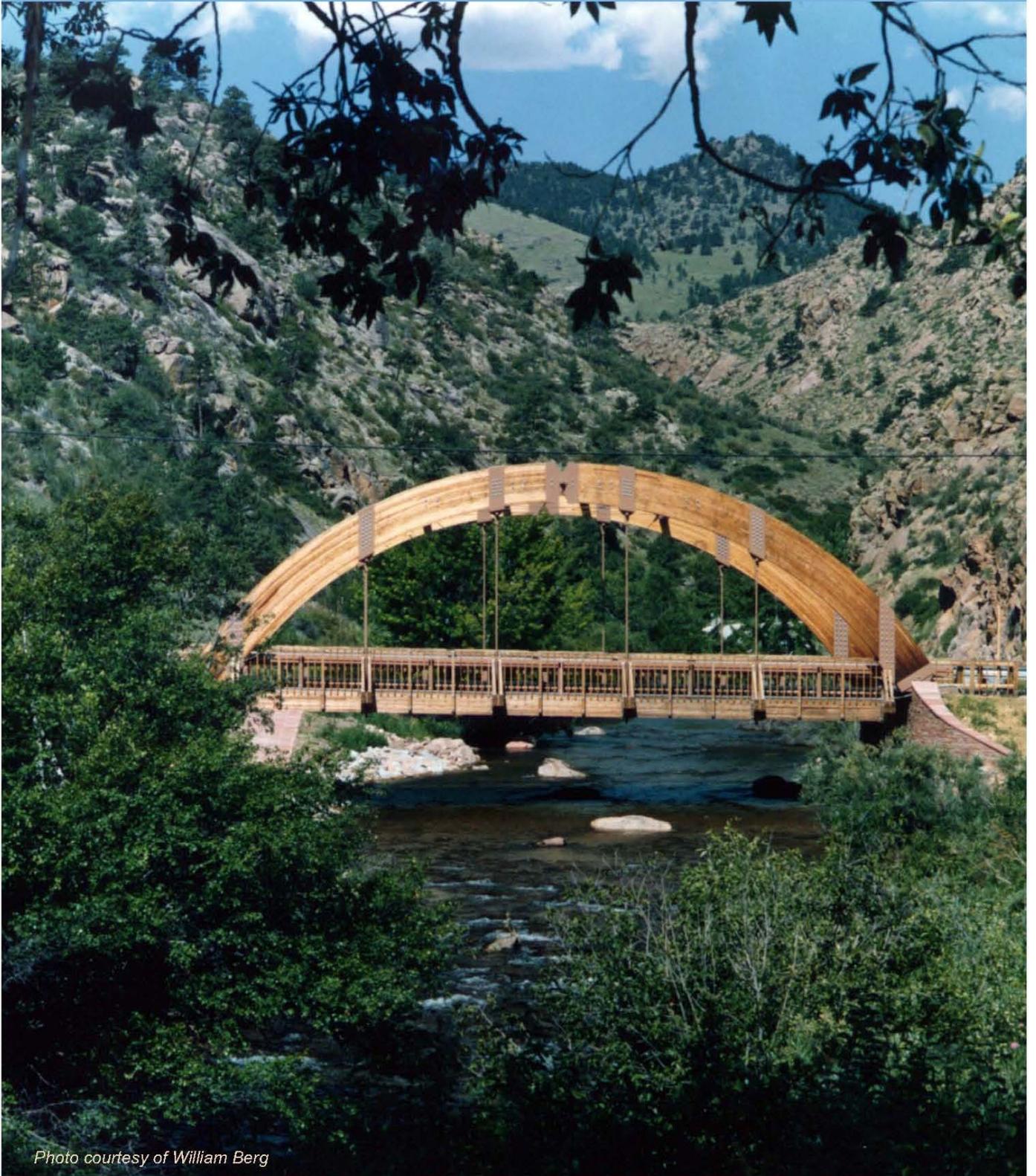


# BOULDER COUNTY • COLORADO



*Photo courtesy of William Berg*

COMPREHENSIVE ANNUAL FINANCIAL REPORT  
YEAR ENDED DECEMBER 31, 2004

**BOULDER COUNTY, COLORADO**

Comprehensive Annual Financial Report

December 31, 2004

(With Independent Auditors' Report Thereon)

Prepared by:

Boulder County Financial Services Division

**BOULDER COUNTY, COLORADO**  
Comprehensive Annual Financial Report  
December 31, 2004

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# Administrative Services Department

## Financial Services Division

2020 13th Street • Boulder, Colorado 80302 • (303) 441-3505

May 19, 2005

The Board of County Commissioners and Citizens of Boulder County:

State law requires that all general-purpose local governments publish, within six months of the close of each fiscal year, a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to the requirement, we hereby issue the comprehensive annual financial report of Boulder County for the fiscal year ended December 31, 2004.

This report consists of management's representations concerning the finances of Boulder County. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of Boulder County has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of Boulder County's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, Boulder County's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Boulder County's financial statements have been audited by KPMG LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of Boulder County, for the fiscal year ended December 31, 2004, are free of material misstatement. The independent audit involved 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 presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that Boulder County's financial statements for the fiscal year ended December 31, 2004, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of Boulder County was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in Boulder County's and the Boulder County Housing Authority's separately issued Single Audit Reports.

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 MD&A and should be read in conjunction with it. MD&A can be found immediately following the report of the independent auditors.

## **Profile of the Government**

Boulder County is an exciting, special and spectacular 750 square miles. Located in north central Colorado, it almost forms a rectangle except for its western boundary which is the Continental Divide. The County is a political subdivision of the State government, created to carry out the will of the state. It is governed by a three-member Board of County Commissioners (Board). Each commissioner is elected at-large by the voters of the County and must reside in the district for which he or she is elected. Commissioners serve four-year terms. There are also seven other elected officials – Assessor, Clerk and Recorder, Coroner, District Attorney, Sheriff, Surveyor and Treasurer.

The County provides a wide range of services to its residents including public safety, highways and streets, parks and open space, health and social services, public improvements, planning, zoning, and general administration.

The annual budget serves as the foundation for the County's financial planning and control. The Board enacts resolutions approving the budget by fund, appropriating the budget, and setting the County mil levy on or before December 15, per State Statute 39-1-111, CRS. Any increase to the adopted budget requires that a supplemental budget and appropriation be approved by the Commissioners at a public hearing, with prior published notice of the proposed change. Expenditures may not legally exceed the appropriations approved by the Board. The appropriations are established by function and activity. Administrative control is maintained through the County's accounting system, at the appropriation level. Elected Official or Department Directors may reallocate budgets within an appropriation without approval of the Board.

## **Factors Affecting Financial Condition**

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

**Local economy:** Boulder County is anticipated to show moderate growth in 2005. Unemployment, after reaching 5.00% in the fourth quarter of 2003, dropped to 4.8% in the fourth quarter of 2004. Retail sales in 2004 were \$6,550,738 as compared to \$6,386,680 in 2003, an increase of 2.6%.

The County continues to offer an attractive community for business. The decision of businesses to locate in the County is related to the fact that the County offers new residents and businesses a highly educated work force, the University of Colorado, and an environment which includes mountains, thousands of acres of open space, parks, bike paths and other amenities.

Population growth in Colorado and in Boulder County has caused an outcry from citizens who are more concerned about the surging population than any other one issue. It is estimated that the County is now losing 5,869 acres of farmland per year to development. Boulder County, the City of Boulder and some of the other cities in the County have implemented, or are considering implementing, policies which will serve to substantially reduce the rate of growth in coming years.

While the general supply of housing in the County is increasing, the supply of affordable housing is decreasing. Continuing efforts on the part of municipalities to limit residential and industrial growth are exacerbating the

problem of affordable housing. There are a growing number of persons who work in the County, but live elsewhere in order to find affordable housing. The increased traffic and associated air pollution due to the longer commuting distances are secondary problems with which elected officials must deal.

Overall, the economy in the County is continuing to improve. In fact, the Boulder County Leading Economic Index has been growing steadily over the past two years and has increased 4.3% in December 2004, from the same period in 2003. This should lead to a more robust job market and income growth in 2005.

**Cash management policies and practices:** The County Treasurer is responsible for the collection, distribution and investment of all monies for the County. It is the Treasurer's policy to adhere to the following principles, which are listed in priority order:

- \*Minimize risk of principal;
- \*Provide for liquidity to meet cash flow demands of the County; and
- \*Achieve the highest reasonable rate of return on invested funds.

