State University Extension Youth	143,712	143,712	132,488	11,224
Total Economic Opportunity	<u>143,712</u>	<u>143,712</u>	<u>132,488</u>	<u>11,224</u>
Capital Outlay				
Capital Outlay	6,852,222	21,984,097	6,576,908	15,407,189
Total Capital Outlay	<u>6,852,222</u>	<u>21,984,097</u>	<u>6,576,908</u>	<u>15,407,189</u>
Debt Service				
Principal	7,043,300	7,043,300	7,043,300	-
Interest	6,911,967	6,911,967	6,911,967	-
Total Debt Service	<u>13,955,267</u>	<u>13,955,267</u>	<u>13,955,267</u>	<u>-</u>
Total Expenditures	<u>162,036,040</u>	<u>183,542,950</u>	<u>154,219,733</u>	<u>29,323,217</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(19,616,076)</u>	<u>(39,716,242)</u>	<u>(11,484,778)</u>	<u>28,231,464</u>
Other Financing Sources (Uses)				
Transfers In	13,899,103	13,949,103	12,709,743	(1,239,360)
Transfers Out	-	(1,850,000)	(1,850,000)	-
Sale of Assets	12,000	12,000	13,687	1,687
Total of Other Financing Sources (Uses)	<u>13,911,103</u>	<u>12,111,103</u>	<u>10,873,430</u>	<u>(1,237,673)</u>
Net Change in Fund Balance	(5,704,973)	(27,605,139)	(611,348)	26,993,791
Fund Balance, Beginning of Year	<u>118,260,829</u>	<u>118,260,829</u>	<u>118,260,829</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 112,555,856</u>	<u>\$ 90,655,690</u>	<u>\$ 117,649,481</u>	<u>\$ 26,993,791</u>

See the accompanying independent auditor's report.

REQUIRED SUPPLEMENTARY INFORMATION
ADAMS COUNTY, COLORADO
ROAD AND BRIDGE FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2012

	<u>Budgeted Amounts</u>			Variance with Final
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	Budget - Positive (Negative)
REVENUES:				
Taxes				
General Property Taxes	\$ 5,759,544	\$ 5,759,544	\$ 5,739,729	\$ (19,815)
Delinquent Property Taxes	(1,500)	(1,500)	6,729	8,229
Sales Taxes	8,404,371	9,373,183	9,328,432	(44,751)
Specific Ownership Taxes	7,700,000	7,700,000	8,390,103	690,103
Licenses and Permits	20,000	20,000	32,539	12,539
Intergovernmental				
Local Revenue	500,000	500,000	249,471	(250,529)
Federal Grants	-	-	101,415	101,415
Highway User Tax	7,353,675	7,353,675	7,925,498	571,823
Other Intergovernmental	768,319	768,319	543,290	(225,029)
Charges for Services	476,900	476,900	557,585	80,685
Interest Earnings	1,000	1,000	1,862	862
Miscellaneous	16,000	1,016,000	1,035,819	19,819
Total Revenues	<u>30,998,309</u>	<u>32,967,121</u>	<u>33,912,472</u>	<u>945,351</u>
EXPENDITURES:				
Public Works				
Public Works-Highway	10,328,678	10,343,108	8,374,629	1,968,479
Public Works-CIP	1,855,230	3,564,508	2,409,633	1,154,875
Public Works-Construction Inspection	918,924	904,494	739,739	164,755
Public Works-Transportation	1,212,797	1,212,797	1,136,391	76,406
Public Works-Admin/Org Support	8,681,046	10,047,078	9,923,810	123,268
Total Public Works	<u>22,996,675</u>	<u>26,071,985</u>	<u>22,584,202</u>	<u>3,487,783</u>
Capital Outlay	7,056,426	21,263,110	6,528,799	14,734,311
Total Expenditures	<u>30,053,101</u>	<u>47,335,095</u>	<u>29,113,001</u>	<u>18,222,094</u>
Net Change in Fund Balance	945,208	(14,367,974)	4,799,471	19,167,445
Fund Balance, Beginning of Year	<u>20,231,723</u>	<u>20,231,723</u>	<u>20,231,723</u>	-
Fund Balance, End of Year	<u>\$ 21,176,931</u>	<u>\$ 5,863,749</u>	<u>\$ 25,031,194</u>	<u>\$ 19,167,445</u>

See the accompanying independent auditor's report.

REQUIRED SUPPLEMENTARY INFORMATION
ADAMS COUNTY, COLORADO
SOCIAL SERVICES FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final</u>
	<u>Original</u>	<u>Final</u>		<u>Budget - Positive</u>
				<u>(Negative)</u>
REVENUES:				
Taxes				
General Property Taxes	\$ 10,424,774	\$ 10,424,774	\$ 10,365,203	\$ (59,571)
Delinquent Taxes	(3,999)	(3,999)	12,190	16,189
Intergovernmental				
State Grants	33,826,862	34,040,044	36,822,773	2,782,729
Federal Grants	136,404,832	141,349,236	131,101,390	(10,247,846)
Total Revenues	<u>180,652,469</u>	<u>185,810,055</u>	<u>178,301,556</u>	<u>(7,508,499)</u>
EXPENDITURES:				
Health and Welfare	182,104,486	187,527,856	181,261,618	6,266,238
Capital Outlay	100,000	100,000	-	100,000
Total Expenditures	<u>182,204,486</u>	<u>187,627,856</u>	<u>181,261,618</u>	<u>6,366,238</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,552,017)</u>	<u>(1,817,801)</u>	<u>(2,960,062)</u>	<u>(1,142,261)</u>
Other Financing Sources (Uses)				
Transfers In	-	-	13,294	13,294
Transfers Out	-	(39,855)	-	39,855
Total of Other Financing Sources (Uses)	<u>-</u>	<u>(39,855)</u>	<u>13,294</u>	<u>53,149</u>
Net Change in Fund Balance	(1,552,017)	(1,857,656)	(2,946,768)	(1,089,112)
Fund Balance, Beginning of Year	<u>14,043,076</u>	<u>14,043,076</u>	<u>14,043,076</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 12,491,059</u>	<u>\$ 12,185,420</u>	<u>\$ 11,096,308</u>	<u>\$ (1,089,112)</u>

See the accompanying independent auditor's report.

ADAMS COUNTY, COLORADO
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2012

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. A spending agency is an office/department or other county unit having budgetary responsibility for an organization, activity, program or fund budget (ex. Sheriff, Assessor, Public Works). Department heads are authorized to transfer budgeted amounts between line items with approval from the County Administrator or Deputy County Administrator with the exception of 1) amounts over \$50,000 2) transfers to/from protected line items, such as salaries 3) transfers between operating and capital. These exceptions require written approval from the Board. Any revision that alters the total budgeted expenditures of a fund or spending agency requires supplemental appropriation which requires approval from the Board. 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:

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Liability (AAL) Entry Age	Actuarial Accrued Liability (AAL) Entry Age	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAAL as Percentage of Covered Payroll
1/1/2007	\$ -	\$ -	\$ 22,186,705	\$ 22,186,705	0.00%	\$ 83,811,742	26.47%
1/1/2009	\$ -	\$ -	\$ 24,122,548	\$ 24,122,548	0.00%	\$ 94,994,280	25.39%
1/1/2011	\$ -	\$ -	\$ 22,770,914	\$ 22,770,914	0.00%	\$ 85,160,104	26.74%

This page is intentionally left blank

ADAMS COUNTY, COLORADO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2012

	Develop. Disabled Fund	Conservation Trust Fund	Waste Management Fund	Open Space Projects Fund	Open Space Sales Tax Fund	DIA Noise Mitigation Fund
ASSETS:						
Cash and Investments	\$ 154,781	\$ 1,947,543	\$ 5,396,133	\$ 2,898,897	\$ 24,081,834	\$ 1,364,984
Receivables						
Taxes	1,158,631	-	-	-	-	-
Accounts	-	-	98,492	7,141	3,899,460	-
Notes Receivable	-	-	-	-	-	-
Interfund Receivable	-	-	-	-	-	-
Total Assets	<u>\$ 1,313,412</u>	<u>\$ 1,947,543</u>	<u>\$ 5,494,625</u>	<u>\$ 2,906,038</u>	<u>\$ 27,981,294</u>	<u>\$ 1,364,984</u>
LIABILITIES:						
Accounts Payable	\$ -	\$ 13,437	\$ -	\$ 2,730	\$ 504,624	\$ -
Retainage Payable	-	-	-	-	-	-
Interfund Payable	-	9,543	4,326	4,605	3,674	-
Deposits Payable	-	-	-	1,550	-	-
Deferred Revenue	1,158,631	-	-	-	-	-
Total Liabilities	<u>1,158,631</u>	<u>22,980</u>	<u>4,326</u>	<u>8,885</u>	<u>508,298</u>	<u>-</u>
FUND BALANCES:						
Restricted	-	1,924,563	2,280,601	-	27,472,996	1,364,984
Assigned	154,781	-	3,209,698	2,897,153	-	-
Total Fund Balances	<u>154,781</u>	<u>1,924,563</u>	<u>5,490,299</u>	<u>2,897,153</u>	<u>27,472,996</u>	<u>1,364,984</u>
Total Liabilities and Fund Balances	<u>\$ 1,313,412</u>	<u>\$ 1,947,543</u>	<u>\$ 5,494,625</u>	<u>\$ 2,906,038</u>	<u>\$ 27,981,294</u>	<u>\$ 1,364,984</u>

Special Revenue Funds

CDBG Fund	Head Start Fund	Other Human Services Fund	CSBG Fund	Workforce and Business Center Fund	Total Nonmajor Governmental Funds
\$ 536,378	\$ -	\$ -	\$ 39,957	\$ 29,217	\$ 36,449,724
-	-	-	-	-	1,158,631
1,165,472	529,400	-	50,418	846,832	6,597,215
1,719,820	-	-	-	-	1,719,820
493,670	-	66,442	2,488	-	562,600
<u>\$ 3,915,340</u>	<u>\$ 529,400</u>	<u>\$ 66,442</u>	<u>\$ 92,863</u>	<u>\$ 876,049</u>	<u>\$ 46,487,990</u>
\$ 1,071,631	\$ 42,989	\$ -	\$ 27,617	\$ 130,168	\$ 1,793,196
20,463	-	-	-	-	20,463
114,325	170,033	66,442	62,644	563,933	999,525
-	-	-	-	-	1,550
-	-	-	-	-	1,158,631
<u>1,206,419</u>	<u>213,022</u>	<u>66,442</u>	<u>90,261</u>	<u>694,101</u>	<u>3,973,365</u>
2,708,921	316,378	-	2,602	181,948	36,252,993
-	-	-	-	-	6,261,632
<u>2,708,921</u>	<u>316,378</u>	<u>-</u>	<u>2,602</u>	<u>181,948</u>	<u>42,514,625</u>
<u>\$ 3,915,340</u>	<u>\$ 529,400</u>	<u>\$ 66,442</u>	<u>\$ 92,863</u>	<u>\$ 876,049</u>	<u>\$ 46,487,990</u>

ADAMS COUNTY, COLORADO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
For The Year Ended December 31, 2012

	Developmentally Disabled Fund	Conservation Trust Fund	Waste Management Fund	Open Space Projects Fund	Open Space Sales Tax Fund
REVENUES:					
Taxes	\$ 1,136,032	\$ -	\$ -	\$ -	\$ 11,505,986
Intergovernmental	-	674,005	-	-	-
Program Income	-	-	-	-	-
Charges for Services	-	-	470,515	-	-
Interest Earnings	-	4,046	-	6,216	59,132
Miscellaneous	-	-	-	169,939	107
Total Revenues	<u>1,136,032</u>	<u>678,051</u>	<u>470,515</u>	<u>176,155</u>	<u>11,565,225</u>
EXPENDITURES:					
General Government	-	-	215,284	-	-
Health and Welfare	1,129,266	-	-	-	-
Economic Opportunity	-	-	-	-	-
Urban Housing/Redevelopment	-	-	-	-	-
Conservation of Natural Resources	-	348,410	-	126,801	7,813,664
Debt Service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital Outlay	-	66,892	-	229,381	-
Total Expenditures	<u>1,129,266</u>	<u>415,302</u>	<u>215,284</u>	<u>356,182</u>	<u>7,813,664</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>6,766</u>	<u>262,749</u>	<u>255,231</u>	<u>(180,027)</u>	<u>3,751,561</u>
Other Financing Sources (Uses)					
Transfers In	-	-	850,000	600,847	-
Transfers Out	-	-	-	-	(1,413,166)
Proceeds from Sale of Assets	-	-	-	-	-
Total of Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>850,000</u>	<u>600,847</u>	<u>(1,413,166)</u>
Net Change in Fund Balances	6,766	262,749	1,105,231	420,820	2,338,395
Fund Balance, Beginning of Year	<u>148,015</u>	<u>1,661,814</u>	<u>4,385,068</u>	<u>2,476,333</u>	<u>25,134,601</u>
Fund Balance, End of Year	<u>\$ 154,781</u>	<u>\$ 1,924,563</u>	<u>\$ 5,490,299</u>	<u>\$ 2,897,153</u>	<u>\$ 27,472,996</u>

Special Revenue Funds

DIA Noise Mitigation Fund	CDBG Fund	Head Start Fund	Other Human Services Fund	CSBG Fund	Workforce and Business Center Fund	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,642,018
-	4,687,728	4,416,757	31,928	226,936	6,033,934	16,071,288
-	193,882	-	-	-	-	193,882
-	-	-	-	-	-	470,515
3,127	468	-	-	-	-	72,989
-	-	4,676	5,000	-	2,018	181,740
<u>3,127</u>	<u>4,882,078</u>	<u>4,421,433</u>	<u>36,928</u>	<u>226,936</u>	<u>6,035,952</u>	<u>29,632,432</u>
31,092	-	-	-	-	-	246,376
-	-	4,409,045	48,516	224,334	-	5,811,161
-	-	-	-	-	6,022,885	6,022,885
-	4,333,582	-	-	-	-	4,333,582
-	-	-	-	-	-	8,288,875
-	1,000,000	-	-	-	-	1,000,000
-	9,325	-	-	-	-	9,325
-	414,000	16,099	-	-	-	726,372
<u>31,092</u>	<u>5,756,907</u>	<u>4,425,144</u>	<u>48,516</u>	<u>224,334</u>	<u>6,022,885</u>	<u>26,438,576</u>
<u>(27,965)</u>	<u>(874,829)</u>	<u>(3,711)</u>	<u>(11,588)</u>	<u>2,602</u>	<u>13,067</u>	<u>3,193,856</u>
-	1,000,000	-	-	-	-	2,450,847
-	-	-	(13,294)	-	-	(1,426,460)
-	9,660	-	-	-	-	9,660
-	1,009,660	-	(13,294)	-	-	1,034,047
(27,965)	134,831	(3,711)	(24,882)	2,602	13,067	4,227,903
<u>1,392,949</u>	<u>2,574,090</u>	<u>320,089</u>	<u>24,882</u>	<u>-</u>	<u>168,881</u>	<u>38,286,722</u>
<u>\$ 1,364,984</u>	<u>\$ 2,708,921</u>	<u>\$ 316,378</u>	<u>\$ -</u>	<u>\$ 2,602</u>	<u>\$ 181,948</u>	<u>\$ 42,514,625</u>

ADAMS COUNTY, COLORADO
CAPITAL FACILITIES FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final</u>
	<u>Original</u>	<u>Final</u>		<u>Budget - Positive</u>
				<u>(Negative)</u>
REVENUES:				
Taxes				
Sales Taxes	\$ 12,590,803	\$ 13,051,879	\$ 13,685,632	\$ 633,753
Interest Earnings	20,592	20,592	25,638	5,046
Miscellaneous	-	190,253	298,907	108,654
Total Revenues	<u>12,611,395</u>	<u>13,262,724</u>	<u>14,010,177</u>	<u>747,453</u>
EXPENDITURES:				
General Government	-	-	86,988	(86,988)
Public Safety	-	-	7,867	(7,867)
Capital Outlay	95,000	8,539,382	104,710	8,434,672
Total Expenditures	<u>95,000</u>	<u>8,539,382</u>	<u>199,565</u>	<u>8,339,817</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>12,516,395</u>	<u>4,723,342</u>	<u>13,810,612</u>	<u>9,087,270</u>
Other Financing Sources (Uses)				
Transfers In	-	501,674	501,674	-
Transfers Out	(12,059,103)	(12,059,103)	(12,059,098)	5
Total of Other Financing Sources (Uses)	<u>(12,059,103)</u>	<u>(11,557,429)</u>	<u>(11,557,424)</u>	<u>5</u>
Net Change in Fund Balance	457,292	(6,834,087)	2,253,188	9,087,275
Fund Balance, Beginning of Year	<u>12,966,286</u>	<u>12,966,286</u>	<u>12,966,286</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 13,423,578</u>	<u>\$ 6,132,199</u>	<u>\$ 15,219,474</u>	<u>\$ 9,087,275</u>

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.

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.