Authorized investments are controlled by Colorado Statutes and include, but are not limited to, the following:

- \* U.S. Treasury securities;
- \* U.S. Agency securities;
- \* Certificates of deposit in eligible banks;
- \* Repurchase agreements collateralized by authorized investments;
- \* Local Government Pooled Trusts; and
- \* Highest rated commercial paper.

Income on investments for the primary government for 2004 was \$1,347,803. The average yield on investments, managed by the Treasurer, was 1.5% in 2004, compared to 1.5% in 2003.

**Risk management:** The County maintains a limited self-insurance program in an internal service fund. The program is made up of a self-funded medical and dental plan which began in 1983, a workers' compensation plan which began in 1990, and a property/casualty plan which began in 1985. The County assumes the risk for the first \$200,000 for each medical claim, the first \$300,000 for each worker's compensation occurrence, the first \$100,000 for each property occurrence, and the first \$250,000 for each liability occurrence. Third-party insurance is purchased to protect the County above these amounts. The County also carries a crime policy with a \$25,000 deductible and an equipment breakdown policy with a \$5,000 deductible. A third-party administrator processes medical and dental claims, the property/casualty plan and the workers' compensation plan are completely self-administered. The primary source of funding for these programs is property taxes. Resources to pay potential claims are accumulated in an internal service fund. Various risk control techniques have been implemented to minimize losses, these include employee training in the areas of accident prevention, supervision, ergonomics, cultural diversity and sexual harassment. Additional information on the County's risk management activity can be found in the notes to the financial statements.

**Pension and other post employment benefits:** Effective January 1, 1985, the County withdrew from the Colorado County Officials and Employees Retirement Association (CCOERA) and formed the Boulder County Retirement Savings Plan (BCRSP) (the Plan). Under this Plan, which was established by resolution of the Board

of County Commissioners, the County provided retirement benefits for all of its full-time employees through a defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the Plan plus investment earnings. Employees were eligible to contribute to the plan as of the first of the month after having completed one year in service without a break in service. Under this Plan, the County contributed 6.00% of an eligible employee's compensation to the Plan.

On December 18, 2003, the Board adopted resolution 2003-156 authorizing the County to apply for affiliation with the Colorado Public Employees' Retirement Association (PERA). On April 1, 2004, Boulder County withdrew from BCRSP and established membership with PERA. Under PERA the County contributes to the Municipal Division Trust Fund (MDTF), a cost-sharing multiple-employer defined benefit pension plan administered by PERA. The MDTF provides retirement and disability, annual increases, and death benefits for members or their beneficiaries. All employees of the County are members of the MDTF. Plan members and the County are required to contribute to the MDTF 8.00% and 10.00% of covered salary, respectively.

Additional information on the County's pension arrangements and post employment benefits can be found in note 14 in the notes to the basic financial statements.

### **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 Boulder County for its comprehensive annual financial report for the fiscal year ended December 31, 2003. The Certificate of Achievement is a prestigious national award-recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such comprehensive annual financial report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The County has received a Certificate of Achievement for the last 14 consecutive years (fiscal years ended 1990-2003). We believe our current report continues to conform to the Certificate of Achievement program requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

I would like to express my appreciation to the entire Boulder County Financial Services Division staff. Their dedication, professionalism, documentation, attention to detail, and teamwork made the timely preparation of this report possible. In addition, I would also like to thank County personnel in the offices of Administrative Services, Budget Office, Assessor, Community Services, Land Use, Parks and Open Space, Sheriff, and Treasurer, who made many contributions to this report.

Finally, appreciation is expressed for the support of the Board of County Commissioners.

Respectfully,



Robert D. Lamb, CPA  
Financial Services Manager

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Boulder County,  
Colorado

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2003

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.



*Nancy L. Ziehl*

President

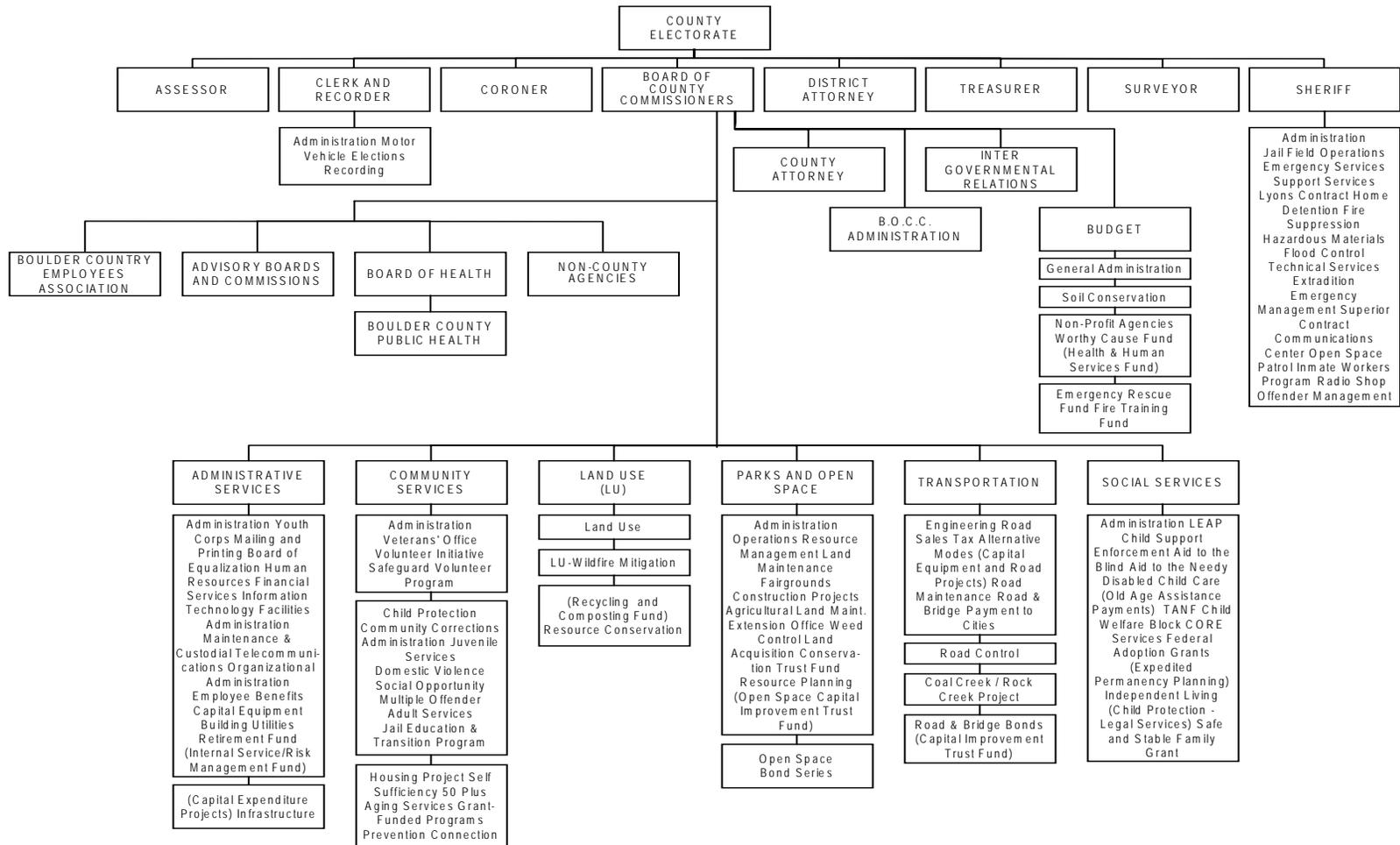
*Jeffrey R. Emer*

Executive Director

# BOULDER COUNTY, COLORADO

## Organizational Chart

December 2004



**BOULDER COUNTY, COLORADO**

List of Principal Officials  
in office at the time this report was published

**Elected Officials:**

**Current Term Expires:**

Commissioner	Ben Pearlman, Chair	2009
Commissioner	Will Toor	2009
Commissioner	Tom Mayer	2007
Assessor	Cindy Domenico	2007
Clerk and Recorder	Linda Salas	2007
Coroner	Tom Faure	2007
District Attorney	Mary Lacy	2009
Sheriff	Joe Pelle	2007
Surveyor	John Emery	2007
Treasurer	Bob Hullinghorst	2007

**Appointed Department Directors:**

Administrative Services	Arlen Stokes
Budget Director	Margaret Parish
Community Services	Ruth Rodriguez
County Attorney	Lawrence Hoyt
Intergovernmental Relations	Dickey Lee Hullinghorst
Land Use	Graham Billingsley
Parks and Open Space	Ronald K. Stewart
Social Services	Paula McKey
Transportation	Larry Matel

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**KPMG LLP**  
Suite 2700  
707 Seventeenth Street  
Denver, CO 80202

## **Independent Auditors' Report**

The Board of County Commissioners  
Boulder County, Colorado:

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 Boulder County Colorado (the County) as of and for the year ended December 31, 2004, which collectively comprise the County's basic financial statements as listed in the table of contents. These basic financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Boulder County, Colorado as of December 31, 2004, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 19, 2005 on our consideration of Boulder County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of the testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should not be considered in assessing the results of our audit.

The management's discussion and analysis and budgetary comparison schedules and notes on pages 11 through 20 and 73 through 77, respectively, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express an opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Boulder County's basic financial statements. The introductory section, combining and individual fund statements, the schedule of budgetary compliance, local highway finance report, statistical section, and S.E.C. disclosure subsection listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund statements and the schedule of budgetary compliance have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The information included in the introductory section, local highway finance report, statistical section, and S.E.C. disclosure subsection have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on them.

KPMG LLP

May 19, 2005

## **BOULDER COUNTY, COLORADO**

### Management's Discussion and Analysis

December 31, 2004

(Unaudited)

As management of Boulder County, we offer readers of Boulder County's basic financial statements this narrative overview and analysis of the financial activities of Boulder County for the fiscal year ended December 31, 2004. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

#### **Financial Highlights**

The assets of Boulder County exceeded its liabilities at the close of the most recent fiscal year by \$332,014,528 (net assets). Of this amount, \$61,313,376 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.

As of the close of the current fiscal year, Boulder County's governmental funds reported combined ending fund balances of \$81,052,445, an increase of \$951,486 in comparison with the prior year. Approximately 78.5% of this total amount, \$63,605,136, is available for spending at the government's discretion (unreserved fund balance).

At the end of the current fiscal year, unreserved fund balance for the General Fund was \$15,801,455, or 17.8% of total general fund expenditures.

The County's total debt increased \$7,213,652 (3.7%) during the current fiscal year. The key factor in this increase was the issuance of the Offender Management Capital Improvement Trust Fund Bonds of \$4,215,000, Housing Revenue Bonds (Series 2004) for \$10,410,000, and \$9,355,000 in Certificates of Participation less all related principal payments totaling \$9,190,000.

#### **Overview of the Basic Financial Statements**

This discussion and analysis are intended to serve as an introduction to Boulder County's basic financial statements. Boulder County's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements.** The government-wide financial statements are designed to provide readers with a broad overview of Boulder County's finances, in a manner similar to a private-sector business.

The statement of net assets presents information on all of Boulder County's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The statement of activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of 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 (e.g., uncollected taxes and earned but unused vacation leave).

## BOULDER COUNTY, COLORADO

### Management's Discussion and Analysis

December 31, 2004

(Unaudited)

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, conservation, urban redevelopment/housing, public safety, health and welfare, economic development, highways and streets, and sanitation. The business-type activities of the County include a recycling center and a Housing Authority.

The Housing Authority was established in 1975 to promote and provide quality, affordable housing for lower-income families, the elderly, and disabled people. Previous to 2003, the Housing Authority was a governmental entity independent of the County, governed by a seven-member board, which now serves in an advisory capacity. Effective January 1, 2003, the Housing Authority became a component unit of the County, and is governed by a board comprised of the County's elected Board of County Commissioners. The Authority meets the definition of and operates as an enterprise fund of the County.

The government-wide financial statements include not only Boulder County itself (known as the primary government), but also a legally separate Public Health Department for which the County is financially accountable. Financial information for this component unit is reported separately from the financial information presented for the primary government. The Housing Authority and the Gunbarrel General Improvement District, although also legally separate, function for all practical purposes as a department of the County and, therefore, have been included as an integral part of the primary government.

**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 ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental Funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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 government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains nineteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Social Services Fund, and the Open Space Capital Improvement Fund, all of which are considered to be major funds. Data from sixteen other governmental funds are combined into a single, aggregated presentation.

## **BOULDER COUNTY, COLORADO**

### Management's Discussion and Analysis

December 31, 2004

(Unaudited)

**Proprietary Funds.** The County maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses an enterprise fund to account for its recycling center and for its Housing Authority. Internal service funds are an accounting device used to accumulate the allocated costs internally among the County's various functions. The County uses an internal service fund to account for its risk management activities. Because this service predominantly benefits governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

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

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

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the County's budgetary comparison schedules for the General Fund and Social Services Fund which demonstrate compliance with their respective annual appropriated budget.

#### **Government-wide Financial Analysis**

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities by \$332,014,528 at the close of the most recent fiscal year.

**BOULDER COUNTY, COLORADO**

Management's Discussion and Analysis

December 31, 2004

(Unaudited)

By far the largest portion of the County's net assets (78.8%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**Summary of Assets and Liabilities**

	Governmental activities		Business-type activities		Total	
	2004	2003	2004	2003	2004	2003
Current and other assets	\$ 208,020,534	195,498,825	7,076,157	3,614,555	215,096,691	199,113,380
Capital assets, net of accumulated depreciation	<u>415,393,559</u>	<u>393,501,886</u>	<u>36,023,008</u>	<u>37,070,732</u>	<u>451,416,567</u>	<u>430,572,618</u>
Total assets	<u>\$ 623,414,093</u>	<u>589,000,711</u>	<u>43,099,165</u>	<u>40,685,287</u>	<u>666,513,258</u>	<u>629,685,998</u>
Long-term liabilities outstanding	\$ 197,213,728	192,952,846	17,672,820	15,016,399	214,886,548	207,969,245
Other liabilities	<u>118,391,692</u>	<u>110,785,541</u>	<u>1,220,490</u>	<u>1,084,641</u>	<u>119,612,182</u>	<u>111,870,182</u>
Total liabilities	<u>\$ 315,605,420</u>	<u>303,738,387</u>	<u>18,893,310</u>	<u>16,101,040</u>	<u>334,498,730</u>	<u>319,839,427</u>
Net assets:						
Invested in capital assets, net of related debt	\$ 240,241,870	212,385,705	21,243,806	22,131,228	261,485,676	234,516,933
Restricted	<u>4,867,580</u>	<u>4,111,371</u>	<u>4,347,896</u>	<u>1,189,167</u>	<u>9,215,476</u>	<u>5,300,538</u>
Unrestricted	<u>62,699,223</u>	<u>68,765,248</u>	<u>(1,385,847)</u>	<u>1,263,852</u>	<u>61,313,376</u>	<u>70,029,100</u>
Total net assets	<u>\$ 307,808,673</u>	<u>285,262,324</u>	<u>24,205,855</u>	<u>24,584,247</u>	<u>332,014,528</u>	<u>309,846,571</u>

An additional portion of the County's net assets (2.8%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets of \$61,313,376 may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the County is able to report positive balances in total net assets, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

There was an increase of \$34,413,382 in total assets, \$11,867,033 in total liabilities and \$22,546,349 in total net assets in governmental activities. These increases are due primarily to the sale of the Offender Management Capital Improvement Trust Fund Bonds, Series 2004 for \$4,215,000 and certificates of participation for \$9,355,000 along with the degree to which increases in ongoing revenues have exceeded similar increases in ongoing expenses.

There was an increase of \$2,413,878 in total assets, \$2,792,270 in total liabilities, and a decrease of \$378,392 in total net assets in business-type activities. These increases and decreases are due primarily to the issuance of \$10,410,000 in Housing Revenue Bonds Series 2004 to refinance prior debt and for rehabilitation of 106 housing units. The decrease in total net assets is due to the degree in which increases in ongoing expenses have exceeded similar increases in ongoing revenues.