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-fourth 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
DEVELOPMENTALLY DISABLED FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2012**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Taxes				
General Property Taxes	\$ 1,150,669	\$ 1,150,669	\$ 1,134,702	\$ (15,967)
Delinquent Property Taxes	(1,371)	(1,371)	1,330	2,701
Total Revenues	<u>1,149,298</u>	<u>1,149,298</u>	<u>1,136,032</u>	<u>(13,266)</u>
EXPENDITURES:				
Health and Welfare	<u>1,129,367</u>	<u>1,129,367</u>	<u>1,129,266</u>	<u>101</u>
Total Expenditures	<u>1,129,367</u>	<u>1,129,367</u>	<u>1,129,266</u>	<u>101</u>
Net Change in Fund Balance	19,931	19,931	6,766	(13,165)
Fund Balance, Beginning of Year	<u>148,015</u>	<u>148,015</u>	<u>148,015</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 167,946</u>	<u>\$ 167,946</u>	<u>\$ 154,781</u>	<u>\$ (13,165)</u>

**ADAMS COUNTY, COLORADO
 CONSERVATION TRUST FUND
 BUDGETARY COMPARISON SCHEDULE
 For the Year Ended December 31, 2012**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Intergovernmental				
Lottery Funds	\$ 631,476	\$ 631,476	\$ 674,005	\$ 42,529
Interest Earnings	2,100	2,100	4,046	1,946
Total Revenues	<u>633,576</u>	<u>633,576</u>	<u>678,051</u>	<u>44,475</u>
EXPENDITURES:				
Conservation of Natural Resources	333,882	343,882	348,410	(4,528)
Capital Outlay	<u>158,060</u>	<u>603,060</u>	<u>66,892</u>	<u>536,168</u>
Total Expenditures	<u>491,942</u>	<u>946,942</u>	<u>415,302</u>	<u>531,640</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	141,634	(313,366)	262,749	576,115
Other Financing Sources (Uses)				
Transfers In	-	195,000	-	(195,000)
Total Other Financing Sources (Uses)	<u>-</u>	<u>195,000</u>	<u>-</u>	<u>(195,000)</u>
Net Change in Fund Balance	141,634	(118,366)	262,749	381,115
Fund Balance, Beginning of Year	<u>1,661,814</u>	<u>1,661,814</u>	<u>1,661,814</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 1,803,448</u>	<u>\$ 1,543,448</u>	<u>\$ 1,924,563</u>	<u>\$ 381,115</u>

ADAMS COUNTY, COLORADO
WASTE MANAGEMENT FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final
	<u>Original</u>	<u>Final</u>		Budget - Positive (Negative)
REVENUES:				
Charges for Services	\$ 210,000	\$ 210,000	\$ 470,515	\$ 260,515
Total Revenues	<u>210,000</u>	<u>210,000</u>	<u>470,515</u>	<u>260,515</u>
EXPENDITURES:				
General Government	<u>490,168</u>	<u>490,168</u>	<u>215,284</u>	<u>274,884</u>
Total Expenditures	<u>490,168</u>	<u>490,168</u>	<u>215,284</u>	<u>274,884</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(280,168)	(280,168)	255,231	535,399
Other Financing Sources (Uses)				
Transfers In	<u>-</u>	<u>850,000</u>	<u>850,000</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>850,000</u>	<u>850,000</u>	<u>-</u>
Net Change in Fund Balance	(280,168)	569,832	1,105,231	535,399
Fund Balance, Beginning of Year	<u>4,385,068</u>	<u>4,385,068</u>	<u>4,385,068</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 4,104,900</u>	<u>\$ 4,954,900</u>	<u>\$ 5,490,299</u>	<u>\$ 535,399</u>

ADAMS COUNTY, COLORADO
OPEN SPACE PROJECTS FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2012

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		(Negative)
REVENUES:				
Intergovernmental				
GOCO Grant	\$ -	\$ 250,000	\$ -	\$ (250,000)
Other Governmental	325,000	325,000	-	(325,000)
Interest Earnings	2,500	2,500	6,216	3,716
Miscellaneous	99,500	99,500	169,939	70,439
Total Revenues	<u>427,000</u>	<u>677,000</u>	<u>176,155</u>	<u>(500,845)</u>
EXPENDITURES:				
Conservation of Natural Resources	75,540	75,540	126,801	(51,261)
Capital Outlay	2,944,500	4,635,293	229,381	4,405,912
Total Expenditures	<u>3,020,040</u>	<u>4,710,833</u>	<u>356,182</u>	<u>4,354,651</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,593,040)</u>	<u>(4,033,833)</u>	<u>(180,027)</u>	<u>3,853,806</u>
Other Financing Sources (Uses)				
Transfers In	1,242,760	1,925,260	600,847	(1,324,413)
Total Other Financing Sources (Uses)	<u>1,242,760</u>	<u>1,925,260</u>	<u>600,847</u>	<u>(1,324,413)</u>
Net Change in Fund Balance	(1,350,280)	(2,108,573)	420,820	2,529,393
Fund Balance, Beginning of Year	<u>2,476,333</u>	<u>2,476,333</u>	<u>2,476,333</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 1,126,053</u>	<u>\$ 367,760</u>	<u>\$ 2,897,153</u>	<u>\$ 2,529,393</u>

ADAMS COUNTY, COLORADO
OPEN SPACE SALES TAX FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final</u>
	<u>Original</u>	<u>Final</u>		<u>Budget - Positive</u> <u>(Negative)</u>
REVENUES:				
Taxes				
Sales Taxes	\$ 10,185,324	\$ 11,633,428	\$ 11,505,986	\$ (127,442)
Interest Earnings	42,132	42,132	59,132	17,000
Miscellaneous	-	-	107	107
Total Revenues	<u>10,227,456</u>	<u>11,675,560</u>	<u>11,565,225</u>	<u>(110,335)</u>
EXPENDITURES:				
Conservation of Natural Resources	<u>8,146,179</u>	<u>8,386,179</u>	<u>7,813,664</u>	<u>572,515</u>
Total Expenditures	<u>8,146,179</u>	<u>8,386,179</u>	<u>7,813,664</u>	<u>572,515</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>2,081,277</u>	<u>3,289,381</u>	<u>3,751,561</u>	<u>462,180</u>
Other Financing Sources (Uses)				
Transfers Out	<u>(2,742,760)</u>	<u>(4,171,934)</u>	<u>(1,413,166)</u>	<u>2,758,768</u>
Total Other Financing Sources (Uses)	<u>(2,742,760)</u>	<u>(4,171,934)</u>	<u>(1,413,166)</u>	<u>2,758,768</u>
Net Change in Fund Balance	(661,483)	(882,553)	2,338,395	3,220,948
Fund Balance, Beginning of Year	<u>25,134,601</u>	<u>25,134,601</u>	<u>25,134,601</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 24,473,118</u>	<u>\$ 24,252,048</u>	<u>\$ 27,472,996</u>	<u>\$ 3,220,948</u>

**ADAMS COUNTY, COLORADO
DIA NOISE MITIGATION FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2012**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES:				
Interest Earnings	\$ 1,800	\$ 1,800	\$ 3,127	\$ 1,327
Total Revenues	<u>1,800</u>	<u>1,800</u>	<u>3,127</u>	<u>1,327</u>
EXPENDITURES:				
General Government	45,000	1,387,633	31,092	1,356,541
Total Expenditures	<u>45,000</u>	<u>1,387,633</u>	<u>31,092</u>	<u>1,356,541</u>
Net Change in Fund Balance	(43,200)	(1,385,833)	(27,965)	1,357,868
Fund Balance, Beginning of Year	<u>1,392,949</u>	<u>1,392,949</u>	<u>1,392,949</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 1,349,749</u>	<u>\$ 7,116</u>	<u>\$ 1,364,984</u>	<u>\$ 1,357,868</u>

ADAMS COUNTY, COLORADO
COMMUNITY DEVELOPMENT BLOCK GRANT FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final</u>
	<u>Original</u>	<u>Final</u>		<u>Budget - Positive</u> <u>(Negative)</u>
REVENUES:				
Intergovernmental				
HUD-CDBG	\$ 1,372,087	\$ 5,801,985	\$ 2,960,746	\$ (2,841,239)
HUD-Home	788,765	788,765	1,101,273	312,508
HUD-Emergency Shelter	89,814	89,814	-	(89,814)
HUD - NSP	1,840,084	1,840,084	13,443	(1,826,641)
HUD - ARRA	700,037	700,037	612,266	(87,771)
Program Income	157,500	157,500	193,882	36,382
Interest Earnings	-	-	468	468
Total Revenues	<u>4,948,287</u>	<u>9,378,185</u>	<u>4,882,078</u>	<u>(4,496,107)</u>
EXPENDITURES:				
Urban Housing/Redevelopment	4,949,414	9,379,312	4,333,582	5,045,730
Debt Service				
Principal	-	-	1,000,000	(1,000,000)
Interest	-	-	9,325	(9,325)
Capital Outlay	-	-	414,000	(414,000)
Total Expenditures	<u>4,949,414</u>	<u>9,379,312</u>	<u>5,756,907</u>	<u>3,622,405</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,127)	(1,127)	(874,829)	(873,702)
Other Financing Sources (Uses)				
Transfers In	-	1,000,000	1,000,000	-
Proceeds from Sale of Assets	-	-	9,660	9,660
Total Other Financing Sources (Uses)	-	1,000,000	1,009,660	9,660
Net Change in Fund Balance	(1,127)	998,873	134,831	(864,042)
Fund Balance, Beginning of Year	<u>2,574,090</u>	<u>2,574,090</u>	<u>2,574,090</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 2,572,963</u>	<u>\$ 3,572,963</u>	<u>\$ 2,708,921</u>	<u>\$ (864,042)</u>

ADAMS COUNTY, COLORADO
HEAD START FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final</u>
	<u>Original</u>	<u>Final</u>		<u>Budget - Positive</u>
				<u>(Negative)</u>
REVENUES:				
Intergovernmental				
HHS Head Start Grant	\$ 3,609,851	\$ 3,609,851	\$ 3,653,647	\$ 43,796
CACFP Grant	230,000	230,000	217,181	(12,819)
Other State Grants	473,029	473,029	-	(473,029)
Other Intergovernmental	80,600	180,600	545,929	365,329
Miscellaneous	101,000	101,000	4,676	(96,324)
Total Revenues	<u>4,494,480</u>	<u>4,594,480</u>	<u>4,421,433</u>	<u>(173,047)</u>
EXPENDITURES:				
Health and Welfare	4,494,480	4,578,480	4,409,045	169,435
Capital Outlay	-	16,000	16,099	(99)
Total Expenditures	<u>4,494,480</u>	<u>4,594,480</u>	<u>4,425,144</u>	<u>169,336</u>
Net Change in Fund Balance	-	-	(3,711)	(3,711)
Fund Balance, Beginning of Year	<u>320,089</u>	<u>320,089</u>	<u>320,089</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 320,089</u>	<u>\$ 320,089</u>	<u>\$ 316,378</u>	<u>\$ (3,711)</u>

ADAMS COUNTY, COLORADO
OTHER HUMAN SERVICES FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final</u>
	<u>Original</u>	<u>Final</u>		<u>Budget - Positive</u>
				<u>(Negative)</u>
REVENUES:				
Intergovernmental				
Community Services Block Grant	\$ -	\$ -	\$ 31,928	\$ 31,928
TEFAP-Commodity Dist	30,000	30,000	-	(30,000)
FEMA-Emerg. Food & Shelter	25,000	25,000	-	(25,000)
Miscellaneous	<u>265,292</u>	<u>265,292</u>	<u>5,000</u>	<u>(260,292)</u>
Total Revenues	<u>320,292</u>	<u>320,292</u>	<u>36,928</u>	<u>(283,364)</u>
EXPENDITURES:				
Health and Welfare	<u>313,821</u>	<u>305,056</u>	<u>48,516</u>	<u>256,540</u>
Total Expenditures	<u>313,821</u>	<u>305,056</u>	<u>48,516</u>	<u>256,540</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>6,471</u>	<u>15,236</u>	<u>(11,588)</u>	<u>(26,824)</u>
Other Financing Sources (Uses)				
Transfers In	-	39,855	-	(39,855)
Transfers Out	<u>-</u>	<u>-</u>	<u>(13,294)</u>	<u>(13,294)</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>39,855</u>	<u>(13,294)</u>	<u>(53,149)</u>
Net Change in Fund Balance	6,471	55,091	(24,882)	(79,973)
Fund Balance, Beginning of Year	<u>24,882</u>	<u>24,882</u>	<u>24,882</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 31,353</u>	<u>\$ 79,973</u>	<u>\$ -</u>	<u>\$ (79,973)</u>

ADAMS COUNTY, COLORADO
COMMUNITY SERVICES BLOCK GRANT FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2012

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental				
CSBG	\$ 416,133	\$ 531,127	\$ 226,936	\$ (304,191)
Total Revenues	<u>416,133</u>	<u>531,127</u>	<u>226,936</u>	<u>(304,191)</u>
EXPENDITURES:				
Health and Welfare	<u>416,133</u>	<u>531,127</u>	<u>224,334</u>	<u>306,793</u>
Total Expenditures	<u>416,133</u>	<u>531,127</u>	<u>224,334</u>	<u>306,793</u>
Net Change in Fund Balance	-	-	2,602	2,602
Fund Balance, Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,602</u>	<u>\$ 2,602</u>

**ADAMS COUNTY, COLORADO
WORKFORCE AND BUSINESS CENTER
BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2012**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Intergovernmental				
WIA Grants	\$ 5,205,888	\$ 5,205,888	\$ 4,724,325	\$ (481,563)
Employment 1st Grant	438,176	438,176	471,880	33,704
TANF	242,158	242,158	180,505	(61,653)
Other Grants	595,672	595,672	657,224	61,552
Miscellaneous	-	-	2,018	2,018
Total Revenues	<u>6,481,894</u>	<u>6,481,894</u>	<u>6,035,952</u>	<u>(445,942)</u>
EXPENDITURES:				
Economic Opportunity	<u>6,481,894</u>	<u>6,481,894</u>	<u>6,022,885</u>	<u>459,009</u>
Total Expenditures	<u>6,481,894</u>	<u>6,481,894</u>	<u>6,022,885</u>	<u>459,009</u>
Net Change in Fund Balance	-	-	13,067	13,067
Fund Balance, Beginning of Year	<u>\$ 168,881</u>	<u>\$ 168,881</u>	<u>\$ 168,881</u>	<u>\$ -</u>
Fund Balance, End of Year	<u>\$ 168,881</u>	<u>\$ 168,881</u>	<u>\$ 181,948</u>	<u>\$ 13,067</u>

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, 2012

	<u>Budgeted Amounts</u>			Variance with Final
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	Budget - Positive (Negative)
REVENUES:				
Charges for Services	\$ 2,705,500	\$ 2,705,500	\$ 2,828,052	\$ 122,552
Interest Earnings	3,000	3,000	8,518	5,518
Miscellaneous	<u>185,000</u>	<u>185,000</u>	<u>207,728</u>	<u>22,728</u>
Total Revenues	<u>2,893,500</u>	<u>2,893,500</u>	<u>3,044,298</u>	<u>150,798</u>
EXPENDITURES:				
Cost of Sales	138,000	138,000	160,911	(22,911)
Contract Labor	1,068,900	1,068,900	1,050,554	18,346
Insurance Premiums	100,000	100,000	83,302	16,698
Operating Supplies	10,200	10,200	4,596	5,604
Repairs and Maintenance	182,700	182,700	165,905	16,795
Professional Fees	209,000	219,000	193,171	25,829
Travel and Training	11,200	11,200	8,383	2,817
Minor Supplies and Equipment	253,400	253,400	239,736	13,664
Office Expenses	22,280	22,280	14,882	7,398
Rental Expense	6,500	6,500	4,302	2,198
Utilities	200,800	200,800	166,457	34,343
Other	60,000	60,000	61,945	(1,945)
Capital Outlay	395,600	691,306	386,238	305,068
Transfers Out	<u>340,000</u>	<u>340,000</u>	<u>340,000</u>	<u>-</u>
Total Expenditures	<u>2,998,580</u>	<u>3,304,286</u>	<u>2,880,382</u>	<u>423,904</u>
Change in Net Position, Budgetary Basis	<u>\$ (105,080)</u>	<u>\$ (410,786)</u>	163,916	<u>\$ 574,702</u>
Gain (Loss) on Sale of Assets	<u>-</u>	<u>-</u>	<u>(2,081)</u>	<u>(2,081)</u>
Net Position, Beginning of Year			<u>11,369,348</u>	
Net Position, End of Year			11,531,183	
Reconciliation from Non-GAAP Basis to GAAP Basis:				
Depreciation			(344,519)	
Capital Outlay			<u>386,238</u>	
Net Position, GAAP Basis			<u>\$ 11,572,902</u>	

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 POSITION
December 31, 2012

	Equipment Service	Insurance Claims	Total
ASSETS:			
Current Assets			
Cash and Cash Equivalents	\$ 17,252,882	\$ 10,580,013	\$ 27,832,895
Accounts Receivable	24,930	282,775	307,705
Prepaid	-	194,622	194,622
Insurance Retainer	-	291,000	291,000
Interfund Receivable	437,208	1,158,931	1,596,139
Inventory	114,049	-	114,049
Total Current Assets	17,829,069	12,507,341	30,336,410
Capital Assets			
Improvements Other Than Buildings	338,887	-	338,887
Machinery and Equipment	24,463,582	-	24,463,582
Accumulated Depreciation	(17,488,213)	-	(17,488,213)
Total Capital Assets	7,314,256	-	7,314,256
Total Assets	25,143,325	12,507,341	37,650,666
LIABILITIES:			
Current Liabilities			
Accounts Payable	\$ 188,397	\$ 486,466	\$ 674,863
Deposits Payable	-	8,803	8,803
Compensated Absences	129,224	27,713	156,937
Interfund Payable	9,860	132,712	142,572
Claims Payable-Current	-	4,199,342	4,199,342
Total Current Liabilities	327,481	4,855,036	5,182,517
Long-term Liabilities			
Claims Payable-Workers' Comp.	-	1,043,268	1,043,268
Claims Payable-General Liability	-	2,501,784	2,501,784
Total Long-term Liabilities	-	3,545,052	3,545,052
Total Liabilities	327,481	8,400,088	8,727,569
NET POSITION:			
Net Investment in Capital Assets	7,314,256		7,314,256
Unrestricted	17,501,588	4,107,253	21,608,841
Total Net Position	\$ 24,815,844	\$ 4,107,253	\$ 28,923,097