# BOULDER COUNTY, COLORADO

## Management's Discussion and Analysis

December 31, 2004

(Unaudited)

### Summary of Revenues, Expenses, and Changes in Net Assets

	Governmental activities		Business-type activities		Total	
	2004	2003	2004	2003	2004	2003
<b>Revenues:</b>						
Program revenues:						
Charges for services	\$ 18,636,967	19,285,025	5,811,634	5,631,207	24,448,601	24,916,232
Operating grants and contributions	42,504,310	42,624,127	6,245,671	6,233,665	48,749,981	48,857,792
Capital grants and contributions	2,246,043	1,362,179	39,632	15,197	2,285,675	1,377,376
General revenues:						
Property taxes	94,897,706	88,855,998	—	—	94,897,706	88,855,998
Sales taxes	19,798,255	19,124,793	—	—	19,798,255	19,124,793
Specific ownership taxes	7,397,103	7,313,192	—	—	7,397,103	7,313,192
Grants and contributions not restricted to specific programs	—	—	239,294	351,703	239,294	351,703
Interest earnings	1,492,285	2,187,488	56,206	39,175	1,548,491	2,226,663
Gain on sale of capital assets	486,135	—	5,478	—	491,613	—
Total revenues	<u>187,458,804</u>	<u>180,752,802</u>	<u>12,397,915</u>	<u>12,270,947</u>	<u>199,856,719</u>	<u>193,023,749</u>
<b>Expenses:</b>						
General government	65,147,583	56,052,530	—	—	65,147,583	56,052,530
Conservation	7,283,919	4,658,215	4,029,710	3,716,428	11,313,629	8,374,643
Urban redevelopment/housing	—	21,388	8,588,998	8,787,755	8,588,998	8,809,143
Public safety	27,347,423	29,454,318	—	—	27,347,423	29,454,318
Health and welfare	35,686,505	35,958,810	—	—	35,686,505	35,958,810
Economic development	7,783,777	8,138,262	—	—	7,783,777	8,138,262
Highways and streets	11,408,018	9,009,069	—	—	11,408,018	9,009,069
Interest on long-term debt	9,173,369	9,741,299	853,055	747,766	10,026,424	10,489,065
Intergovernmental	386,405	792,744	—	—	386,405	792,744
Total expenses	<u>164,216,999</u>	<u>153,826,635</u>	<u>13,471,763</u>	<u>13,251,949</u>	<u>177,688,762</u>	<u>167,078,584</u>
Increase (decrease) in net assets before transfers	23,241,805	26,926,167	(1,073,848)	(981,002)	22,167,957	25,945,165
Transfers	<u>(695,456)</u>	<u>(483,875)</u>	<u>695,456</u>	<u>483,875</u>	<u>—</u>	<u>—</u>
Increase (decrease) in net assets	22,546,349	26,442,292	(378,392)	(497,127)	22,167,957	25,945,165
Net assets – beginning of year	<u>285,262,324</u>	<u>258,820,032</u>	<u>24,584,247</u>	<u>25,081,374</u>	<u>309,846,571</u>	<u>283,901,406</u>
Net assets – end of year	<u>\$ 307,808,673</u>	<u>285,262,324</u>	<u>24,205,855</u>	<u>24,584,247</u>	<u>332,014,528</u>	<u>309,846,571</u>

**Governmental Activities.** Governmental activities increased the County's net assets by \$22,546,349, thereby accounting for 100.0% of the total growth in the net assets. Key elements of this increase are as follows:

Property taxes increased \$6,041,708, which is comparable to prior years. The amount of increase over the prior year is limited to 5.5% plus new construction growth, per State Statute; or TABOR limitations, whichever are more restrictive. The total mill levy has remained at 23.745 since 2003.

**BOULDER COUNTY, COLORADO**

Management’s Discussion and Analysis

December 31, 2004

(Unaudited)

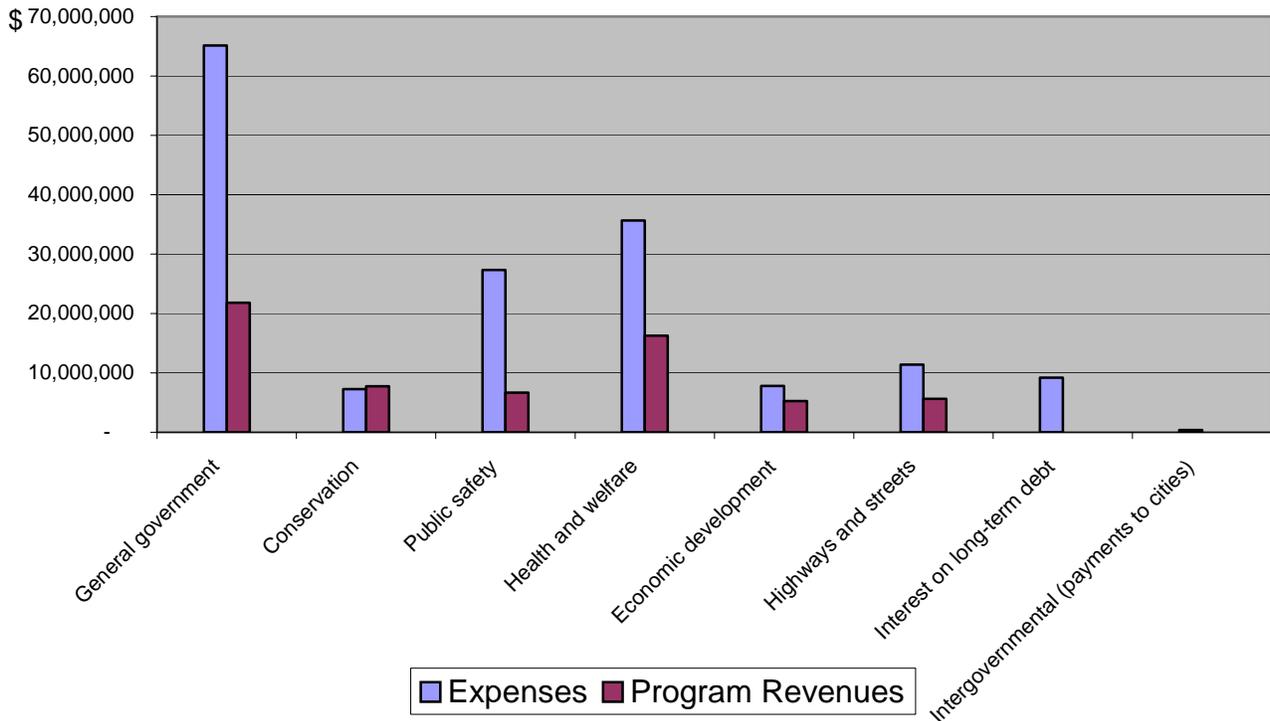
General government expenses increased \$9,095,053. The primary reason for this increase was the County’s decision in April 2004 to move from their previous 401(k) plan to PERA. This change increased the costs of employee retirement to the County \$1.7 million and the cost to employees \$3.7 million. The balance of the increase primarily reflected the rising costs of health care and increases to employee salaries.

Conservation expenses increased \$2,625,704. This increase reflects the County’s increased costs to maintain the ongoing purchase of open space properties. Additionally, the voters approved a 0.1% sales tax in November 2004, of which 10% must be used for land maintenance.

Public safety expenses decreased \$2,106,895. Although the overall costs, including capital, of providing public safety increased by \$3.4 million in 2004 from a fund perspective, \$5.5 million of these costs was used for the construction and equipment costs of a new addiction recovery center and expansion of the County’s jail facility. Therefore, on the statement of activities, these costs are eliminated and capitalized, as they are an investment in capital assets. In addition the Offender Management Program began incurring operational costs in 2004.

Highways and streets expenses increased \$2,398,949. The primary reason for this increase was the delay of the \$1.5 million dollar project on Valmont Road in 2003 to 2004 along with increased activity due to the 0.1% Transportation Sales Tax which began in July 2002.

**Expenses and Program Revenues – Governmental Activities – year ended December 31, 2004.**



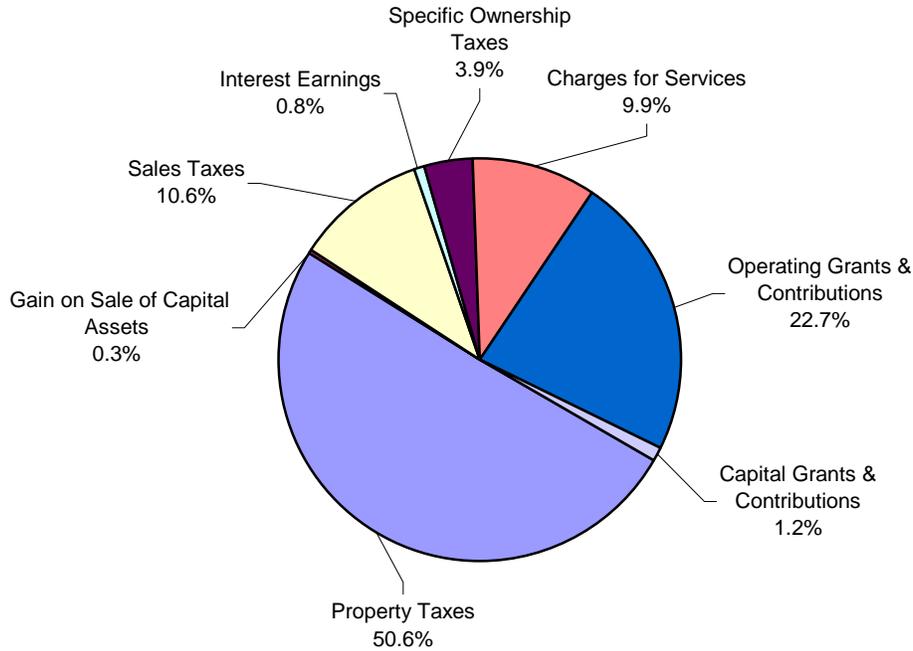
**BOULDER COUNTY, COLORADO**

Management’s Discussion and Analysis

December 31, 2004

(Unaudited)

**Revenues by Source – Governmental Activities – year ended December 31, 2004.**



**Business-Type Activities.** Business-type activities decreased the County’s net assets by \$378,392, accounting for less than 1.0% of the total growth in the government’s net assets. This decrease was the result of the overall net operations Housing Authority and Boulder County Recycling Center.

Conservation expenses increased \$313,282. This was primarily due to a large influx of materials to the Recycling Center from Waste Management while they were retrofitting their plant in Denver.

Interest on long-term debt increased \$105,289 as a result of new debt issued by the Housing Authority in 2004.

Transfers increased by \$211,581. This was due to the County’s increased assistance to the Housing Authority.

**Financial Analysis of the Government’s Funds**

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

**Governmental funds.** The focus of the County’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County’s financing requirements. In particular, 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.

## BOULDER COUNTY, COLORADO

### Management's Discussion and Analysis

December 31, 2004

(Unaudited)

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$81,052,445, an increase of \$951,486 in comparison with the prior year. Approximately 78.5% of this total amount (\$63,605,136) constitutes unreserved fund balance, which is available for spending at the government's discretion. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed 1) to a reserve for emergencies (\$3,316,242), 2) to a reserve for prepaid items and inventory (\$572,314), 3) to a reserve for escrow fees (\$1,551,338), and 4) to a reserve for capital transactions (\$12,007,415).

The General Fund is the chief operating fund of the County. At the end of the current fiscal year, unreserved fund balance of the General Fund was \$15,801,455, while total fund balance was \$17,969,695. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 17.8% of total General Fund expenditures, while total fund balance represents 20.2% of the same amount.

The fund balance of the County's General Fund decreased by \$5,352,094 during the current fiscal year. Although revenues exceeded expenditures by \$3,194,888 and the sale of capital assets added \$516,530, net transfers out within the primary government of \$9,063,512 decreased the fund balance.

The Social Services Fund has a total fund balance of \$3,961,958 all of which is unreserved. This represents a decrease of \$1,621,284 from the prior year's fund balance of \$5,583,242. The current year use of fund balance was intentionally budgeted since the prior year ending fund balance had exceeded the County's target.

The Open Space Capital Improvement Fund, Bond Series 1994, 2000, and 2001 has a total fund balance of \$6,755,334. Of this amount, \$133,312 is reserved for prepaid items and inventory. The remaining balance of \$6,622,022 is unreserved. The overall change from the prior year's fund balance of \$15,074,819 was a decrease of \$8,319,485. The decrease is due to continuing purchases of open space.

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

Unrestricted net assets at the end of the year amounted to \$1,518,746 for Resource Conservation (Boulder County Recycling Center), (\$2,892,116) for the Housing Authority, and \$1,943,504 for the Risk Management Internal Service Fund.

For the fiscal year, the unrestricted net assets of Resource Conservation increased by \$262,158, unrestricted net assets of the Housing Authority decreased \$2,899,380, and unrestricted assets in the Internal Services Fund increased \$874,296. The Housing Authority decrease is due to the issuance of the 2004 bond and the associated transfer of dollars to restricted net assets to meet reserve requirements.

#### **General Fund Budgetary Highlights**

Differences between the original budget and the final amended budget were \$6,626,262 and can be briefly summarized as follows:

- \$1.8 million for General Administration for the new balloting system and other miscellaneous projects

**BOULDER COUNTY, COLORADO**

Management's Discussion and Analysis

December 31, 2004

(Unaudited)

- \$0.4 million in increases allocated to the Sheriff's Office for multiple projects
- \$3.2 million in increases allocated to Parks and Open Space primarily for open space acquisition
- \$1.2 million in increases to other miscellaneous expenditures

Of this increase, \$5.4 million was funded from fund balance.

Differences between the final amended budget and expenditures totaled \$4,641,283 and are briefly summarized as follows:

- \$2.2 million in General Government activities
- \$0.7 million for Conservation and Open Space acquisitions
- \$1.3 million for Housing which is now budgeted in the Housing Authority
- \$0.4 million in increases to other miscellaneous expenditures

**Capital Asset and Debt Administration**

*Capital Assets.* The County's investment in capital assets for its governmental and business type activities as of December 31, 2004 amount to \$451,416,567 (net of accumulated depreciation). This investment in capital assets includes land, buildings and system, improvements, machinery and equipment, park facilities, roads, and highways.

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

- Completion of a new wing at the Justice Center for \$9.9 million
- New Open Space purchases and donations of \$11.8 million

**Boulder County's Capital Assets**  
(Net of depreciation)

	Governmental activities		Business-type activities		Total	
	2004	2003	2004	2003	2004	2003
Land	\$ 331,424,608	319,656,260	5,367,571	5,367,571	336,792,179	325,023,831
Land development rights & other	4,815,296	5,015,296	—	—	4,815,296	5,015,296
Construction in progress	7,663,398	8,868,594	—	—	7,663,398	8,868,594
Buildings and improvements	52,931,985	44,485,946	28,872,585	29,547,181	81,804,570	74,033,127
Equipment	9,461,655	8,527,515	1,782,852	2,155,980	11,244,507	10,683,495
Improvements other than buildings	1,589,602	849,593	—	—	1,589,602	849,593
Infrastructure	7,507,015	6,098,682	—	—	7,507,015	6,098,682
Total	\$ 415,393,559	393,501,886	36,023,008	37,070,732	451,416,567	430,572,618

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

## BOULDER COUNTY, COLORADO

### Management's Discussion and Analysis

December 31, 2004

**Long-Term Debt.** At the end of the current fiscal year, the County had total bonded debt outstanding, net of deferred loss on refunding of \$190,483,600. All of the County's bonded debt represents bonds secured solely by specified revenue sources (i.e., revenue bonds).

Total debt increased by \$7,213,652 due to the addition of \$4,215,000 in Offender Management Capital Improvement Trust Fund Bonds and \$9,355,000 in certificates of participation issued by the County along with \$10,410,000 in Housing Revenue Bonds, Series 2004. The increase due to these debt issuances was offset by principal payments made by the County to pay of its own revenue bonds, and principal payments and debt restructuring made by the Housing Authority.

#### Boulder County's Outstanding Debt

	Governmental activities		Business-type activities		Total	
	2004	2003	2004	2003	2004	2003
Notes and mortgages payable (change in entity)	\$ —	—	2,654,556	10,144,504	2,654,556	10,144,504
Revenue bonds	175,540,000	180,340,000	14,943,600	4,795,000	190,483,600	185,135,000
Certificates of participation	9,355,000	—	—	—	9,355,000	—
Total	<u>\$ 184,895,000</u>	<u>180,340,000</u>	<u>17,598,156</u>	<u>14,939,504</u>	<u>202,493,156</u>	<u>195,279,504</u>

Additional information on the County's long-term debt can be found in the notes to the basic financial statements.

#### Economic Factors and Next Year's Budgets and Rates

Per the Department of Labor, the average unemployment rate for the County during the fourth quarter of 2004 was 4.4% percent. Unemployment in the fourth quarter of 2003 was 5.0%. The State's unemployment rate was 5.4%.

Per the Colorado Department of Revenue, retail sales for the County were 2.6% higher in 2004 than they were in 2003 as the economy continued to rebound.

The Leading Economic Index has been growing for the past two years and is expected to continue its upward trend in 2005, according to the Boulder County Business Report.

These factors were taken into account when developing the budget for 2005.

#### Requests for Information

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Boulder County, Financial Services Division, 2020 13<sup>th</sup> Street, Boulder, CO 80302.