ADAMS COUNTY, COLORADO
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
For the Year Ended December 31, 2012

	Equipment Service	Insurance Claims	Total
OPERATING REVENUES:			
Equipment Rental Fees	\$ 6,740,561	\$ -	\$ 6,740,561
Insurance Premiums-Medical/Dental	-	11,695,779	11,695,779
Insurance Premiums-General Liability	-	1,556,238	1,556,238
Insurance Premiums-Workers' Compensation	-	677,533	677,533
Insurance Premiums-Unemployment	-	115,605	115,605
Insurance Premiums-Administration	-	414,894	414,894
Insurance-Recovery of Losses	9,071	31,638	40,709
Miscellaneous	66,365	9,191	75,556
Total Operating Income	<u>6,815,997</u>	<u>14,500,878</u>	<u>21,316,875</u>
OPERATING EXPENSES:			
Salaries and Fringe Benefits	1,331,872	242,039	1,573,911
Insurance Claims	-	15,513,641	15,513,641
Insurance Premiums	-	1,925,404	1,925,404
Operating Supplies	67,673	1,392	69,065
Travel and Training	6,066	2,724	8,790
Minor Supplies and Equipment	2,602,648	199	2,602,847
Licenses and Fees	4,779	19,673	24,452
Utilities	53,248	1,560	54,808
Repairs and Maintenance	134,593	-	134,593
Professional Fees	-	221,370	221,370
Rental Expenses	36,594	-	36,594
Miscellaneous	377	843	1,220
Depreciation	2,403,724	-	2,403,724
Total Operating Expenses	<u>6,641,574</u>	<u>17,928,845</u>	<u>24,570,419</u>
Operating Income (Loss)	<u>174,423</u>	<u>(3,427,967)</u>	<u>(3,253,544)</u>
NONOPERATING REVENUES (EXPENSES):			
Gain (Loss) on Sale of Assets	<u>200,977</u>	<u>-</u>	<u>200,977</u>
Total Non Operating Revenues (Expenses)	<u>200,977</u>	<u>-</u>	<u>200,977</u>
Changes in Net Position	375,400	(3,427,967)	(3,052,567)
Total Net Position-Beginning	<u>24,440,444</u>	<u>7,535,220</u>	<u>31,975,664</u>
Total Net Position-Ending	<u>\$ 24,815,844</u>	<u>\$ 4,107,253</u>	<u>\$ 28,923,097</u>

ADAMS COUNTY, COLORADO
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2012

	Equipment Service	Insurance Claims	Total
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash Received from Customers	\$ 6,872,261	\$ 14,238,808	\$ 21,111,069
Cash Payments to Suppliers for Goods and Services	(3,373,031)	(15,121,223)	(18,494,254)
Cash Payments to Employees for Services	(1,326,064)	(238,355)	(1,564,419)
Net Cash Provided (Used) by Operating Activities	2,173,166	(1,120,770)	1,052,396
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Acquisition/Construction of Capital Assets	(960,296)	-	(960,296)
Proceeds from Sale of Property	221,766	-	221,766
Net Cash Provided (Used) by Capital and Related Financing Activities	(738,530)	-	(738,530)
Net Increase (Decrease) in Cash and Cash Equivalents	1,434,636	(1,120,770)	313,866
Cash and Cash Equivalents, Beginning	15,818,246	11,700,783	27,519,029
Cash and Cash Equivalents, Ending	\$ 17,252,882	\$ 10,580,013	\$ 27,832,895
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:			
Operating Income (Loss)	\$ 174,423	\$ (3,427,967)	\$ (3,253,544)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:			
Depreciation	2,403,724	-	2,403,724
(Increase) Decrease in Accounts Receivable	3,184	(247,858)	(244,674)
(Increase) Decrease in Inventories	22,530	-	22,530
(Increase) Decrease in Interfund Receivable	53,080	(7,166)	45,914
(Increase) Decrease in Prepaid Expense	-	(7,046)	(7,046)
Increase (Decrease) in Accounts Payable	116,543	184,939	301,482
Increase (Decrease) in Claims Payable-Current	-	850,321	850,321
Increase (Decrease) in Interfund Payable	(606,126)	132,712	(473,414)
Increase (Decrease) in Accrued Vacation and Sick Leave	5,808	3,684	9,492
Increase (Decrease) in Deposits Payable	-	(6,117)	(6,117)
Increase (Decrease) in Claims Payable-Long Term	-	1,403,728	1,403,728
Total Adjustments	1,998,743	2,307,197	4,305,940
Net Cash Provided (Used) by Operating Activities	\$ 2,173,166	\$ (1,120,770)	\$ 1,052,396

ADAMS COUNTY, COLORADO
EQUIPMENT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE (NON-GAAP)
For the Year Ended December 31, 2012

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES:				
Charges for Services	\$ 7,322,217	\$ 7,322,217	\$ 6,740,561	\$ (581,656)
Gain on Sale of Assets	300,000	300,000	200,977	(99,023)
Miscellaneous	50,000	50,000	75,436	25,436
Total Revenues	7,672,217	7,672,217	7,016,974	(655,243)
EXPENDITURES:				
Salaries-Fringe Benefits	1,440,005	1,440,005	1,331,872	108,133
Operating Supplies	68,800	78,550	68,050	10,500
Repairs and Maintenance	205,750	205,750	134,593	71,157
Travel and Training	6,900	6,900	6,066	834
Minor Supplies and Equipment	2,607,133	2,865,383	2,602,648	262,735
Licenses and Fees	5,000	5,000	4,779	221
Rental Expense	37,206	37,206	36,594	612
Utilities	58,500	58,500	53,248	5,252
Capital Outlay	3,069,000	3,245,607	960,296	2,285,311
Total Expenditures	7,498,294	7,942,901	5,198,146	2,744,755
Change in Net Position, Budgetary Basis	\$ 173,923	\$ (270,684)	1,818,828	\$ 2,089,512
Net Position, Beginning of Year			24,440,444	
Net Position, End of Year			26,259,272	
Reconciliation from Non-GAAP Basis to GAAP Basis:				
Depreciation			(2,403,724)	
Capital Outlay			960,296	
Net Position, GAAP Basis			\$ 24,815,844	

ADAMS COUNTY, COLORADO
INSURANCE CLAIMS FUND
BUDGETARY COMPARISON SCHEDULE (NON-GAAP)
For the Year Ended December 31, 2012

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES:				
Insurance Premiums	\$ 15,935,044	\$ 15,935,044	\$ 14,470,046	\$ (1,464,998)
Miscellaneous	-	-	30,832	30,832
Total Revenues	<u>15,935,044</u>	<u>15,935,044</u>	<u>14,500,878</u>	<u>(1,434,166)</u>
EXPENDITURES:				
Salaries-Fringe Benefits	182,782	190,282	242,039	(51,757)
Insurance Claims	13,433,464	14,430,504	13,781,090	649,414
Insurance Premiums	2,116,283	2,196,646	1,925,404	271,242
Operating Supplies	270	270	1,392	(1,122)
Travel and Training	5,530	5,530	2,724	2,806
Minor Supplies and Equipment	100	100	199	(99)
Repairs and Maintenance	35,000	35,000	-	35,000
Licenses and Fees	33,000	33,000	19,673	13,327
Utilities	2,460	2,460	1,560	900
Professional Fees	122,400	262,400	221,370	41,030
Other	1,400	1,400	843	557
Total Expenditures	<u>15,932,689</u>	<u>17,157,592</u>	<u>16,196,294</u>	<u>961,298</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,355	(1,222,548)	(1,695,416)	(472,868)
Change in Net Position, budgetary basis	<u>\$ 2,355</u>	<u>\$ (1,222,548)</u>	(1,695,416)	<u>\$ (472,868)</u>
Net Position, Beginning of Year			<u>7,535,220</u>	
Net Assets, End of Year			5,839,804	
Reconciliation from Non-GAAP Basis to GAAP Basis:				
Change in Insurance Claims Accrued Liability			<u>(1,732,551)</u>	
Net Position, GAAP Basis			<u>\$ 4,107,253</u>	

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
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the Year Ended December 31, 2012

	Balances			Balances
	<u>1/1/2012</u>	<u>Additions</u>	<u>Deduction</u>	<u>12/31/2012</u>
Treasurer's Agency Fund				
Cash and investments	\$ 7,451,840	\$ 1,534,183,246	\$ 1,534,925,605	\$ 6,709,481
Total Assets	<u>7,451,840</u>	<u>1,534,183,246</u>	<u>1,534,925,605</u>	<u>6,709,481</u>
Due to other gov't	7,182,806	1,533,780,071	1,534,552,592	6,410,285
Due to others	<u>269,034</u>	<u>403,175</u>	<u>373,013</u>	<u>299,196</u>
Total Liabilities	<u>7,451,840</u>	<u>1,534,183,246</u>	<u>1,534,925,605</u>	<u>6,709,481</u>
Clerk's Agency Fund				
Cash and investments	\$ 6,404,040	\$ 107,831,380	\$ 107,578,260	\$ 6,657,160
Total Assets	<u>6,404,040</u>	<u>107,831,380</u>	<u>107,578,260</u>	<u>6,657,160</u>
Due to other gov't	6,381,897	107,258,538	107,005,059	6,635,376
Due to others	<u>22,143</u>	<u>572,842</u>	<u>573,201</u>	<u>21,784</u>
Total Liabilities	<u>6,404,040</u>	<u>107,831,380</u>	<u>107,578,260</u>	<u>6,657,160</u>
Public Trustee's Agency Fund				
Cash and investments	\$ 305,164	\$ 1,748,604	\$ 1,842,087	\$ 211,681
Total Assets	<u>305,164</u>	<u>1,748,604</u>	<u>1,842,087</u>	<u>211,681</u>
Due to others	<u>305,164</u>	<u>1,748,604</u>	<u>1,842,087</u>	<u>211,681</u>
Total Liabilities	<u>305,164</u>	<u>1,748,604</u>	<u>1,842,087</u>	<u>211,681</u>
Total All Agency Funds				
Cash and investments	\$ 14,161,044	\$ 1,643,763,230	\$ 1,644,345,952	\$ 13,578,322
Total Assets	<u>14,161,044</u>	<u>1,643,763,230</u>	<u>1,644,345,952</u>	<u>13,578,322</u>
Due to other gov't	13,564,703	1,641,038,609	1,641,557,651	13,045,661
Due to others	<u>596,341</u>	<u>2,724,621</u>	<u>2,788,301</u>	<u>532,661</u>
Total Liabilities	<u>14,161,044</u>	<u>1,643,763,230</u>	<u>1,644,345,952</u>	<u>13,578,322</u>

See the accompanying independent auditor's report.



VALUES

We are committed to:

A POSITIVE WORK ENVIRONMENT

Providing a respectful, professional work environment that will attract, retain and motivate a workforce that effectively and efficiently serves the Adams County Community

SERVANT LEADERSHIP

Serving the Adams County community with accountability and responsibility

TEAMWORK

Working together on behalf of the Adams County community

TRANSPARENCY

Engaging in open, honest, and respectful practices and communication

CREDIBILITY

Earning the trust and respect of the Adams County community by acting with integrity and ethics in all we do

**Adams County, Colorado
Statistical Section Index**

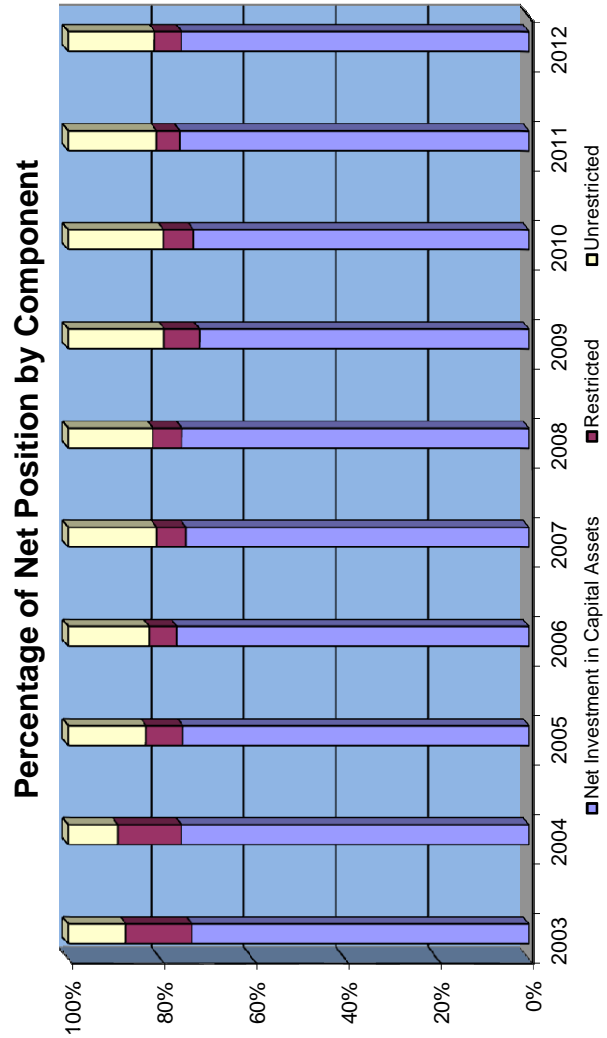
This part of the Adams County comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

Financial Trends	Page
<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 Position by Component	99
Changes in Net Position	100
Governmental Activities Expense Change Graphs	102
Changes in Program & General Revenue Graph	104
Fund Balances, Governmental Funds	105
Changes in Fund Balances, Governmental Funds	106
Changes in Fund Balances, Governmental Funds Graphs	107
Revenue Capacity	
<i>These schedules contain information to help the reader assess the County's most significant sources of revenue.</i>	
Assessed/Actual Value of Taxable Property	108
Property Tax Levies and Collections	109
Principal Property Tax Payers	110
Direct and Overlapping Property Tax Rates	111
Debt Capacity	
<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>	
Ratio of Outstanding Debt by Type	112
Computation of Direct, Overlapping and Underlying Long-Term Debt	113
Legal Debt Margin Information	115
Demographic and Economic Information	
<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	116
Principal Employers	117
Operating Information	
<i>These schedules contain information regarding types of assets by function/department and the number of employees in various job categories.</i>	
Capital Asset Statistics by Function/Program	118
Full-Time Equivalent County Employees by Function/Program	119

This page is intentionally left blank

Adams County, Colorado
Net Position by Component
Last Ten Years

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Governmental Activities										
Net Investment in Capital Assets	\$ 440,937,367	\$ 474,873,142	\$ 495,306,316	\$ 534,593,275	\$ 536,994,805	\$ 554,481,895	\$ 534,982,272	\$ 557,397,767	\$ 592,522,933	\$ 596,555,287
Restricted	87,882,631	88,053,528	53,225,936	42,328,514	46,405,245	46,812,777	58,041,779	50,731,051	39,750,571	46,557,791
Unrestricted	75,357,855	67,507,247	111,080,386	122,288,680	137,797,761	134,148,061	154,930,749	157,176,026	148,150,452	146,459,139
Total governmental activities net position	\$ 604,177,853	\$ 630,433,917	\$ 659,612,638	\$ 699,210,469	\$ 721,197,811	\$ 735,442,733	\$ 747,954,800	\$ 765,304,844	\$ 780,423,956	\$ 789,572,217
Business-type Activity										
Net Investment in Capital Assets	\$ 8,171,087	\$ 8,184,808	\$ 8,153,716	\$ 8,052,459	\$ 8,135,188	\$ 8,200,054	\$ 8,083,593	\$ 7,954,054	\$ 7,738,452	\$ 7,778,089
Unrestricted	1,555,818	1,809,515	2,221,705	2,756,160	2,863,787	2,944,443	3,175,497	3,400,335	3,630,896	3,794,813
Total business-type activities net position	\$ 9,726,905	\$ 9,994,323	\$ 10,375,421	\$ 10,808,619	\$ 10,998,975	\$ 11,144,497	\$ 11,259,090	\$ 11,354,389	\$ 11,369,348	\$ 11,572,902
Total Primary Government										
Net Investment in Capital Assets	\$ 449,108,454	\$ 483,057,950	\$ 503,460,032	\$ 542,645,734	\$ 545,129,993	\$ 562,681,949	\$ 543,065,865	\$ 565,351,821	\$ 600,261,385	\$ 604,333,376
Restricted	87,882,631	88,053,528	53,225,936	42,328,514	46,405,245	46,812,777	58,041,779	50,731,051	39,750,571	46,557,791
Unrestricted	76,913,673	69,316,762	113,302,091	125,044,840	140,661,548	137,092,504	158,106,246	160,576,361	151,781,348	150,253,952
Total primary government net position	\$ 613,904,758	\$ 640,428,240	\$ 669,988,059	\$ 710,019,088	\$ 732,196,786	\$ 746,587,230	\$ 759,213,890	\$ 776,659,233	\$ 791,793,304	\$ 801,145,119