**BOULDER COUNTY, COLORADO**

Statement of Net Assets

December 31, 2004

Assets	Primary government		Total	Component unit
	Governmental activities	Business-type activities		Public health
Equity in treasurer's cash and investments	\$ 76,434,005	1,909,114	78,343,119	1,568,269
Property taxes receivable	101,157,763	—	101,157,763	—
Accounts receivable, net	—	328,738	328,738	31,970
Notes receivable	—	131,727	131,727	—
Due from other governmental units	11,646,753	24,720	11,671,473	706,346
Due from discrete component unit	203,403	—	203,403	—
Internal balances	520,455	(520,455)	—	—
Interest receivable	317,185	6,144	323,329	—
County goods and services receivable	960,157	576,082	1,536,239	—
Prepaid items	396,779	77,910	474,689	7,414
Inventories	175,535	—	175,535	—
Restricted cash and cash equivalents	15,481,063	3,599,896	19,080,959	165,019
Deferred charges – issuance costs	727,436	942,281	1,669,717	—
Capital assets, net of accumulated depreciation:				
Land	331,424,608	5,367,571	336,792,179	—
Land development rights and other	4,815,296	—	4,815,296	—
Construction in progress	7,663,398	—	7,663,398	—
Buildings and improvements	52,931,985	28,872,585	81,804,570	25,570
Equipment	9,461,655	1,782,852	11,244,507	143,086
Improvements other than buildings	1,589,602	—	1,589,602	—
Infrastructure	7,507,015	—	7,507,015	—
Total assets	<u>623,414,093</u>	<u>43,099,165</u>	<u>666,513,258</u>	<u>2,647,674</u>
<b>Liabilities</b>				
Accounts payable	6,984,265	778,617	7,762,882	439,823
Deferred revenue	103,355,208	—	103,355,208	108,237
Due to other governmental units	63,733	38,175	101,908	—
Due to primary government	—	—	—	6,746
Accrued liabilities	1,979,434	12,636	1,992,070	155,759
Accrued interest payable	1,986,793	117,906	2,104,699	—
Escrows payable	1,240,793	98,710	1,339,503	96,177
TABOR liability	2,550,947	—	2,550,947	—
Other liabilities	230,519	174,446	404,965	—
Liabilities:				
Due within one year:				
Claims payable	1,950,212	—	1,950,212	—
Notes and mortgages payable	—	1,667,008	1,667,008	—
Bond payable	9,935,000	236,800	10,171,800	—
Premium on bond issuance	70,071	—	70,071	—
Compensated absences	512,703	371	513,074	45,130
Due in more than one year:				
Claims payable	1,837,107	—	1,837,107	—
Notes and mortgages payable	—	987,548	987,548	—
Bond payable	165,605,000	14,706,800	180,311,800	—
Certificates of participation	9,355,000	—	9,355,000	—
Premium on bond issuance	934,676	—	934,676	—
Compensated absences	7,013,959	74,293	7,088,252	496,411
Total liabilities	<u>315,605,420</u>	<u>18,893,310</u>	<u>334,498,730</u>	<u>1,348,283</u>
<b>Net Assets</b>				
Invested in capital assets, net of related debt	240,241,870	21,243,806	261,485,676	168,656
Restricted for:				
Emergencies	3,316,242	—	3,316,242	35,553
Escrow fees	1,551,338	4,347,896	5,899,234	—
Health/Human Services including balance to Ballot 1A	—	—	—	165,019
Unrestricted	62,699,223	(1,385,847)	61,313,376	930,163
Total net assets	<u>\$ 307,808,673</u>	<u>24,205,855</u>	<u>332,014,528</u>	<u>1,299,391</u>

See accompanying notes to basic financial statements.

**BOULDER COUNTY, COLORADO**

Statement of Activities

Year ended December 31, 2004

	<u>Expenses</u>	<u>Program revenues</u>		
		<u>Charges for services</u>	<u>Operating grants and contributions</u>	<u>Capital grants and contributions</u>
Governmental activities:				
Primary government:				
General government	\$ 65,147,583	11,794,636	10,027,262	—
Conservation	7,283,919	1,316,724	4,237,383	2,195,460
Public safety	27,347,423	3,840,862	2,797,730	50,583
Health and welfare	35,686,505	1,297,986	14,965,425	—
Economic development	7,783,777	59,077	5,201,399	—
Highways and streets	11,408,018	327,682	5,275,111	—
Interest on long-term debt	9,173,369	—	—	—
Intergovernmental (payments to cities)	386,405	—	—	—
Total governmental activities	<u>164,216,999</u>	<u>18,636,967</u>	<u>42,504,310</u>	<u>2,246,043</u>
Business-type activities:				
Resource conservation	4,029,710	3,679,817	—	—
Housing Authority	9,442,053	2,131,817	6,245,671	39,632
Total business-type activities	<u>13,471,763</u>	<u>5,811,634</u>	<u>6,245,671</u>	<u>39,632</u>
Total primary government	<u>\$ 177,688,762</u>	<u>24,448,601</u>	<u>48,749,981</u>	<u>2,285,675</u>
Component unit:				
Health department	\$ 11,558,211	1,255,806	5,339,018	—
General revenues:				
Taxes:				
Property				
Sales				
Specific ownership				
Interest earnings				
Grants and contributions not restricted to specific programs				
Gain on sale of capital assets				
Total general revenues				
Transfers				
Total general revenues and transfers				
Change in net assets				
Net assets, January 1				
Net assets, December 31				

See accompanying notes to basic financial statements.

<b>Net (expense) revenue and changes in net assets</b>			
<b>Primary government</b>			<b>Component</b>
<b>Governmental</b>	<b>Business-type</b>	<b>Total</b>	<b>unit</b>
<b>activities</b>	<b>activities</b>		<b>Public health</b>
(43,325,685)	—	(43,325,685)	—
465,648	—	465,648	—
(20,658,248)	—	(20,658,248)	—
(19,423,094)	—	(19,423,094)	—
(2,523,301)	—	(2,523,301)	—
(5,805,225)	—	(5,805,225)	—
(9,173,369)	—	(9,173,369)	—
(386,405)	—	(386,405)	—
<u>(100,829,679)</u>	<u>—</u>	<u>(100,829,679)</u>	<u>—</u>
—	(349,893)	(349,893)	—
—	(1,024,933)	(1,024,933)	—
<u>—</u>	<u>(1,374,826)</u>	<u>(1,374,826)</u>	<u>—</u>
<u>(100,829,679)</u>	<u>(1,374,826)</u>	<u>(102,204,505)</u>	<u>—</u>
—	—	—	(4,963,387)
\$ 94,897,706	—	94,897,706	—
19,798,255	—	19,798,255	—
7,397,103	—	7,397,103	—
1,492,285	56,206	1,548,491	14,210
—	239,294	239,294	4,935,942
486,135	5,478	491,613	—
<u>124,071,484</u>	<u>300,978</u>	<u>124,372,462</u>	<u>4,950,152</u>
<u>(695,456)</u>	<u>695,456</u>	<u>—</u>	<u>—</u>
<u>123,376,028</u>	<u>996,434</u>	<u>124,372,462</u>	<u>4,950,152</u>
22,546,349	(378,392)	22,167,957	(13,235)
<u>285,262,324</u>	<u>24,584,247</u>	<u>309,846,571</u>	<u>1,312,626</u>
<u>\$ 307,808,673</u>	<u>24,205,855</u>	<u>332,014,528</u>	<u>1,299,391</u>

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**BOULDER COUNTY, COLORADO**

Balance Sheet

Governmental Funds

December 31, 2004

Assets	General fund	Social Services fund	Open Space Capital Improvement Fund, Bond Series 1994, 2000, and 2001	Other governmental funds	Total governmental funds
Equity in treasurer's cash and investments	\$ 18,900,593	3,363,391	7,519,594	41,008,105	70,791,683
Restricted cash and cash equivalents	2,242,224	1,148,707	—	12,090,132	15,481,063
Property taxes receivable	78,222,620	4,785,981	—	18,117,764	101,126,365
Due from other governmental units	5,324,960	864,480	2,017,617	3,438,771	11,645,828
Due from component unit	18,725	—	—	109,884	128,609
Interest receivable	146,623	—	38,867	109,857	295,347
County goods and services receivable, net	594,885	5,317	1,757	355,877	957,836
Due from other funds	1,655,308	100,000	93,923	632,613	2,481,844
Prepaid items	170,035	—	133,312	93,432	396,779
Inventory	128,461	—	—	47,074	175,535
<b>Total assets</b>	<b>\$ 107,404,434</b>	<b>10,267,876</b>	<b>9,805,070</b>	<b>76,003,509</b>	<b>203,480,889</b>
<b>Liabilities and Fund Balances</b>					
Liabilities:					
Accounts payable	\$ 2,555,457	262,032	106,320	3,904,699	6,828,508
Due to other funds	535,428	758,797	464	836,172	2,130,861
Deferred revenue	81,257,781	4,787,512	2,934,707	18,428,219	107,408,219
Due to other governmental units	—	—	—	63,733	63,733
Accrued liabilities	1,480,409	321,862	7,515	165,807	1,975,593
Escrows payable	1,240,793	—	—	—	1,240,793
TABOR liability	2,183,170	129,408	—	238,369	2,550,947
Other liabilities	181,701	46,307	730	1,052	229,790
<b>Total liabilities</b>	<b>89,434,739</b>	<b>6,305,918</b>	<b>3,049,736</b>	<b>23,638,051</b>	<b>122,428,444</b>
Fund balances:					
Reserved for:					
Emergencies	610,157	—	—	2,706,085	3,316,242
Prepaid items and inventory	298,496	—	133,312	140,506	572,314
Escrow fees	1,259,587	—	—	291,751	1,551,338
Capital transactions	—	—	—	12,007,415	12,007,415
Unreserved, reported in:					
General fund	15,801,455	—	—	—	15,801,455
Special revenue funds	—	3,961,958	—	27,312,443	31,274,401
Capital projects funds	—	—	6,622,022	9,907,258	16,529,280
<b>Total fund balances</b>	<b>17,969,695</b>	<b>3,961,958</b>	<b>6,755,334</b>	<b>52,365,458</b>	<b>81,052,445</b>
<b>Total liabilities and fund balances</b>	<b>\$ 107,404,434</b>	<b>10,267,876</b>	<b>9,805,070</b>	<b>76,003,509</b>	<b>203,480,889</b>

See accompanying notes to basic financial statements.

**BOULDER COUNTY, COLORADO**

Reconciliation of Total Governmental Fund Balances  
on the Governmental Funds Balance Sheet to Net Assets  
of Governmental Activities on the Statement of Net Assets

December 31, 2004

Total governmental fund balances	\$ 81,052,445
Amounts reported for governmental activities in the statement of activities are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	415,393,559
Long-term liabilities, including bonds payable and compensated absences, are not due and payable in the current period and therefore are not reported in the funds.	
Bonds payable	(175,540,000)
Certificates of participation	(9,355,000)
Premium on bond issuance	(1,004,747)
Compensated absences (excluding internal service of \$5,545)	(7,521,117)
Accrued interest payable	(1,986,793)
Deferred charges – issuance costs	727,436
Other long-term assets are not available to pay current expenditures and therefore are deferred in the funds.	4,086,909
Internal service funds are used by management to charge the costs of insurance and other services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets (\$12,477 loss is allocated to business-type activities).	<u>1,955,981</u>
Net assets of governmental activities	<u>\$ 307,808,673</u>

See accompanying notes to basic financial statements.

**BOULDER COUNTY, COLORADO**

Statement of Revenues, Expenditures,  
and Changes in Fund Balance

Governmental Funds

Year ended December 31, 2004

	<u>General fund</u>	<u>Social services fund</u>	<u>Open Space Capital Improvement Fund, Bond Series 1994, 2000, and 2001</u>	<u>Other governmental funds</u>	<u>Total governmental funds</u>
<b>Revenues:</b>					
Taxes	\$ 72,708,199	3,698,011	12,567,313	32,813,675	121,787,198
Licenses, fees, and permits	818,858	—	—	32,629	851,487
Interest on investments	415,514	—	462,991	469,298	1,347,803
Intergovernmental	4,305,783	13,091,873	47,491	16,364,432	33,809,579
Charges for services	11,628,205	138,691	750	259,932	12,027,578
Fines and forfeitures	306,477	—	—	—	306,477
Other revenue	1,914,609	4,587	807	8,775,867	10,695,870
<b>Total revenues</b>	<b>92,097,645</b>	<b>16,933,162</b>	<b>13,079,352</b>	<b>58,715,833</b>	<b>180,825,992</b>
<b>Expenditures:</b>					
<b>Current:</b>					
General government	45,832,112	—	—	21,634,541	67,466,653
Conservation	8,466,451	—	8,374,969	2,225,448	19,066,868
Public safety	26,185,740	—	—	5,198,805	31,384,545
Health and welfare	4,577,162	19,864,958	—	10,804,568	35,246,688
Economic development	2,528,987	—	—	5,204,100	7,733,087
Highways and streets	1,312,305	—	—	11,908,850	13,221,155
Intergovernmental	—	—	—	391,951	391,951
<b>Debt service:</b>					
Principal	—	—	4,690,000	4,325,000	9,015,000
Interest and fiscal charges	—	—	6,435,426	2,716,696	9,152,122
Debt issuance costs	—	—	—	374,852	374,852
<b>Total expenditures</b>	<b>88,902,757</b>	<b>19,864,958</b>	<b>19,500,395</b>	<b>64,784,811</b>	<b>193,052,921</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>3,194,888</b>	<b>(2,931,796)</b>	<b>(6,421,043)</b>	<b>(6,068,978)</b>	<b>(12,226,929)</b>
<b>Other financing sources (uses):</b>					
Proceeds from sale of capital assets	516,530	—	937,498	446,762	1,900,790
Debt issuance	—	—	—	13,570,000	13,570,000
Premium on bond sale	—	—	—	73,081	73,081
Transfers in	326,784	1,310,512	—	9,875,334	11,512,630
Transfers out	(9,390,296)	—	(2,835,940)	(1,651,850)	(13,878,086)
<b>Total other financing sources (uses)</b>	<b>(8,546,982)</b>	<b>1,310,512</b>	<b>(1,898,442)</b>	<b>22,313,327</b>	<b>13,178,415</b>
<b>Net change in fund balance</b>	<b>(5,352,094)</b>	<b>(1,621,284)</b>	<b>(8,319,485)</b>	<b>16,244,349</b>	<b>951,486</b>
Fund balance, January 1	23,321,789	5,583,242	15,074,819	36,121,109	80,100,959
Fund balance, December 31	\$ 17,969,695	3,961,958	6,755,334	52,365,458	81,052,445

See accompanying notes to basic financial statements.

**BOULDER COUNTY, COLORADO**

Reconciliation of Net Changes in Governmental Fund Balances on the  
Statement of Revenues, Expenditures, and Changes in Fund Balance to  
Change in Net Assets of Governmental Activities on the Statement of Activities:

Year ended December 31, 2004

Net change in fund balances – total governmental funds		\$ 951,486
Amounts reported for governmental activities in the statement of activities are different because:		
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 capital outlays exceeded depreciation in the current period		
Capital assets additions	\$ 25,962,553	
Depreciation expense	<u>(4,452,011)</u>	
Excess of capital outlay over depreciation		21,510,542
The net effect of various miscellaneous transactions involving capital assets (i.e., sales and donations) is to decrease net assets:		
Donations of capital assets	2,246,043	
Proceeds from sale of capital assets	(1,812,785)	
Gain on sale of capital assets	486,135	
Loss on sale of capital assets	<u>(538,262)</u>	
		381,131
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:		
Property taxes related to prior years	31,398	
Earned but unavailable revenue	<u>3,274,468</u>	
		3,305,866
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets:		
Repayment of principal includes:		
Debt payments	9,015,000	
Issuance of new debt includes:		
Debt proceeds	(13,570,000)	
Debt premium	(73,081)	
Debt issuance costs	<u>374,852</u>	
		(4,253,229)
Some transactions reported in the statement of activities do not require the use of or provide current financial resources and therefore are not reported as expenditures in governmental funds:		
Compensated absences (including internal service of \$1,117)	(246,987)	
Amortization of issuance costs	(33,625)	
Amortization of bond premium	65,639	
Accrued interest	<u>(21,247)</u>	
		(236,220)
Internal service funds are used by management to charge the costs of certain activities, such as insurance, telecommunications, printing, and fleet services, to individual funds. The net revenue (expense) of certain internal service funds is reported with governmental activities:		
Internal service fund deficit allocation	(783,227)	
Transfer to internal service fund	<u>1,670,000</u>	
		886,773
Change in net assets of governmental funds		\$ <u><u>22,546,349</u></u>

See accompanying notes to basic financial statements.