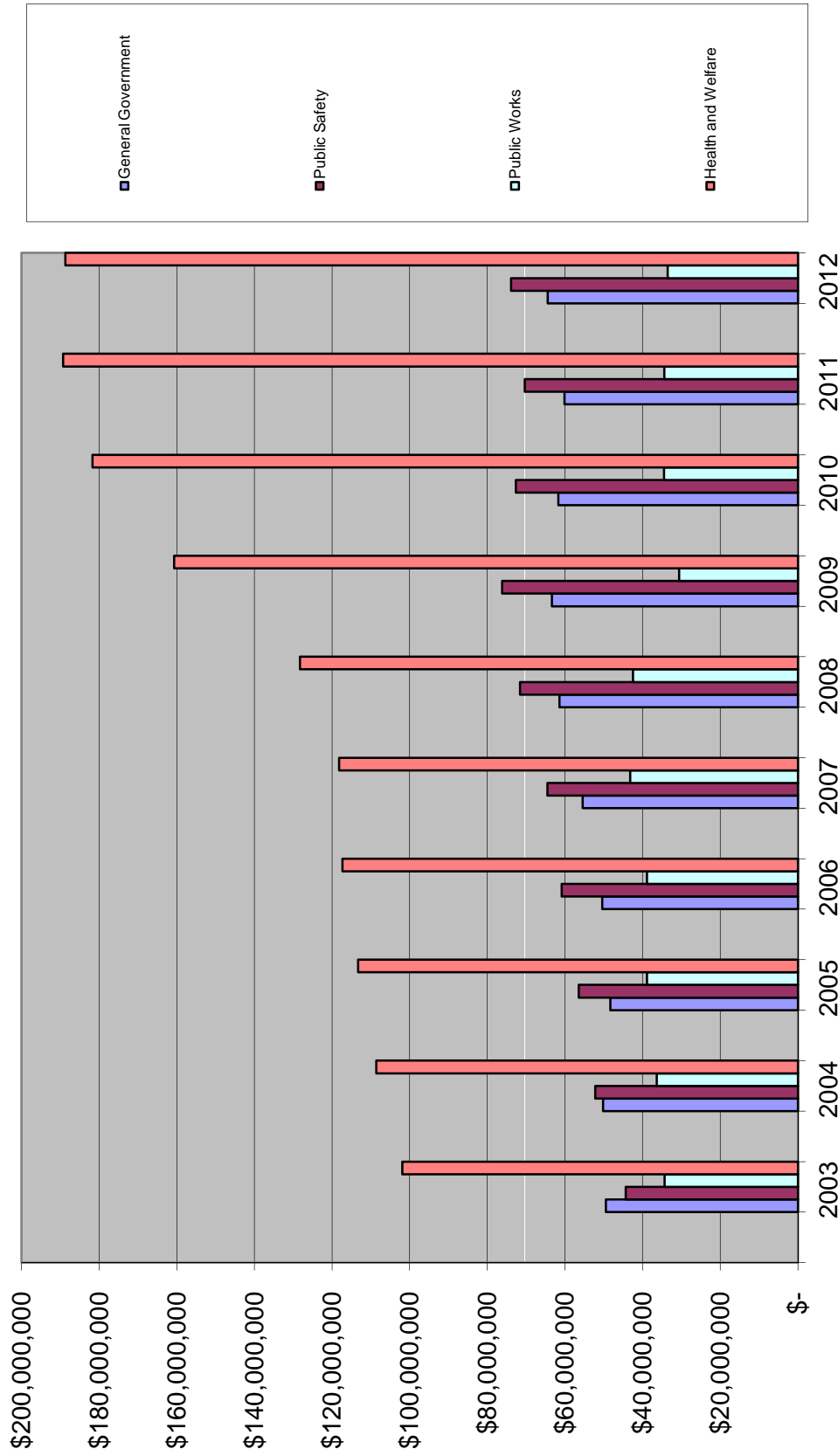


**Adams County Colorado
Changes in Net Position
Last Ten Fiscal Years**

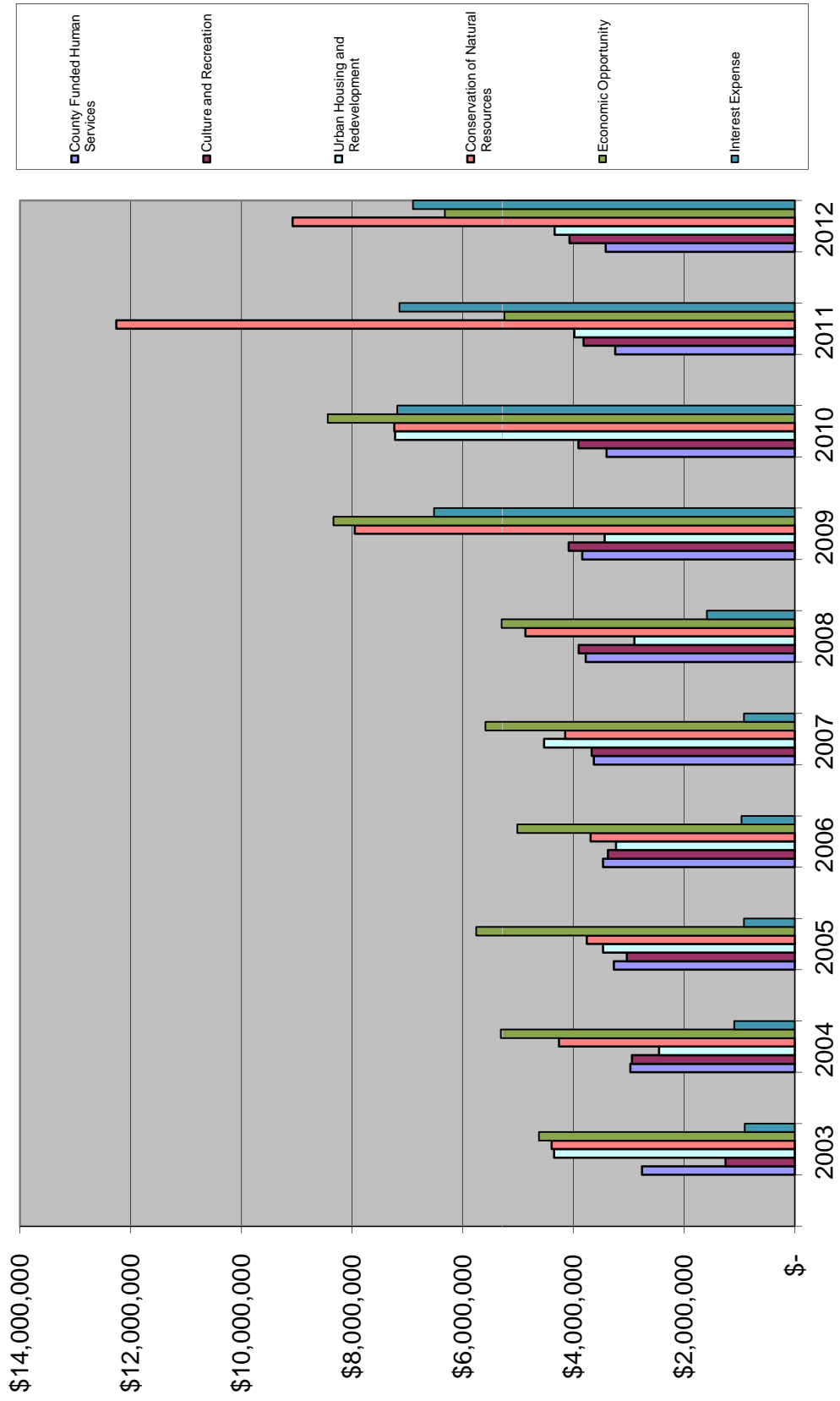
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Expenses										
Governmental Activities										
General Government	\$ 49,483,269	\$ 50,151,849	\$ 48,305,546	\$ 50,389,174	\$ 55,429,386	\$ 61,408,120	\$ 63,382,231	\$ 61,728,753	\$ 60,112,427	\$ 64,432,076
Public Safety	44,380,784	52,225,075	56,423,552	60,814,606	64,528,882	71,585,432	76,201,817	72,666,075	70,374,242	73,890,995
County Funded Human Services	2,758,542	2,969,393	3,267,211	3,464,240	3,629,566	3,777,147	3,842,110	3,398,031	3,244,279	3,414,463
Public Works	34,299,967	36,351,441	38,882,542	38,860,660	43,161,397	42,447,761	30,553,717	34,492,821	34,414,275	33,551,692
Culture and Recreation	1,248,330	2,940,434	3,032,133	3,374,562	3,669,852	3,903,715	4,086,651	3,906,242	3,815,451	4,068,729
Health and Welfare	101,907,815	108,597,884	113,316,811	117,325,278	118,151,381	128,280,011	160,687,705	181,712,150	189,256,037	188,698,818
Urban Housing and Redevelopment	4,349,783	2,451,400	3,463,570	3,227,952	4,528,589	2,897,032	3,437,056	7,220,801	3,983,241	4,340,822
Conservation of Natural Resources	4,394,082	4,262,388	3,756,320	3,686,796	4,150,045	4,868,147	7,952,345	7,235,950	12,258,504	9,074,943
Economic Opportunity	4,621,510	5,313,416	5,757,375	5,014,885	5,592,049	5,297,734	8,335,699	8,436,630	5,249,905	6,323,042
Interest Expense	903,535	1,092,976	919,671	963,590	919,108	1,589,421	6,519,982	7,184,199	7,141,671	6,898,470
Total governmental activities expense	248,347,617	266,356,256	277,124,731	287,121,743	303,760,255	326,054,520	364,999,313	387,981,652	389,850,032	394,694,050
Business-type Activity										
Golf Course	2,240,935	1,987,316	2,086,919	2,078,325	2,300,914	2,484,609	2,407,548	2,392,530	2,472,748	2,498,663
Total business-type activities expense	2,240,935	1,987,316	2,086,919	2,078,325	2,300,914	2,484,609	2,407,548	2,392,530	2,472,748	2,498,663
Total primary government expense	\$ 250,588,552	\$ 268,343,572	\$ 279,211,650	\$ 289,200,068	\$ 306,061,169	\$ 328,539,129	\$ 367,406,861	\$ 390,374,182	\$ 392,322,780	\$ 397,192,713
Program Revenues										
Governmental Activities										
Fines & Charges for Services	\$ 24,089,909	\$ 14,575,087	\$ 15,545,725	\$ 16,237,322	\$ 17,156,815	\$ 14,828,419	\$ 16,709,196	\$ 16,171,139	\$ 16,501,360	\$ 17,778,143
General Government	3,102,996	2,988,733	4,641,285	4,611,018	4,377,538	5,698,388	5,179,857	5,230,810	5,543,679	5,683,799
Public Safety	2,967,226	2,983,856	2,616,752	2,454,320	1,855,448	1,129,707	1,167,755	1,530,828	1,170,586	1,300,403
Public Works	655,612	602,824	617,769	666,705	609,389	723,522	703,766	817,600	742,717	755,843
Culture & Recreation	-	4,435	-	350	-	-	-	-	-	-
Health & Welfare	-	-	56,556	60,916	77,080	-	41,453	76,626	69,245	25,524
Conservation of Natural Resources	-	45,859	72,263	65,258	75,988	52,149	46,201	-	-	45,301
Economic Opportunity	-	-	-	-	-	-	-	-	-	-
Total Charges for Services	30,815,743	21,200,794	23,550,350	24,095,889	24,152,258	22,432,185	23,848,228	23,827,003	24,027,587	25,589,013
Operating Grants and Contributions										
General Government	1,996,229	2,550,100	1,269,572	2,189,297	1,873,936	2,116,926	1,056,510	2,558,195	2,114,669	2,582,257
Public Safety	4,270,813	5,125,222	4,570,813	4,669,403	5,137,024	5,427,130	6,852,619	6,364,326	6,354,583	6,503,497
Public Works	6,835,327	6,860,833	6,078,488	8,600,237	7,490,684	6,540,109	7,608,658	7,898,145	7,867,990	8,821,239
Culture & Recreation	831,776	32,126	24,400	-	-	-	-	-	-	-
Health & Welfare	92,130,544	96,815,651	106,440,755	107,772,760	106,844,065	115,792,402	144,947,269	167,856,820	173,872,725	172,599,784
Urban Housing & Redevelopment	4,357,086	2,186,042	3,195,071	3,089,239	4,368,235	2,789,881	3,256,287	6,908,889	4,305,932	4,451,511
Conservation of Natural Resources	583,455	753,335	1,225,858	1,240,378	970,542	636,679	3,535,485	567,395	1,184,090	377,732
Economic Opportunity	4,430,479	5,157,622	5,528,502	4,750,854	5,338,893	5,058,453	8,017,831	8,378,659	5,063,181	6,033,934
Total Operating Grants and Contributions	115,435,709	119,480,931	128,333,459	132,312,168	132,023,379	138,361,580	175,274,659	200,532,429	200,763,170	201,369,954
Capital Grants and Contributions										
General Government	-	200	13,070	456,758	451,910	53,458	-	241,108	836,512	-
Public Safety	137,425	98,173	-	635,634	14,500	-	-	-	52,921	-
Public Works	4,986,365	14,544,581	8,447,430	9,648,528	4,934,395	3,631,678	8,869,245	11,518,693	4,659,639	1,743,430
Health and Welfare	-	-	-	-	-	-	-	53,737	-	-
Urban Housing and Redevelopment	-	-	-	-	-	-	-	-	-	430,099
Conservation of Natural Resources	1,588,800	1,604,638	-	-	-	625,000	-	849,000	7,494,134	3,495,003
Total Capital Grants and Contributions	6,712,590	16,247,592	8,460,500	10,740,920	5,400,805	4,310,136	8,869,245	12,662,538	13,043,206	5,668,532

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Total governmental activities program revenue	\$ 152,964,042	\$ 156,929,317	\$ 160,344,309	\$ 167,148,977	\$ 161,576,442	\$ 165,103,901	\$ 207,992,132	\$ 237,021,970	\$ 237,833,963	\$ 232,627,499
Business-type Activity										
Golf Course-Charges for Services	2,545,431	2,572,740	2,748,925	2,731,697	2,688,802	2,902,979	2,848,361	2,820,454	2,823,117	3,035,780
Total business-type activities program revenue	2,545,431	2,572,740	2,748,925	2,731,697	2,688,802	2,902,979	2,848,361	2,820,454	2,823,117	3,035,780
Total primary government program revenue	\$ 155,509,473	\$ 159,502,057	\$ 163,093,234	\$ 169,880,674	\$ 164,265,244	\$ 168,006,880	\$ 210,840,493	\$ 239,842,424	\$ 240,657,080	\$ 235,663,279
Net (Expense)/Revenue										
Governmental Activities	\$ (95,383,575)	\$ (109,426,939)	\$ (116,780,422)	\$ (119,972,766)	\$ (142,183,813)	\$ (160,950,619)	\$ (157,007,181)	\$ (150,959,682)	\$ (152,016,069)	\$ (162,066,551)
Business-type Activity	304,496	585,424	662,006	653,372	387,888	418,370	440,813	427,924	350,369	537,117
Total primary government net (expense)/revenue	\$ (95,079,079)	\$ (108,841,515)	\$ (116,118,416)	\$ (119,319,394)	\$ (141,795,925)	\$ (160,532,249)	\$ (156,566,368)	\$ (150,531,758)	\$ (151,665,700)	\$ (161,529,434)
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes										
Property Taxes	\$ 85,455,781	\$ 93,774,948	\$ 98,285,280	\$ 105,568,720	\$ 110,413,882	\$ 119,346,965	\$ 121,842,329	\$ 120,948,144	\$ 120,000,652	\$ 118,469,008
Sales Taxes	23,134,339	23,930,139	26,118,233	27,235,502	30,165,614	30,494,275	27,672,357	29,037,709	30,981,723	34,520,050
Specific Ownership Taxes	9,939,542	10,348,128	10,287,744	10,816,361	10,591,852	10,193,583	9,064,549	8,211,138	7,932,610	8,390,103
Other Taxes	360,418	378,521	361,249	419,199	398,255	419,766	664,877	380,238	415,962	509,974
Unrestricted Investment Earnings	2,704,641	3,425,198	6,642,999	10,318,270	12,244,860	8,766,805	4,411,282	3,487,202	3,038,344	2,437,223
Gain/Loss on Sale of Capital Assets	(169,186)	-	-	-	-	457,605	-	799,263	-	23,347
Miscellaneous	4,519,363	3,486,069	3,923,638	4,872,545	4,231,536	5,741,602	5,523,854	5,106,032	4,169,552	6,525,107
Special Items	-	-	-	-	(4,214,844)	-	-	-	-	-
Loss on Disposal of Capital Assets	-	-	-	-	-	-	-	-	-	-
Transfers	340,000	340,000	340,000	340,000	340,000	340,000	340,000	340,000	340,000	340,000
Total Governmental Activities	\$ 126,284,898	\$ 135,683,003	\$ 145,959,143	\$ 159,570,597	\$ 164,171,155	\$ 175,760,601	\$ 169,519,248	\$ 168,309,726	\$ 166,878,843	\$ 171,214,812
Business-type Activity										
Unrestricted Investment Earning	15,976	21,994	59,092	119,826	142,468	67,152	10,022	7,375	4,590	8,518
Gain/Loss on Sale of Capital Assets	(17,591)	-	-	-	-	-	3,758	-	-	(2,081)
Transfers	(340,000)	(340,000)	(340,000)	(340,000)	(340,000)	(340,000)	(340,000)	(340,000)	(340,000)	(340,000)
Total Business-type Activities	(341,615)	(318,006)	(280,908)	(220,174)	(197,532)	(272,848)	(326,220)	(332,625)	(335,410)	(333,563)
Total Primary Government General Revenues	\$ 125,943,283	\$ 135,364,997	\$ 145,678,235	\$ 159,350,423	\$ 163,973,623	\$ 175,487,753	\$ 169,193,028	\$ 167,977,101	\$ 166,543,433	\$ 170,881,249
Change in Net Position										
Governmental Activities	\$ 30,901,323	\$ 26,256,064	\$ 29,178,721	\$ 39,597,831	\$ 21,987,342	\$ 14,809,982	\$ 12,512,067	\$ 17,350,044	\$ 14,862,774	\$ 9,148,261
Business-type Activity	(37,119)	267,418	381,098	433,198	190,356	145,522	114,593	95,299	14,959	203,554
Total Primary Government	\$ 30,864,204	\$ 26,523,482	\$ 29,559,819	\$ 40,031,029	\$ 22,177,698	\$ 14,955,504	\$ 12,626,660	\$ 17,445,343	\$ 14,877,733	\$ 9,351,815

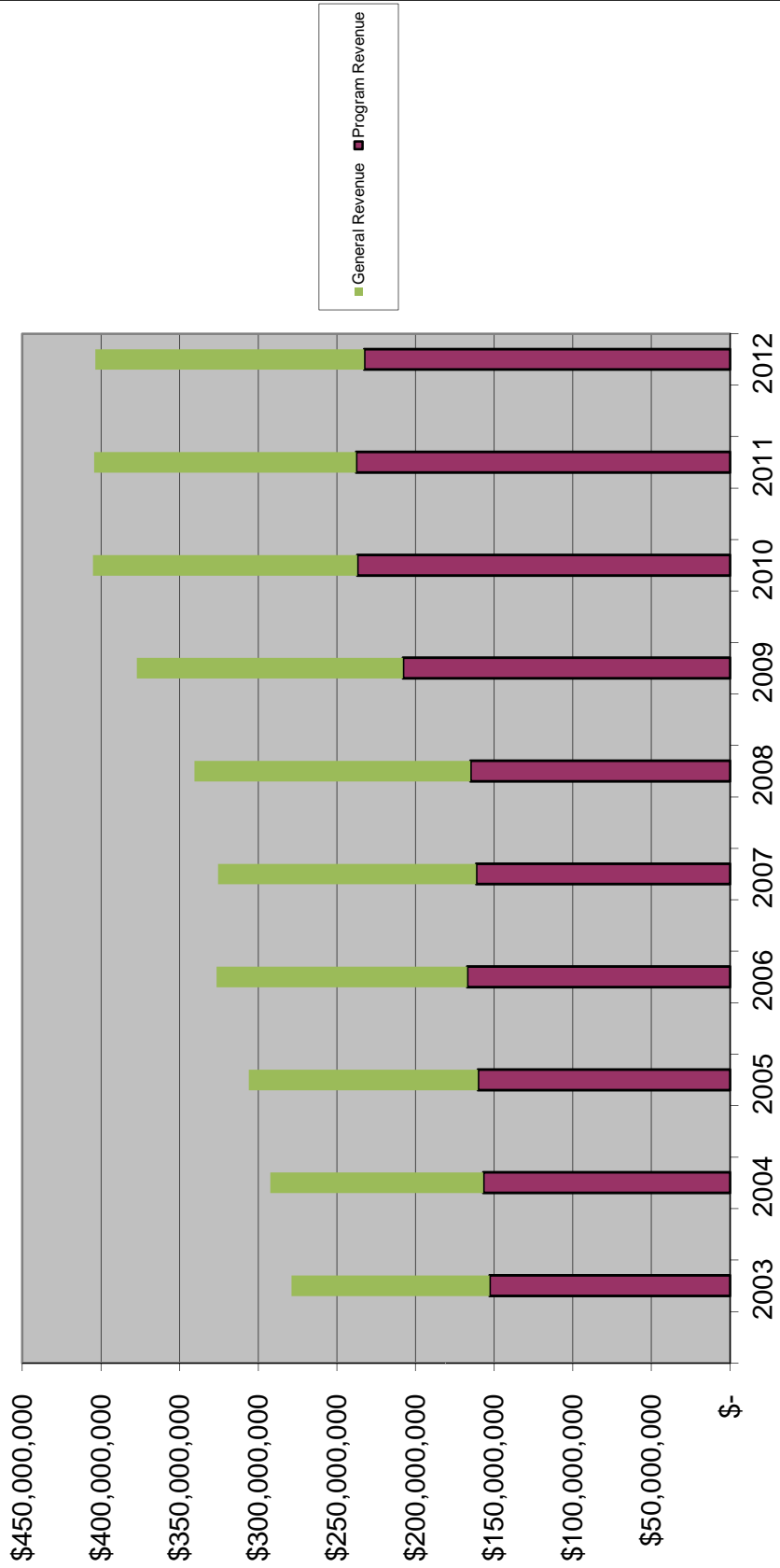
Governmental Activities Expense Changes



Governmental Activities Expense Changes



Changes in Program & General Revenues



Adams County, Colorado
Fund Balances, Governmental Funds
Last Ten Years

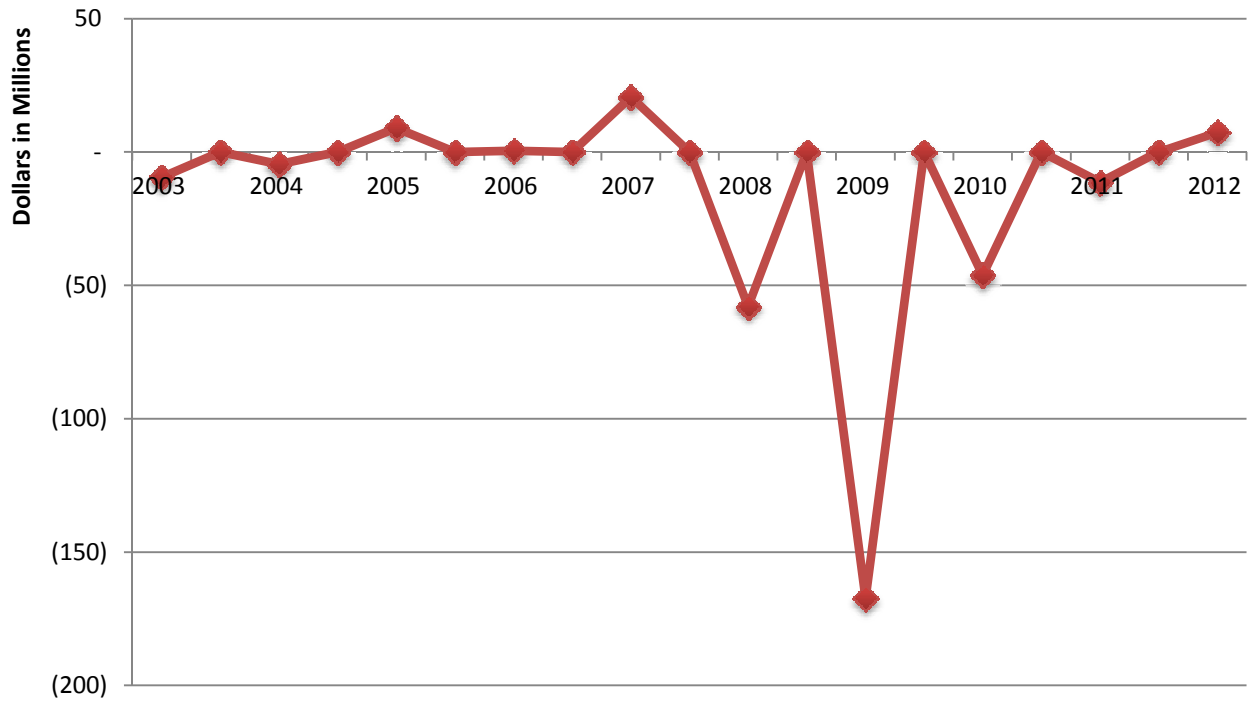
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General Fund										
Restricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,064,500	\$ 11,492,899	\$ 17,249,860	\$ 17,468,266
Committed	-	-	-	-	-	-	-	-	38,548,895	39,850,069
Assigned	-	-	-	-	-	-	-	-	157,389	207,750
Unassigned	68,641,146	63,572,141	71,217,307	82,074,695	95,414,250	95,084,429	93,367,951	93,293,454	62,304,685	60,123,396
Total general fund	\$ 68,641,146	\$ 63,572,141	\$ 71,217,307	\$ 82,074,695	\$ 95,414,250	\$ 95,084,429	\$ 104,432,451	\$ 104,786,353	\$ 118,260,829	\$ 117,649,481
All Other Governmental Funds										
Restricted	\$ 4,526,353	\$ 5,755,830	\$ 5,354,606	\$ 9,222,061	\$ 9,347,219	\$ 9,652,138	\$ 10,790,582	\$ 10,029,217	\$ 33,565,211	\$ 40,154,025
Assigned, reported in:										
Major funds	40,770,566	43,272,518	46,061,332	36,570,272	38,477,055	40,592,795	44,040,554	43,215,574	30,373,767	32,226,470
Special revenue funds	18,276,723	18,077,323	21,476,468	21,532,411	30,629,297	33,473,483	35,855,475	37,418,027	8,622,543	6,261,632
Capital Project funds	26,868,970	22,969,802	18,189,410	12,312,409	8,034,657	17,427,501	44,727,126	16,570,438	12,966,286	15,219,474
Total all other governmental funds	\$ 90,442,612	\$ 90,075,473	\$ 91,081,816	\$ 79,637,153	\$ 86,488,228	\$ 101,145,917	\$ 135,413,737	\$ 107,233,256	\$ 85,527,807	\$ 93,861,601
Total General & All Other Governmental Funds	\$ 159,083,758	\$ 153,647,614	\$ 162,299,123	\$ 161,711,848	\$ 181,902,478	\$ 196,230,346	\$ 239,846,188	\$ 212,019,609	\$ 203,788,636	\$ 211,511,082

Note: Fund Balance categories changed as of 1/1/2011 pursuant to GASB 54. Data for retroactive categorizing not available.

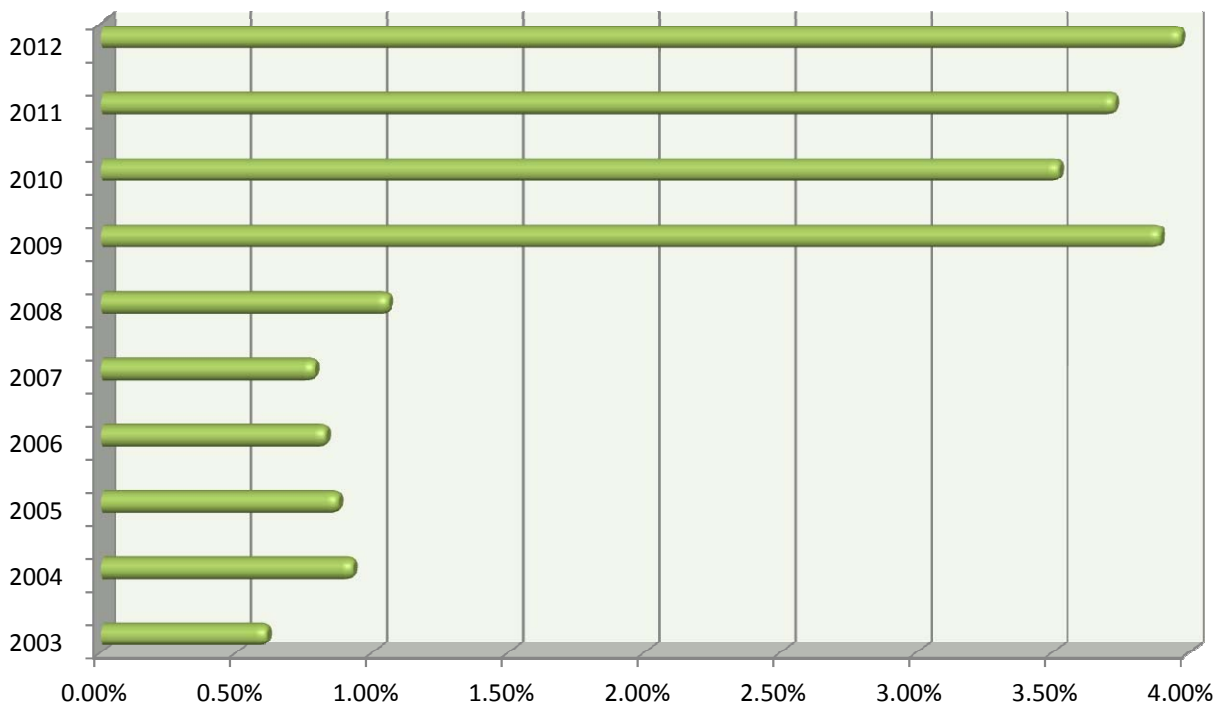
Adams County, Colorado
Changes in Fund Balances, Governmental Funds
Last Ten Years

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Revenues:										
Taxes	\$ 118,529,664	\$ 128,053,215	\$ 135,052,506	\$ 144,039,782	\$ 151,569,603	\$ 160,454,589	\$ 159,244,112	\$ 158,577,229	\$ 159,330,946	\$ 161,889,135
Licenses and Permits	1,279,804	1,343,771	1,278,383	1,337,706	1,153,953	680,665	692,531	1,094,570	753,458	777,015
Intergovernmental	115,796,127	119,859,452	128,333,459	132,312,168	132,023,379	138,361,580	185,244,245	208,106,791	207,483,230	202,003,859
Program Income	-	-	-	-	-	-	-	-	1,153,693	193,882
Charges for Services	29,535,939	19,857,023	22,271,967	22,758,183	22,998,305	21,751,520	22,055,356	22,732,433	23,274,129	24,811,998
Interest Earnings	2,704,641	3,425,198	6,642,999	10,318,270	12,244,860	8,766,805	4,411,282	3,487,202	3,038,344	2,437,223
Miscellaneous	4,664,347	3,862,174	3,928,138	4,877,045	4,236,036	6,284,069	6,839,604	5,059,405	4,226,509	6,478,480
Total Revenues	272,510,522	276,400,833	297,507,452	315,643,154	324,226,136	336,299,228	378,487,130	399,057,630	399,260,309	398,591,592
Expenditures:										
General Government	43,877,141	45,988,101	46,278,182	48,377,182	52,229,232	57,516,054	60,022,849	60,012,382	54,911,702	57,605,004
Public Works	39,760,674	30,068,876	31,671,119	33,146,782	36,689,909	35,263,521	24,283,840	27,740,860	25,084,133	25,212,451
Public Safety	43,257,538	47,123,634	51,423,724	56,335,493	59,744,019	66,227,502	70,721,636	66,856,170	65,222,597	66,354,652
County Funded Human Services	2,758,542	2,969,393	3,267,211	3,464,240	3,629,566	3,777,147	3,842,110	3,398,031	3,244,279	3,414,463
Health and Welfare	101,563,982	107,898,233	112,686,336	116,434,773	116,900,553	126,982,887	159,245,854	180,836,695	188,042,147	187,072,779
Culture and Recreation	2,538,005	2,518,499	2,586,029	3,006,940	3,258,609	3,430,407	3,425,260	3,340,087	3,220,777	3,402,746
Economic Opportunity	4,636,538	5,201,006	5,690,464	4,941,304	5,531,616	5,248,977	8,202,896	8,361,926	5,120,135	6,155,373
Urban Housing/Redevelopment	4,344,519	2,427,225	3,454,746	3,218,874	4,517,205	2,884,458	3,425,126	7,212,069	3,973,099	4,333,582
Conservation of Nation Resources	4,369,963	4,287,091	3,733,965	3,633,261	3,989,670	4,839,595	7,872,237	7,153,025	12,119,294	8,780,062
Capital Outlay	33,378,047	30,115,273	25,409,458	40,326,430	14,839,548	84,803,505	190,968,890	67,038,805	35,809,762	13,936,789
Debt Service	-	-	-	-	-	-	-	-	-	-
Principal	903,535	1,092,976	1,260,000	1,300,000	1,345,000	1,478,061	6,563,211	6,075,143	6,796,777	8,043,300
Interest	610,000	1,225,000	1,029,001	968,994	918,526	1,395,000	6,221,600	7,117,260	7,158,834	6,921,292
Issuance Costs	-	-	-	-	-	391,384	1,023,216	119,184	-	-
Total Expenditures	281,998,484	280,915,307	288,490,235	315,154,273	303,593,453	394,238,498	545,818,725	445,261,637	410,703,536	391,232,493
Excess of revenues over (under) expenditures	(9,487,962)	(4,514,474)	9,017,217	488,881	20,632,683	(57,939,270)	(167,331,595)	(46,204,007)	(11,443,227)	7,359,099
Other Financing Sources (Uses)										
Transfers In	8,387,265	12,377,357	9,439,698	12,778,296	5,867,033	8,612,315	23,811,811	12,800,101	15,088,566	15,675,558
Transfers Out	(8,874,035)	(13,351,399)	(9,906,355)	(13,572,943)	(6,283,150)	(9,088,017)	(23,487,507)	(12,460,101)	(14,132,580)	(15,335,558)
Issuance of Debt	-	-	-	-	-	-	-	-	1,999,930	-
Proceeds Certificates of Participation	15,890,000	-	-	-	-	35,000,000	110,645,000	15,500,000	-	-
Proceeds from Sale of Assets	12,614,468	-	-	-	-	35,000,000	105,000,000	2,537,428	-	23,347
Payment to Escrow Agent	-	-	-	-	-	-	(5,581,171)	-	-	-
Premium on Bonds	-	-	-	-	-	-	641,423	-	-	-
Total other financing sources (uses)	28,017,698	(974,042)	(466,657)	(794,647)	(416,117)	69,524,298	211,029,556	18,377,428	2,955,916	363,347
Net Change in Fund Balances	\$ 18,529,736	\$ (5,488,516)	\$ 8,550,560	\$ (305,766)	\$ 20,216,566	\$ 11,585,028	\$ 43,697,961	\$ (27,826,579)	\$ (8,487,311)	\$ 7,722,446
Debt service as a percentage of noncapital expenditures	0.61%	0.92%	0.87%	0.83%	0.78%	1.05%	3.89%	3.52%	3.72%	3.97%

Revenues Over/Under Expenditures



Debt as a Percentage of Expenditures



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

Year Ended 12/31	Residential Property	Commercial Property	Industrial Property	Vacant Land	Agricultural Acre Valuation	Natural Resources	State Assessed Property	Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate(2)
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
2008	2,173,141,540	1,480,135,780	314,806,400	186,478,600	18,565,270	58,557,700	323,369,960	955,028,920	4,555,055,250	26.809
2009	2,000,551,940	1,568,191,330	342,273,510	164,563,270	18,996,430	88,818,250	346,477,300	969,669,170	4,529,821,990	26.824
2010	2,010,666,990	1,572,491,250	311,982,840	150,930,860	19,222,130	46,346,980	375,729,210	1,063,467,690	4,487,370,260	26.883
2011	1,962,487,880	1,567,274,910	294,197,630	126,806,330	21,378,430	60,736,530	413,097,550	1,278,225,880	4,445,979,260	26.806
2012	1,975,519,290	1,584,428,650	311,321,490	120,063,400	21,515,790	69,716,900	441,560,540	1,289,313,230	4,524,126,060	26.903

(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 Ten Years**

Fiscal Year Ended December 31	Taxes Levied for Collection in the Fiscal Year	Current Collections		Collections in Subsequent Years (1)	Total Collections to Date	
		Amount	Percentage of Levy		Total Taxes Collected	Percentage of Levy
2003	85,730,023	85,514,011	99.75%	172,821	85,686,832	99.95%
2004	94,021,777	93,875,226	99.84%	125,933	94,001,159	99.98%
2005	98,443,913	97,912,755	99.46%	164,891	98,077,646	99.63%
2006	106,186,113	105,414,152	99.27%	140,706	105,554,858	99.41%
2007	110,599,462	109,940,545	99.40%	82,852	110,023,397	99.48%
2008	119,373,976	119,152,400	99.81%	147,481	119,299,881	99.94%
2009	122,116,476	121,547,279	99.53%	270,992	121,818,271	99.76%
2010	121,507,945	120,560,734	99.22%	213,814	120,774,548	99.40%
2011	120,633,975	119,783,006	99.29%	172,720	119,955,726	99.44%
2012	119,178,920	118,077,276	99.08%	-	118,077,276	99.08%

(1) Property taxes are collected in the fiscal year following the year levied, for example taxes levied at the end of 2011 in the amount of \$119,178,920 will be collected in 2012

Source: 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.

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

Taxpayer	2012			2003		
	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value
Xcel Energy Co (Public Service Co)	\$ 180,115,180	1	3.98%	92,691,540	1	2.64%
Suncor Energy, USA, Inc	120,102,710	2	2.65%			
Qwest Corporation	82,033,200	3	1.81%	67,972,500	2	1.94%
Colorado Interstate Gas Co.	55,347,900	4	1.22%	10,652,900	9	0.30%
Verizon Wireless, LLC(Celco Prtnrshp)	23,449,900	5	0.52%			
Kerr-McGee Gathering LLC	22,305,620	6	0.49%			
Tri-State Generation	21,681,660	7	0.48%	13,385,700	7	0.38%
Denver/Rocky Mtn Newspaper	21,079,020	8	0.47%	10,145,560	10	0.29%
Wal-Mart Real Estate Business Trust	20,270,100	9	0.45%			
United Power, Inc	17,769,200	10	0.39%			
Avaya, Inc				20,880,000	4	0.59%
Conoco Phillips Company				22,502,840	3	0.64%
AT & T Communications				16,185,900	5	0.46%
Avaya Equipment Leasing				14,764,720	6	0.42%
Pro Logis				11,066,520	8	0.32%
Total	\$ 564,154,490		10.71%	\$ 280,248,180		7.98%
2012 Total Taxable Property	\$4,524,126,060					
2003 Total Taxable Property	\$3,511,026,440					

(1) Source: Adams County Assessor's Office

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

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Adams County	26.779	26.903	26.804	26.974	26.899	26.809	26.824	26.883	26.806	26.903
County General	21.472	22.143	22.044	23.064	22.989	22.899	22.914	22.973	22.896	22.993
Road / Bridge	1.300	1.300	1.300	1.300	1.300	1.300	1.300	1.300	1.300	1.300
Social Services	2.900	2.353	2.353	2.353	2.353	2.353	2.353	2.353	2.353	2.353
Retirement	0.850	0.850	0.850	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Developmentally Disabled	0.257	0.257	0.257	0.257	0.257	0.257	0.257	0.257	0.257	0.257
Cities										
Arvada	4.310	4.310	4.310	4.310	4.310	4.310	4.310	4.310	4.310	4.310
Aurora	11.161	11.079	10.958	10.867	10.701	10.644	10.494	10.595	10.653	10.290
Bennett	11.950	11.950	11.950	11.950	11.950	11.950	11.950	11.950	11.950	11.950
Brighton	6.650	6.650	6.650	6.650	6.650	6.650	6.650	6.650	6.650	6.650
Commerce City	33.033	33.280	3.280	3.280	3.280	3.280	3.280	3.206	3.280	3.269
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	13.876	13.876	11.624	15.313	17.136	19.240	16.908
Northglenn	11.597	11.597	11.597	11.597	11.597	11.597	11.597	11.597	11.597	11.597
Thornton	25.210	25.210	10.210	10.210	10.210	10.210	10.210	10.210	10.210	10.597
Westminster	19.650	19.650	3.650	3.650	3.650	3.650	3.650	3.650	3.650	3.650
School Districts										
District No 1	39.878	39.550	36.273	37.107	36.454	35.852	40.118	43.605	43.740	43.906
District No 12	62.040	68.763	67.060	67.044	64.595	69.671	70.179	70.359	70.276	70.602
District No 14	43.886	43.839	41.340	47.443	45.279	44.961	44.813	44.908	44.977	44.917
District No 26	33.121	33.000	31.163	30.169	27.432	27.355	27.342	27.319	27.293	27.309
District No 27	44.494	48.022	39.244	45.562	45.264	45.215	45.284	45.703	45.629	45.629
District No 28	47.964	47.003	45.824	45.745	45.530	53.248	53.455	53.919	54.159	63.830
District No 29	30.072	37.903	36.340	34.156	34.246	33.724	33.381	33.258	33.330	33.281
District No 31	51.676	49.666	49.666	50.631	50.631	50.738	49.335	46.458	42.494	41.135
District No 32	44.560	36.451	34.284	33.910	33.603	32.607	32.520	32.305	33.148	31.407
District No 50	48.427	48.154	46.790	54.276	55.601	56.970	59.704	58.722	61.473	59.983
District No RE 3	40.040	40.040	32.145	31.230	30.708	26.196	21.705	22.242	21.786	19.589
District No RE 50	44.804	42.719	38.603	35.853	36.027	35.707	35.382	35.494	35.297	34.174
Library Districts										
Arapahoe Library	4.916	4.900	4.963	4.893	4.814	4.827	4.783	4.869	4.981	4.903
Rangeview Library	1.387	1.394	1.388	3.659	3.504	3.659	3.659	3.659	3.659	3.659
Urban Drainage & Flood Control	0.598	0.604	0.597	0.608	0.568	0.591	0.569	0.576	0.623	0.599
Aims Junior College	6.322	6.328	6.357	6.330	6.308	6.323	6.312	6.360	6.355	6.318
Water, Sewer & Sanitation Districts	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	.029 to 60.000	.030 to 60.000	0.425 to 80.108	.030 to 102.171	0.030 to 99.300
Fire Districts	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	.500 to 54.000	.500 to 21.000	0.500 to 21.000	0.500 to 21.000	0.500 to 21.000
Park and Recreation Districts	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	5.010 to 10.000	5.010 to 10.000	2.589 to 10.000	2.589 to 10.000	2.589 to 10.000
Metro Districts	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	25.000 to 99.000	25.000 to 99.000	31.000 to 99.000	1.000 to 99.000	1.00 to 99.000
Urban Renewal/Improvement Districts	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	5.000 to 45.000	5.000 to 45.000	5.000 to 45.000	5.000 to 45.000	86.807 to 124.793

(1) Source: Adams County Assessor's Office

Adams County, Colorado
Ratio of Outstanding Debt by Type
December 31, 2012
Last Ten Years

Governmental Activities

<u>Fiscal Year</u>	<u>Certificates of Participation</u>	<u>Per Capita</u>	<u>Percentage of Personal Income</u>
2003	24,825,000	65.16	0.24%
2004	23,600,000	60.42	0.22%
2005	22,340,000	55.66	0.19%
2006	21,040,000	50.74	0.17%
2007	19,695,000	46.80	0.15%
2008	53,300,000	123.71	0.38%
2009	151,936,789	345.44	1.09%
2010	161,361,646	365.40	1.14%
2011	154,564,869	342.28	1.04%
2012	147,521,569	Not Available	Not Available

Adams County, Colorado
Computation of Direct, Overlapping and Underlying Long-Term Debt
December 31, 2012

GOVERNMENTAL UNIT	Long-Term Debt	Percent Applicable to County	County's Share of Debt
Direct:			
Adams County	\$ -	-	\$ -
Overlapping:			
City of Aurora	14,180,000	19.95%	2,829,322
Town of Lochbuie	2,400,000	1.07%	25,631
School District No. 12	306,312,707	83.48%	255,699,554
School District No. 27	148,825,000	98.74%	146,943,264
School District No. 28J	355,851,342	33.89%	120,583,491
School District No. 29J	8,555,000	58.42%	4,997,746
School District No. 31	9,665,000	76.01%	7,346,490
School District No. 32	1,165,000	49.28%	574,113
School District No. RE-3	26,843,794	0.95%	253,730
School District No. RE-50	383,989	4.13%	15,862
Bromley Park #2	33,515,000	99.28%	33,273,147
Central Colorado Groundwater Mgmt	16,238,352	8.17%	1,326,946
Central Colorado Well Augmentation	14,245,756	0.58%	83,044
North Metro Fire Rescue District	22,670,000	22.80%	5,168,358
North Washington Fire Protection Dist 3	4,419,654	98.57%	4,356,604
Sable-Altura Fire Protection District	4,730,000	72.04%	3,407,437
Sand Creek Metropolitan	66,260,000	78.45%	51,978,895
Underlying:			
School District No. 1	38,821,271	100.00%	38,821,271
School District No. 14	82,680,000	100.00%	82,680,000
School District 50	88,550,000	100.00%	88,550,000
Aberdeen Metro No. 1	7,870,000	100.00%	7,870,000
Aberdeen Metro No. 2	2,090,000	100.00%	2,090,000
Airways Business Center Metro District	1,925,000	100.00%	1,925,000
Amber Creek Metropolitan District	500,000	100.00%	500,000
Aspen Hills Metropolitan District	1,063,000	100.00%	1,063,000
Aurora Single Tree Metropolitan District	8,065,000	100.00%	8,065,000
Belle Creek Metro #1	4,155,000	100.00%	4,155,000
Bennett Park & Rec	1,775,000	100.00%	1,775,000
Big Dry Creek Metro District	550,800	100.00%	550,800
BNC Metropolitan District No. 1	3,107,000	100.00%	3,107,000
BNC Metropolitan District No. 2	5,000,000	100.00%	5,000,000
Bradburn Metro No. 2	7,107,297	100.00%	7,107,297
Bradburn Metro No. 3	7,548,045	100.00%	7,548,045
Brighton Crossing No. 4	13,295,000	100.00%	13,295,000
Bromley Park No. 3	19,585,000	100.00%	19,585,000
Bromley Park No. 5	2,900,000	100.00%	2,900,000
Bromley Park No. 6	4,380,000	100.00%	4,380,000
Buckley Ranch Metro District	2,591,502	100.00%	2,591,502
Buffalo Ridge Metropolitan District	9,100,000	100.00%	9,100,000
Buffalo Run Mesa Metropolitan District	8,024,281	100.00%	8,024,281
City of Thornton 136th GID	2,240,000	100.00%	2,240,000
Colorado International Center Metro Dist 3	2,905,000	100.00%	2,905,000

Continued on Next Page

<u>GOVERNMENTAL UNIT</u>	<u>Long-Term Debt</u>	<u>Percent Applicable to County</u>	<u>County's Share of Debt</u>
Commerce City Northern Infrastructure GID	89,990,000	100.00%	89,990,000
Colorado Science Tech Metro #1	17,315,856	100.00%	17,315,856
Country Club Village 1	2,915,000	100.00%	2,915,000
Eagle Creek Metropolitan District	3,381,580	100.00%	3,381,580
Eagle Shadow Metropolitan Dist. No. 1	10,690,000	100.00%	10,690,000
EastPark 70 Metro District	8,380,000	100.00%	8,380,000
Fallbrook Metropolitan District	7,077,646	100.00%	7,077,646
Fire District 2 Southwest Adams	580,570	100.00%	580,570
Fire District 2 Bond Southwest Adams	774,970	100.00%	774,970
Fronterra Village Metropolitan District	14,124,500	100.00%	14,124,500
Fronterra Village Metropolitan District No. 2	7,187,139	100.00%	7,187,139
Greatrock North Water & Sanitation District	5,460,000	100.00%	5,460,000
Hazeltine Heights Water & Sanitation	332,843	100.00%	332,843
Heritage Todd Creek Metro District	27,717,000	100.00%	27,717,000
Highpoint Metropolitan District	1,645,000	100.00%	1,645,000
Himalaya Water & Sanitation	4,485,000	100.00%	4,485,000
Horse Creek Metropolitan District	1,413,000	100.00%	1,413,000
Huntington Trails Metropolitan	6,380,000	100.00%	6,380,000
Hyland Hills Park & Recreation	11,350,000	100.00%	11,350,000
Lakeview Estates Water	946,494	100.00%	946,494
Lambertson Lakes Metropolitan District	6,385,000	100.00%	6,385,000
Laredo Metropolitan District	4,875,000	100.00%	4,875,000
Larkridge Metro District No. 1	25,930,000	100.00%	25,930,000
Larkridge Metro District No. 2	3,023,944	100.00%	3,023,944
Marshall Lake Metropolitan District	2,840,000	100.00%	2,840,000
North Range Metropolitan District No. 1	29,850,000	100.00%	29,850,000
North Range Metropolitan District No. 2	26,375,000	100.00%	26,375,000
North Range Village Metro District	7,960,136	100.00%	7,960,136
Northern Metropolitan Bond	1,570,000	100.00%	1,570,000
Northern Metropolitan District	1,645,000	100.00%	1,645,000
Park 70 Metropolitan District	11,235,000	100.00%	11,235,000
PLA Metro District	1,365,000	100.00%	1,365,000
Potomac Farms Metropolitan District	12,974,007	100.00%	12,974,007
Riverdale Dunes Metropolitan Dist. No. 1	2,675,000	100.00%	2,675,000
Riverdale Peaks No. 2	3,075,000	100.00%	3,075,000
River Oaks Metropolitan District	4,315,000	100.00%	4,315,000
Talon Pointe Metropolitan District	8,000,000	100.00%	8,000,000
Todd Creek Farms Metropolitan Dist. No. 2	1,330,000	100.00%	1,330,000
Tower Metro District	13,535,000	100.00%	13,535,000
	<u>\$ 1,753,193,474</u>		<u>\$ 1,355,796,514</u>

Source: Adams County Finance Department

Note: Overlapping Debt percentage is calculated using Adams County Total Assessed Value divided by the District's Total Assessed Value as provided by the District.

Adams County, Colorado
Legal Debt Margin Information
Last Ten Years

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Actual Property Value (1)										
Assessed Property Value (2)	\$ 3,754,252,600	\$ 4,092,791,580	\$ 4,447,473,620	\$ 4,652,893,320	\$ 5,191,535,030	\$ 5,510,084,170	\$ 5,499,491,100	\$ 5,550,837,950	\$ 5,724,205,140	\$ 5,813,439,290
Statutory Debt Limit 3%	112,627,578	122,783,747	133,424,209	139,586,800	155,746,051	165,302,525	164,984,733	166,525,139	171,726,154	174,403,179
Debt Applicable to Limit										
General Obligation Bonds	-	-	-	-	-	-	-	-	-	-
Other Applicable Debt	-	-	-	-	-	-	-	-	-	-
Net Debt Applicable to Limits	-	-	-	-	-	-	-	-	-	-
Legal Debt Margin (3)	\$ 112,627,578	\$ 122,783,747	\$ 133,424,209	\$ 139,586,800	\$ 155,746,051	\$ 165,302,525	\$ 164,984,733	\$ 166,525,139	\$ 171,726,154	\$ 174,403,179
Total Debt as percentage of debt limit	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

(1) The County assesses property frequently; therefore assessed and actual are substantially equal.
(2) Difference between assessed property value to compute Legal Debt Margin in this schedule and the assessed/actual value of taxable property in the schedule on page 108 is in the Tax Exempt Property.
(3) For years beginning 2003 debt limits are calculated using the 2002 revised Section 30-26-301, which states a County shall not have debt in excess of 3% of the actual value of the taxable property as determined by the Assessor.

Adams County, Colorado
Demographic and Economic Statistics
Last Ten Years

Fiscal Year	Population (1)	Per Capita Personal Income (2)	Annual Total Personal Income (2)	Median Age (3)	Public School Enrollment (4)	Unemployment Rate (2)
2003	380,985	27,438	10,464,981,000	31.80	67,922	7.0%
2004	390,587	28,119	10,967,707,000	32.00	68,629	6.5%
2005	401,332	29,001	11,664,586,000	32.10	73,348	5.2%
2006	414,652	29,598	12,272,985,000	32.10	74,157	5.0%
2007	420,833	30,351	12,772,840,000	32.30	75,780	4.8%
2008	430,836	32,588	13,999,767,000	32.10	79,253	5.5%
2009	439,836	31,727	13,991,470,000	32.80	79,477	8.6%
2010	441,603	31,849	14,130,401,000	32.40	81,838	10.2%
2011	451,576	33,061	14,925,051,000	32.10	85,951	9.5%
2012	459,730	Not Available	Not Available	33.00	88,011	8.9%

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

(2) Source: Bureau of Economic Analysis, US Bureau of Labor Statistics

(3) Source: Colorado Department of Local Affairs

(4) Source: US Census Bureau

**Adams County, Colorado
Principal Employers
2012 and 2003**

Employer	2012			2003		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Children's Hospital	4400	1	1.89%			
University of Colorado Hospital	4400	2	1.89%	700	6	0.38%
United Parcel Service	2330	3	1.00%	2691	1	1.46%
Avaya Communications	1000	4	0.43%	1965	2	1.07%
Staples	800	5	0.34%			
St Anthony Hospital North	770	6	0.33%			
DISH Network	730	7	0.31%			
HealthOne: North Suburban Medical Center	660	8	0.28%			
Shamrock Foods	650	9	0.28%	550	9	0.30%
Sturgeon Electric	650	10	0.28%			
University of Colorado Health Sciences Ctr.				800	5	0.44%
Wagner Equipment				682	7	0.37%
EchoStar				1279	3	0.70%
T Mobile				1000	4	0.54%
Navajo Truck Lines				650	8	0.35%
Denver Auto Auction				525	10	0.29%
Total	16,390		7.06%	10,842		5.90%
Total County Employment	232,313			183,875		

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

Does not include governmental entity employers.

Adams County, Colorado
Capital Asset Statistics by Function/Program
Last Eight Fiscal Years

<u>Function/Program</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
General Government								
Square Footage of Buildings	190,482	190,482	190,482	190,482	190,482	190,482	448,668	448,668
Number of Vehicles (Including Motor Pool)	89	85	87	88	92	90	77	83
Public Safety								
Square Footage of Detention Center	342,107	342,107	342,107	342,107	342,107	342,107	342,107	342,107
Square Footage of Justice Center	202,268	202,268	202,268	202,268	304,768	304,768	304,768	304,768
Square Footage of Other Buildings	158,108	186,468	168,360	168,360	174,360	174,360	174,360	174,360
Number of Vehicles	152	164	169	172	173	171	160	187
Public Works								
Miles of Roads and Streets Maintained	1,147	1,159	1,162	1,165	1,144	1,144	1,144	1,144
Number of Traffic Signals Maintained	25	25	29	30	30	36	36	43
Number of Vehicles	67	65	65	62	58	84	77	72
Culture & Recreation								
Acres of Parks	1,200	1,200	1,200	1,200	1,200	2,497	2,497	1,213
Miles of Trails	20	20	22	23	30	38	38	38
Number of Vehicles	0	0	0	0	0	0	0	7
Health and Welfare								
Square Footage of Buildings	134,798	134,798	134,798	134,798	134,798	134,798	134,798	134,798
Number of Vehicles	0	0	0	0	0	0	0	27
Conservation of Natural Resources								
Acres of Open Space Land	827	1,157	1,157	1,301	1,226	3,098	3,098	2,164
Acres of Conservation Easements	385	385	406	2,063	2,338	5,255	5,274	5,423
Number of Vehicles	0	0	0	0	0	0	0	9

Source: Various Adams County Departments

Note: Ten years of comparable data is not available.

Note: All Functions did not have vehicles assigned until 2012.

Adams County, Colorado
Full-time Equivalent County Employees by Function/Program
Last Ten Years
Full-time Equivalent Employees as of December 31

Program/Function	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General Government										
Management	47.00	53.00	77.00	72.50	85.00	37.00	31.00	28.00	28.00	31.50
Professional/Technical	159.00	148.50	136.00	129.50	151.00	200.00	209.00	191.00	187.50	205.75
Administrative Support	157.00	169.75	163.25	157.50	180.75	187.75	189.00	168.50	171.75	155.75
Labor and Trade	38.00	40.00	48.50	25.00	36.00	41.00	41.00	37.00	40.00	43.00
Public Safety										
Management	7.00	7.00	7.00	6.00	6.00	6.00	5.00	6.00	7.00	5.00
Officers	336.00	365.00	359.00	384.00	396.00	399.00	407.00	397.00	388.00	388.00
Civilian Professional/Technical	33.00	32.50	45.00	37.00	45.25	45.00	38.00	36.00	38.00	47.50
Administrative Support	91.25	94.00	84.50	94.00	93.75	104.50	115.00	114.25	96.25	91.75
Health & Welfare										
Management	12.00	11.00	12.00	8.00	9.00	11.00	11.75	10.00	10.00	8.00
Professional/Technical	339.00	372.00	347.50	377.00	376.50	393.25	421.00	422.25	405.25	432.50
Administrative Support	67.00	66.50	55.00	76.00	76.00	73.00	69.00	69.00	64.00	61.00
Labor & Trade	9.00	8.00	11.50	10.00	10.75	9.75	9.75	9.50	7.75	7.75
Economic Opportunity										
Management	1.00	1.00	0.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Professional/Technical	39.50	40.50	58.00	57.00	45.00	45.00	46.00	47.75	46.00	51.00
Administrative Support	3.00	2.50	4.00	4.00	3.00	3.00	3.00	3.00	3.00	3.00
Public Works										
Management	5.00	5.00	5.00	5.00	4.00	2.00	4.00	5.00	6.00	5.00
Professional/Technical	28.00	29.00	27.00	28.00	25.00	29.00	25.00	31.00	25.00	31.00
Administrative Support	6.00	6.00	7.00	8.00	8.00	7.00	7.00	7.00	6.00	14.00
Labor & Trade	65.00	67.00	76.00	82.00	84.00	82.00	75.00	76.00	69.00	68.00
Urban Housing and Redevelopment										
Management	1.00	1.00	1.00	2.00	2.00	1.00	0.25	2.00	2.00	1.00
Professional/Technical	4.00	4.00	4.00	4.00	5.00	4.00	2.00	5.00	5.00	4.00
Administrative Support	3.00	3.00	3.00	2.00	2.00	1.00	1.00	0.00	0.00	0.00
Conservation of Natural Resources										
Management	2.00	2.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Professional/Technical	7.00	11.00	7.00	5.00	7.00	7.00	5.00	7.00	9.00	9.00
Administrative Support	6.00	5.00	5.00	1.50	2.75	2.00	1.00	5.00	2.00	2.00
Labor & Trade	20.00	19.00	20.00	24.00	17.00	18.00	19.00	19.00	18.00	19.00
Total FTE Employees	1485.75	1563.25	1567.25	1605.00	1676.75	1714.25	1740.75	1702.25	1640.50	1690.50

Source: Adams County Human Resource Department

This page is intentionally left blank



GOALS

PROSPERITY

Provide opportunity for economic growth, while respecting Adams County's important natural resources

CUSTOMER SERVICE

Provide prompt, courteous, high-quality, and cost-effective services, while continuously striving to improve our service delivery

COMMUNITY

Work to build effective relationships within the community to assist in the pursuit of a high quality life

ADAMS COUNTY, COLORADO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2012

<u>Agency/Program Title</u>	<u>Federal CFDA Number</u>	<u>2012 Expenditures</u>
Department of Health and Human Services:		
<i>Passed Through Colorado Department of Human Services:</i>		
Temporary Assistance for Needy Families	93.558	\$ 14,421,817
ARRA - Temporary Assistance for Needy Families	93.714	123,262
Promoting Safe and Stable Families	93.556	174,553
Child Support Enforcement	93.563	2,646,240
Low-Income Home Energy Assistance	93.568	3,279,282
Child Care & Development Block Grant	93.575	213,917
Child Care & Development Fund - Mandatory & Matching Funds	93.596	3,899,022
Child Welfare Services-State Grants	93.645	316,491
Public Assistance Reporting Information System Grant	93.647	1,389
Foster Care Title IV-E	93.658	4,309,878
Adoption Assistance	93.659	1,546,464
Social Services Block Grant	93.667	2,659,678
Chafee Foster Care Independence Program	93.674	181,937
Subtotal:		<u>33,773,930</u>
<i>Passed Through Colorado Department of Healthcare Policy & Financing:</i>		
Medical Assistance Program	93.778	2,826,834
Subtotal:		<u>2,826,834</u>
<i>Passed Through Colorado Department of Public Health & Environment</i>		
MIECHV	93.505	58,439
Subtotal:		<u>58,439</u>
<i>Passed Through Colorado Department of Local Affairs:</i>		
Community Services Block Grant	93.569	244,729
Subtotal:		<u>244,729</u>
<i>Passed Through Denver Regional Council of Governments:</i>		
Special Programs for the Aging - Title III Part B - Grants for Supportive Services and Senior Centers	93.044	30,240
<i>Direct Programs:</i>		
Head Start	93.600	3,661,887
Subtotal:		<u>3,661,887</u>
Total Department of Health & Human Services		<u>40,596,059</u>
Department of Agriculture:		
<i>Passed Through Colorado Department of Human Services:</i>		
State Admin Matching Grants for Supplemental Nutrition Program	10.561	4,162,759
Emergency Food Assistance -(Food Commodities)	10.569	496,363
Subtotal:		<u>4,659,122</u>
<i>Passed Through Colorado Department of Public Health & Environment:</i>		
Child & Adult Care Food Program	10.558	197,106
Total Department of Agriculture		<u>4,856,228</u>

Continued on Next Page

ADAMS COUNTY, COLORADO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2012

Agency/Program Title	Federal CFDA Number	2012 Expenditures
Department of Labor:		
<i>Passed Through Colorado Dept. of Labor & Employment:</i>		
<i>Workforce Investment Act:</i>		
Disabled Veterans' Outreach Program	17.801	17,000
Veterans' Workforce Investment Program	17.805	30,172
Local Veterans' Employment Representative Program	17.804	3,050
Unemployment Insurance-Recovery Act Program	17.225	238,413
Trade Adjustment Assistance	17.245	12,017
WIA Adult Program	17.258	1,605,825
WIA Youth Activities	17.259	830,073
Temp Labor Certification for Foreign Workers-Housing Inspection	17.273	19,300
WIA Dislocated Workers	17.260	107,543
ARRA - WIA Dislocated Workers	17.260	102,286
WIA Dislocated Workers	17.278	<u>697,879</u>
Subtotal:		<u>3,663,558</u>
 <i>Wagner Peysers:</i>		
Employment Service/Wagner Peysers	17.207	<u>1,060,069</u>
Subtotal:		<u>1,060,069</u>
 Total Department of Labor		 <u>4,723,627</u>
 Department of Housing and Urban Development:		
<i>Direct Programs:</i>		
ARRA - Homeless Prevention & Rapid Rehousing Program	14.257	161,634
ARRA - Community Development Block Grant/Entitlements	14.253	440,815
Community Development Block Grant/Entitlement Grants	14.218	2,959,685
HUD Section 108	14.248	1,274,090
Housing Emergency Recovery Act -Neighborhood Stabilization Program 1 & 3	14.264	11,805
Home Investment Partnerships Program	14.239	<u>1,102,176</u>
Subtotal:		<u>5,950,205</u>
 Total Department of Housing & Urban Development		 <u>5,950,205</u>
 US Department of Energy		
<i>Direct Programs:</i>		
ARRA - Energy Efficiency & Conservation Block Grant Program	81.128	<u>60,608</u>
 Department of Homeland Security		
<i>Passed Through Colorado Department of Public Safety:</i>		
Emergency Management Performance Grants	97.042	191,732
Earthquake Consortium-National Earthquake Hazard Mitigation	97.082	<u>3,500</u>
Subtotal		<u>195,232</u>
 <i>Passed Through Arapahoe County</i>		
Homeland Security Grant Program	97.067	<u>60,841</u>
 Total Department of Homeland Security		 <u>256,073</u>

Continued on Next Page

ADAMS COUNTY, COLORADO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2012

Agency/Program Title	Federal CFDA Number	2012 Expenditures
Department of Justice:		
<i>Direct Programs:</i>		
State Criminal Alien Assistance Program	16.606	119,361
Bulletproof Vest Partnership Program	16.607	6,973
Edward Byrne Memorial JAG Program	16.738	<u>45,773</u>
Subtotal:		<u>172,107</u>
 <i>Passed Through Colorado Department of Public Safety:</i>		
Crime Victim Assistance	16.575	129,411
Sexual Assault Response Program	16.590	14,676
Crime Victim Compensation	16.576	735,000
Juvenile Accountability Block Grants	16.523	<u>45,793</u>
Subtotal:		<u>924,880</u>
 Total Department of Justice		 <u>1,096,987</u>
 Department of Transportation:		
<i>Passed Through Colorado Department of Transportation:</i>		
Federal Transit Administration	20.509	<u>9,645</u>
Total Department of Transportation		<u>9,645</u>
 Corporation for National and Community Service		
<i>Passed Through Colorado Child & Parent Foundation</i>		
AmeriCorps	94.006	<u>37,286</u>
Total Corporation for Federal and National Community Service		<u>37,286</u>
 Total Expenditures of Federal Awards		 <u>\$ 57,586,718</u>

ADAMS COUNTY, COLORADO
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2012

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* using the modified accrual basis of accounting. Therefore, some amounts presented in this schedule may differ from amounts presented in the financial statements.

NOTE 2: BASIS OF ACCOUNTING

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

SNAP Cluster	10.561
Promoting Safe and Stable Families	93.556
Temporary Assistance for Needy Families Cluster	93.558
ARRA – Temporary Assistance for Needy Families	93.714
Child Support Enforcement	93.563
Low-Income Home Energy Assistance	93.568
Emergency Food Assistance	10.569
CCDF Cluster	93.575, 93.596
Child Welfare Services-State Grants	93.645
Public Assistance Reporting Information Grant	93.647
Foster Care-Title IV-E	93.658
Adoption Assistance	93.659
Social Services Block Grant	93.667
Chafee Foster Care Independence Program	93.674
Medicaid Cluster	93.778

NOTE 3: SUBRECIPIENTS

The following programs receiving funds from the U.S. Department of Housing Urban Development, the U.S. Department of Health and Human Services, and the U.S. Department of Agriculture provided awards to sub-recipients as follows:

Agency/Program Title	CFDA#	Amount Provided to Sub-recipients
Community Development Block Grant	14.218 /14.253	\$ 1,336,187
CDBG Section 108	14.248	\$ 1,264,765
HOME-Investment Partnership Program	14.239	\$ 963,639
ARRA – Homeless Prevention & Rapid Re-housing Program	14.257	\$ 161,098
Community Services Block Grant	93.569	\$ 118,041
Child Care Cluster	93.575/93.569	\$ 616,000

NOTE 4: Non-Cash Benefits

The County is a recipient of food commodities under The Emergency Family Assistance Program which is reported in the Schedule of Federal Expenditures under CFDA 10.569. The value of the commodities was \$496,363 in 2012.

NOTE 5: Other Information

The County participates in the Food Assistance Benefits/EBT program under CFDA 10.551. These benefits totaled \$92,095,724 in 2012 which are not reflected on the Schedule of Federal Expenditures.

The County entered into an agreement dated August 15, 2011 with Department of Housing and Urban Development under Section 108 Loan Guarantee Program (CFDA 14.248). Under this agreement, the County has collateralized up to \$10,000,000 of future grant awards. As of December 31, 2012, \$1,999,930 has been advanced to the County for the purpose of financing a redevelopment project. A note receivable recorded by the County to Globeville I, LLC relating to CFDA 14.248 totals \$1,719,820 at December 31, 2012.

The County received \$101,415 in 2012 from Colorado Department of Transportation as a reimbursement for county expenditures in 2010. These expenditures were at that time considered County match for a project that received federal funding under Highway Planning and Construction at CFDA 20.205. The State of Colorado determined in 2012 that they had excess funds from the United States Department of Transportation that could be distributed to Adams County for past design phase expenditures. This amount is not listed on the 2012 Schedule of Expenditures of Federal Awards since the amounts were expended in a previous year.



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

Board of County Commissioners
Adams County, Colorado

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Adams County, Colorado (the County), as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated May 31, 2013. Our report includes a reference to other auditors who audited the financial statements of the discretely presented component unit, as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified a deficiency in internal control that we consider to be a material weakness.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2012-01 to be a material weakness.

Compliance and Other Matters

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

The County's Response to Finding

The County's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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



Greenwood Village, Colorado
May 31, 2013



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS THAT
COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR FEDERAL
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133**

Board of County Commissioners
Adams County, Colorado

Report on Compliance for Each Major Federal Program

We have audited Adams County, Colorado's (the County's) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2012. The County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

The County's basic financial statements include the operations of the Front Range Airport Authority, which received \$3,315,152 in federal awards which is not included in the schedule during the year ended December 31, 2012. Our audit, described below, did not include the operations of Front Range Airport Authority, because Front Range Airport Authority engaged other auditors to perform an audit in accordance with Circular A-133.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and 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 the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2012.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 2012-02 and 2012-03. Our opinion on each major federal program is not modified with respect to these matters.

The County's responses to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The County's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

Report on Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as items 2012-02 and 2012-03 that we consider to be significant deficiencies.

Board of County Commissioners
Adams County, Colorado

The County's responses to the internal control over compliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The County's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the result of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Clifton Larson Allen LLP

Greenwood Village, Colorado
May 31, 2013

ADAMS COUNTY, COLORADO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2012

Section I—Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued: Unqualified

Internal control over financial reporting:

- Material weakness(es) identified? yes no
- Significant deficiency(ies) 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 weakness(es) identified? yes no
- Significant deficiency (ies) identified that are not considered to be material weakness(es)? yes none reported

Type of auditor’s report issued on compliance for major program: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? yes no

Identification of major program:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
93.658	Foster Care Title IV-E
93.667	Social Services Block Grant
93.778	Medical Assistance Program
93.558	Temporary Assistance for Needy Families
93.714	ARRA - Temporary Assistance for Needy Families
14.218	Community Development Block Grant/Entitlement Grants
14.253	ARRA – Community Development Block Grant/Entitlements
14.248	HUD Section 108

Dollar threshold used to distinguish between type A and type B programs \$1,727,602

Auditee qualified as low-risk auditee? yes no

ADAMS COUNTY, COLORADO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2012

PART II—FINDINGS RELATED TO FINANCIAL STATEMENTS

Finding 2012-01 Understatement of Receivables

Material Weakness

Criteria: The County should ensure that revenues received after year-end which are earned prior to year-end are appropriately accrued as accounts receivable at the end of the fiscal year.

Condition: During our testing of highway user's tax revenue, we found that one month's accrual of this receivable and related revenue had not been recorded as of December 31, 2012.

Cause: One month's accrual of highway user's tax revenue relating to the 2012 fiscal year had not been recorded and had not been found by County staff during their internal review process.

Effect: An audit adjustment of \$850,392 was required to be made to properly record the receivable and related revenue in the Road and Bridge Fund for the County.

Recommendation:

The County should strengthen controls over the review of year-end receivables and revenues to ensure that account balances are properly recorded in the correct fiscal year. The County should incorporate this step in the year-end financial statement checklist.

Views of responsible officials and planned corrective actions:

The County will implement new procedures to review all potential receivables at year-end. A list of all year-end journal entries has been developed. This list will be used as a check off list for future years. The accountants will make sure all entries on the list have been made and if not made the reason they are not required for that year.

Contact : Mary Ha 720.523.6283

ADAMS COUNTY, COLORADO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2012

PART III—FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Finding 2012-02

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

ARRA – Community Development Block Grant/Entitlements – CFDA # 14.253

Community Development Block Grant/Entitlement Grants – CFDA # 14.218

Allowable Activities and Allowable Costs/Cost Principles

Significant Deficiency, Noncompliance

Criteria: Per OMB circular A-87, when employees work on multiple activities or cost objectives, a distribution of their salaries or wages will be supported by personnel activity reports or equivalent documentation, and they must reflect an after-the-fact distribution of the actual activity of each employee, must account for the total activity for which each employee is compensated, must be prepared at least monthly and must coincide with one or more pay periods and must be signed by the employee. Also, the A-102 Common Rule and OMB Circular A-110 requires that non-Federal entities receiving Federal awards establish and maintain internal controls designed to reasonably ensure compliance with Federal laws, regulations, and program compliance requirements.

Condition: Through testing of eight payroll transactions for the CDBG and CDBG-R (ARRA) programs, we found that one employee's allocation of time spent on the CDBG-R program for a month had been over-charged to the CDBG-R grant by one hour's time that had been worked on a separate grant. This resulted in a \$25 being allocated to the CDBG-R grant expenditures. This primarily occurred due to a lack of review over the monthly time allocation preparation and related journal entry to record the expenditures charged to the grant. There is a review in place over the time allocation sheets completed by employees, but not over the actual time allocation calculation process.

Cause: Inadequate internal controls relating to the review of the monthly time allocation calculation process could have contributed to this finding.

Effect: The County violated A-87 requirements by incorrectly charging time on the CDBG-R grant that had been spent on another grant.

Questioned

Costs: We noted \$25 in questioned costs related to the above condition.

Recommendation:

We recommend that the County implement a review process over the monthly time allocation calculation process and journal entry recorded to charge the expenditures to the program each month to ensure that amounts allocated are properly supported and calculated to each program.

ADAMS COUNTY, COLORADO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2012

PART III—FEDERAL AWARD FINDINGS AND QUESTIONED COSTS (CONTINUED)

Finding 2012-02 (Continued)

Views of responsible officials and planned corrective actions:

At the end of each month, the staff of Community Development submits Allocation Reports for that month specifying the number of hours that each has worked in the various federal grant programs for each work day of the month. This Allocation Report is reviewed and signed by a supervisor/manager and submitted to Fiscal Grants Analyst (FGA) for review and processing. The Fiscal Grants Analyst will create a journal entry in JD Edwards using the Allocation Reports and that month's Payroll Distribution Report. Once the supervisor reviews and signs off on the JE, she/he will send notification to the Accounting Manager, who will then review the documentation prior to approving and posting the JE.

Contact: Claire Mannato 720.523.6054

Finding 2012-03

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

ARRA – Community Development Block Grant/Entitlements – CFDA # 14.253
Community Development Block Grant/Entitlement Grants – CFDA # 14.218

Reporting
Significant Deficiency, Noncompliance

Criteria: Per OMB Circular A-133, the Community Development Block Grants (CDBG) programs are required to complete the SF-425, *Federal Financial Report* (cash status only) on a quarterly basis. Also, the A-102 Common Rule and OMB Circular A-110 requires that non-Federal entities receiving Federal awards establish and maintain internal controls designed to reasonably ensure compliance with Federal laws, regulations and program compliance requirements.

Condition: Through the testing of the financial reporting requirements, we noted that the SF-425 *Federal Financial Reports*, with the exception of September 2012, had not been filed since the quarter-ended March 2011 through the end of 2012.

Cause: Inadequate controls related to supervision and approval of reporting requirements could have contributed to this finding.

Effect: The County violated A-133 requirements by failing to complete the quarterly *Federal Financial Reports* in a timely manner.

Questioned
Costs: None.

ADAMS COUNTY, COLORADO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2012

PART III—FEDERAL AWARD FINDINGS AND QUESTIONED COSTS (CONTINUED)

Finding 2012-03 (Continued)

Recommendation:

We recommend that the County implement a process to ensure that required reports are completed and submitted timely for the CDBG program. This should include supervision and review of reporting requirements to ensure the program requirements are met.

Views of responsible officials and planned corrective actions:

Adams County Community Development (ACCD) will create a matrix of reports due to funders showing report name, form number, and due dates. This matrix will be given to the Neighborhood Services Director and the Finance Director. The report due dates will be incorporated into ACCD's annual calendar and status will be reported on at ACCD staff meetings at least quarterly. The staff person responsible for each report will submit it to his/her supervisor at least five (5) days prior to submittal or public notification deadline. All submitted reports will be posted on the Adams County website for public review and comment.

Contact: Claire Mannato 720.523.6054

ADAMS COUNTY, COLORADO
PRIOR YEAR FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2012

PART II—FINDINGS RELATED TO FINANCIAL STATEMENTS

Finding 2011-01 Prior Period Adjustment for the Social Services Fund

Material Weakness

Condition: We found that a prior year accrual of grant revenue for the Social Services Fund was not recorded in 2010. Prior year's accounts receivable and revenue was understated in 2010 for \$805,567. This resulted in an overstatement of beginning fund balance and revenue in 2011 for this amount for the Social Services Fund.

Recommendation:

We recommend the County implement controls to ensure that the correct revenues are recorded in the appropriate period and to verify that revenues and expenditures match for the grants in order for the County to report financial information in accordance with accounting principles generally accepted in the United States.

Current Status:

Resolved for the year ending December 31, 2012.

Finding 2011-02 Understatement of Accounts Payable

Material Weakness

Condition: During our review of accounts payable, we found invoices that were not properly accrued as of December 31, 2011.

Recommendation:

The County should strengthen controls over the review of accounts payable and disbursements subsequent to year-end with relation to year-end cutoff to ensure that liabilities and expenditures are recorded in the proper fiscal year.

Current Status:

Resolved for the year ending December 31, 2012.

ADAMS COUNTY, COLORADO
PRIOR YEAR FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2012

PART II—FINDINGS RELATED TO FINANCIAL STATEMENTS (CONTINUED)

Finding 2011-03 Cash and Investments

Significant Deficiency

Condition: The County Accounting Division prepares the cash and investments footnote; however, reliance is placed on the auditors to provide certain information regarding reporting requirements and necessary disclosures as required by the Governmental Accounting Standards Board (GASB).

The Treasurer's office manages and reconciles the majority of the County's cash and investment accounts; however, several accounts are maintained by other departments in the County.

In addition, we also noted that the Clerk and Recorder's office maintains the reconciliation for the Electronic Technology Fund account manually with a checkbook format and not electronically as other accounts are kept. The balance of this account is significant, with an ending balance in 2011 of \$406,896.

Recommendation:

We recommend that the County designate an individual to take responsibility for the entire cash and investment reporting process. This would include compilation of a complete summary of all cash and investment accounts reconciled to the Comprehensive Annual Financial Report, identification of all investments versus cash deposits as defined by GASB, and a summarization of the related interest rate risk, credit risk, and custodial risk disclosures. We understand the Treasurer's office is exploring a more centralized control over certain other departments' accounts and we encourage that approach. Lastly, we recommend that all cash and investment account activity be maintained and reconciled electronically.

Current Status:

Resolved for the year ending December 31, 2012.

ADAMS COUNTY, COLORADO
PRIOR YEAR FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2012

PART III—FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Finding 2011-04

DEPARTMENT OF ENERGY

ARRA – Energy Efficiency & Conservation Block Grant Program – CFDA # 81.128

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

ARRA - Homeless Prevention & Rapid Rehousing Program – CFDA # 14.257

**Reporting
Significant Deficiency**

Condition: During testing of Reporting requirements for the Energy Efficiency and Conservation Block Grant ARRA Program (EECBG) and the Homeless Prevention and Rapid Re-Housing ARRA Program (HPRP), it was found that there was no documented evidence of review and approval relating to control activities by someone other than the preparer of the SF-425 report for the EECBG program or the ARRA Section 1512 quarterly reports for both the EECBG and HPRP programs. However, as a result of other control processes in place at the County, there were no compliance exceptions found during testing.

Recommendation:

We recommend the County implement a review and approval process for the reports submitted for the grant so that the federal requirements are met.

Current Status:

Resolved for the year ending December 31, 2012.

Finding 2011-05

DEPARTMENT OF ENERGY

ARRA – Energy Efficiency & Conservation Block Grant Program – CFDA # 81.128

**Procurement, Suspension and Debarment
Significant Deficiency**

Condition: During testing of Procurement, Suspension and Debarment compliance requirements, it was found that the EPLS.gov website was not reviewed to verify that vendors were not suspended or debarred. It was noted through our verification that these vendors were not listed on the website as being suspended or debarred; however, the County did not conduct this verification. Additionally, a suspension and debarment clause was not included in the contract between the vendor and the County. However, as a result of other control processes in place at the County, there were no compliance exceptions found during testing.

**ADAMS COUNTY, COLORADO
PRIOR YEAR FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2012**

PART III—FEDERAL AWARD FINDINGS AND QUESTIONED COSTS (CONTINUED)

Finding 2011-05 (Continued)

Recommendation:

We recommend that the County implement a policy over all federal programs to ensure that vendors paid \$25,000 or more from federal funds are not suspended or debarred prior to entering into a contract. The County should either review the EPLS.gov website and retain a screen print from the website documenting this verification or add a clause or condition to the contract with the vendor so the vendor certifies to the County that the vendor is not suspended or debarred.

Current Status:

Resolved for the year ending December 31, 2012.

Finding 2011-06

DEPARTMENT OF HEALTH & HUMAN SERVICES

Temporary Assistance for Needy Families – CFDA # 93.558

ARRA - Temporary Assistance for Needy Families – CFDA # 93.558

**Eligibility
Significant Deficiency**

Condition: While gaining an understanding of the case file review process relating to eligibility of participants in the TANF program, it was found that the database used for this process underwent multiple disk failures in February 2012. Reconstruction of the database files was unsuccessful, and the case file review verification reports were unable to be retrieved for 2011. Therefore, evidence that the case file review process was carried out for 2011 by the County was unable to be produced. Accordingly, we were unable to test the County's case file review process.

Recommendation:

We recommend that a viable backup of the database documentation be maintained by the County so that evidence of the case file review process is available.

Current Status:

Resolved for the year ending December 31, 2012.

ADAMS COUNTY, COLORADO
PRIOR YEAR FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2012

PART III—FEDERAL AWARD FINDINGS AND QUESTIONED COSTS (CONTINUED)

Finding 2011-07

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Social Services Block Grant – CFDA # 93.667

Medical Assistance Program – CFDA # 93.778

Temporary Assistance for Needy Families – CFDA # 93.558

ARRA - Temporary Assistance for Needy Families – CFDA # 93.558

Allowable Costs/Cost Principles

Significant Deficiency

Condition: During testing of sixty (60) general disbursement transactions charged against the Human Services grants cost pools, it was found that there was no evidence of a review and approval by someone other than the initiator of the expenditures for two (2) transactions selected. As such, there was not an internal control in place relating to these expenditures. However, as a result of other control processes in place at the County, there were no compliance exceptions found during testing.

Recommendation:

We recommend the County implement a review and approval process for all types of transactions charged against federal programs.

Current Status:

Resolved for the year ending December 31, 2012.

Finding 2011-08

DEPARTMENT OF ENERGY

ARRA – Energy Efficiency & Conservation Block Grant Program – CFDA # 81.128

Davis-Bacon Act

Significant Deficiency

Condition: During testing of Davis-Bacon Act requirements for the Energy Efficiency and Conservation Block Grant ARRA Program (EECBG), there was no evidence that the County performed any tracking of the requirement to have contractors and subcontractors submit weekly certified payrolls submission. However, as a result of other control processes in place at the County, there were no compliance exceptions found during testing.

ADAMS COUNTY, COLORADO
PRIOR YEAR FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2012

PART III—FEDERAL AWARD FINDINGS AND QUESTIONED COSTS (CONTINUED)

Finding 2011-08 (Continued)

Recommendation:

We recommend the County implement a tracking and review process for the Davis-Bacon Act required certified payroll submissions.

Current Status:

Resolved for the year ending December 31, 2012.

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

LOCAL HIGHWAY FINANCE REPORT		City or County: Adams County
		YEAR ENDING : December 2012
This Information From The Records Of (example - City of _ or County of County of Adams)	Prepared By: Lynn Cruz Phone: 7205236064	

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway disbursements:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	6,528,799
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	10,785,064
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	1,277,175
2. General fund appropriations		b. Snow and ice removal	175,462
3. Other local imposts (from page 2)	23,668,263	c. Other	
4. Miscellaneous local receipts (from page 2)	1,830,442	d. Total (a. through c.)	1,452,637
5. Transfers from toll facilities		4. General administration & miscellaneous	10,346,501
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	1,134,512
a. Bonds - Original Issues		6. Total (1 through 5)	30,247,513
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	
7. Total (1 through 6)	25,498,705	b. Redemption	
B. Private Contributions	1,642,015	c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	7,563,375	2. Notes:	
D. Receipts from Federal Government (from page 2)	0	a. Interest	
E. Total receipts (A.7 + B + C + D)	34,704,095	b. Redemption	
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	0
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	
			30,247,513

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

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

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	15,110,323	34,704,095	30,247,513	19,566,905	0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT		STATE: Colorado	
		YEAR ENDING (mm/yy): December 2012	
II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments	5,746,457	a. Interest on investments	1,862
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes	9,328,432	c. Parking Garage Fees	
2. Infrastructure & Impact Fees	170,731	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses	32,540	f. Charges for Services	
5. Specific Ownership &/or Other	8,390,103	g. Other Misc. Receipts	35,819
6. Total (1. through 5.)	17,921,806	h. Other Insurance/Local Agencies	1,792,761
c. Total (a. + b.)	23,668,263	i. Total (a. through h.)	1,830,442
	(Carry forward to page 1)		(Carry forward to page 1)
III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	7,075,106	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	386,854	d. Federal Transit Admin	
d. Other (Specify) CDOT	101,415	e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	488,269	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	7,563,375	3. Total (1. + 2.g)	
			(Carry forward to page 1)
		ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)
		TOTAL (c)	
A.1. Capital outlay:			
a. Right-Of-Way Costs			0
b. Engineering Costs			0
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements		2,387,325	2,387,325
(3). System Preservation		4,102,474	4,102,474
(4). System Enhancement & Operation		39,000	39,000
(5). Total Construction (1) + (2) + (3) + (4)		6,528,799	6,528,799
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)		6,528,799	6,528,799
			(Carry forward to page 1)
Notes and Comments:			

Photography

Our appreciation to Jon Youngblut, well known photographer, and Karen Wilson-Johnson, partner for this project, for the photos in this booklet. These are examples of many displayed throughout the new Adams County Government Center as part of the Public Art Installation. The aerial photo and Avaya, a prominent business in Westminster are Jon's. Photos of the sunflower and Riverdale Golf Course are Karen's.

We the People of Adams County Murals

Our appreciation also, to Judith Dickinson, Brighton artist who painted the murals shown above, that hang in the foyer of the Public Hearing Room at the Adams County Government Center.

Government Center Photograph

The photo of the new Adams County Government Center building was taken by a talented employee, Joe Suglia, with the Planning & Community Development Department.



Adams County Government
Finance Department
4th Floor, Suite C4000A
4430 South Adams County Parkway,
Brighton, CO 80601-8212

For more information:
Contact Mary Ha, General Accounting Manager
Office: 720.523.6283
Fax: 720.523.6058
Email: mha@adcogov.org