**BOULDER COUNTY, COLORADO**

Statement of Fund Net Assets

Proprietary Funds

December 31, 2004

Assets	Business-type activities			Governmental activities
	Resource conservation	Housing Authority	Totals	Internal service funds
Current assets:				
Equity in treasurer's cash and investments	\$ 1,583,652	325,462	1,909,114	5,642,322
Restricted cash and cash equivalents	—	1,146,317	1,146,317	—
Interest receivable	6,144	—	6,144	21,838
County goods and services receivable, net	576,082	—	576,082	2,321
Accounts receivable, net	—	328,738	328,738	—
Due from component unit	—	—	—	74,794
Due from other governments	—	24,720	24,720	925
Due from other funds	10,799	—	10,799	159,079
Prepaid	—	73,138	73,138	—
Total current assets	2,176,677	1,898,375	4,075,052	5,901,279
Noncurrent assets:				
Restricted cash and cash equivalents	—	2,453,579	2,453,579	—
Notes receivable	—	131,727	131,727	—
Deferred charges – issuance costs	—	942,281	942,281	—
Other	—	4,772	4,772	—
Capital assets, net of depreciation:				
Land	882,782	4,484,789	5,367,571	—
Buildings	10,120,628	18,751,957	28,872,585	—
Equipment	1,774,804	8,048	1,782,852	—
Total capital assets (net of accumulated depreciation)	12,778,214	23,244,794	36,023,008	—
Total noncurrent assets	12,778,214	26,777,153	39,555,367	—
Total assets	\$ 14,954,891	28,675,528	43,630,419	5,901,279
<b>Liabilities</b>				
Current liabilities:				
Accounts payable	\$ 601,247	177,370	778,617	155,757
Deferred revenue	—	—	—	2,500
Due to other funds	45,406	473,371	518,777	2,084
Due to other governments	—	38,175	38,175	—
Compensated absences	—	371	371	275
Accrued liabilities	3,563	9,073	12,636	3,841
Interest payable	—	117,906	117,906	—
Estimated claims payable	—	—	—	1,950,212
Notes and mortgages payable	—	1,667,008	1,667,008	—
Bonds payable	—	236,800	236,800	—
Current liabilities payable from restricted assets:				
Customer deposits payable	—	174,446	174,446	—
Escrows payable	—	98,710	98,710	—
Total current liabilities	650,216	2,993,230	3,643,446	2,114,669
Noncurrent liabilities:				
Other liabilities	—	—	—	729
Compensated absences	7,715	66,578	74,293	5,270
Estimated insurance claims	—	—	—	1,837,107
Notes and mortgages payable	—	987,548	987,548	—
Bonds payable	—	14,706,800	14,706,800	—
Total noncurrent liabilities	7,715	15,760,926	15,768,641	1,843,106
Total liabilities	657,931	18,754,156	19,412,087	3,957,775
<b>Net Assets</b>				
Invested in capital assets, net of related debt	12,778,214	8,465,592	21,243,806	—
Restricted	—	4,347,896	4,347,896	—
Unrestricted	1,518,746	(2,892,116)	(1,373,370)	1,943,504
Total net assets	\$ 14,296,960	9,921,372	24,218,332	1,943,504
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds			(12,477)	
Net assets of business-type activities			\$ 24,205,855	

See accompanying notes to basic financial statements.

**BOULDER COUNTY, COLORADO**

Statement of Revenues, Expenses, and Changes in Fund Net Assets

Proprietary Funds

Year ended December 31, 2004

	Business-type activities			Governmental activities
	Resource conservation	Housing Authority	Total	Internal service funds
Operating revenue:				
Sales of recyclable materials	\$ 3,679,817	—	3,679,817	—
Charges for services	—	2,131,817	2,131,817	—
Charges for services – other funds	—	—	—	1,778,538
Contributions – employee	—	—	—	2,932,709
Contributions – county	—	—	—	7,872,917
Contributions – miscellaneous	—	—	—	130,403
Property and casualty claims recovery	—	—	—	206,156
Land use claims recovery	—	—	—	17,576
Miscellaneous	—	—	—	72,823
<b>Total operating revenue</b>	<b>3,679,817</b>	<b>2,131,817</b>	<b>5,811,634</b>	<b>13,011,122</b>
Operating expenses:				
Cost of sales	1,136,785	—	1,136,785	—
General administration	288,745	2,599,120	2,887,865	221,711
General professional services	1,999,179	—	1,999,179	—
Insurance premiums	21,331	—	21,331	—
Depreciation	592,983	602,036	1,195,019	—
Property and casualty insurance, professional services, miscellaneous	—	—	—	461,347
Health and dental claims	—	—	—	11,886,238
Health and dental insurance, professional services, miscellaneous	—	—	—	985,543
Workers' compensation claims	—	—	—	146,535
Workers' compensation insurance, professional services, miscellaneous	—	—	—	161,428
Land use insurance, professional services, miscellaneous	—	—	—	25,262
<b>Total operating expenses</b>	<b>4,039,023</b>	<b>3,201,156</b>	<b>7,240,179</b>	<b>13,888,064</b>
<b>Operating loss</b>	<b>(359,206)</b>	<b>(1,069,339)</b>	<b>(1,428,545)</b>	<b>(876,942)</b>
Nonoperating revenues (expenses):				
Interest on investments	22,497	33,709	56,206	78,843
HUD and RD income	—	6,193,872	6,193,872	—
Housing assistance	—	(5,366,052)	(5,366,052)	—
Interest expense and amortization	—	(853,055)	(853,055)	—
Gain on sale of capital assets	—	5,478	5,478	—
Management and maintenance fees	—	239,294	239,294	—
Donations and intergovernmental	—	51,799	51,799	2,395
<b>Loss before capital contributions and transfers</b>	<b>(336,709)</b>	<b>(764,294)</b>	<b>(1,101,003)</b>	<b>(795,704)</b>
Capital fund grants, HUD	—	39,632	39,632	—
Transfers in	5,884	689,572	695,456	1,670,000
<b>Change in net assets</b>	<b>(330,825)</b>	<b>(35,090)</b>	<b>(365,915)</b>	<b>874,296</b>
Total net assets, January 1	14,627,785	9,956,462		1,069,208
Total net assets, December 31	\$ 14,296,960	9,921,372		1,943,504
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds			(12,477)	
<b>Change in net assets of business-type activities</b>			<b>\$ (378,392)</b>	

See accompanying notes to basic financial statements.

**BOULDER COUNTY, COLORADO**

Statement of Cash Flows

Proprietary Funds

Year ended December 31, 2004

	Business-type activities			Governmental activities
	Resource conservation	Housing Authority	Total	Internal service funds
Cash flows from operating activities:				
Cash received from employer	\$ —	—	—	7,872,918
Cash received from employees	—	(1,182,636)	(1,182,636)	2,932,709
Cash received from charges for services	3,649,386	2,253,955	5,903,341	1,889,130
Cash received from miscellaneous sources	—	—	—	203,226
Cash paid for general administration	(3,352,956)	(1,683,092)	(5,036,048)	(201,753)
Cash paid for general claims	—	—	—	(1,480,969)
Cash paid for health and dental claims	—	—	—	(12,509,084)
Net cash provided by (used in) operating activities	296,430	(611,773)	(315,343)	(1,293,823)
Cash flows from noncapital financing activities:				
Transfers in	5,884	689,572	695,456	1,670,000
HUD and RD contributions	—	6,193,872	6,193,872	—
Management and maintenance fees	—	239,294	239,294	—
Housing assistance programs	—	(5,366,052)	(5,366,052)	—
Intergovernmental	—	—	—	2,395
Grants and donations	—	51,799	51,799	—
Net cash provided by noncapital financing activities	5,884	1,808,485	1,814,369	1,672,395
Cash flows from capital and related financing activities:				
Purchase of capital assets	—	(147,295)	(147,295)	—
Capital fund grant – HUD	—	39,632	39,632	—
Proceeds from debt activities	—	10,538,464	10,538,464	—
Costs of debt activities	—	(470,135)	(470,135)	—
Deferred loss on refunding	—	(108,000)	(108,000)	—
Principal payments on notes, bonds, and mortgages	—	(7,793,412)	(7,793,412)	—
Interest payments on notes, bonds, and mortgages	—	(960,331)	(960,331)	—
Gain on equipment disposal	—	5,478	5,478	—
Net cash provided by capital and related financing activities	—	1,104,401	1,104,401	—
Cash flows from investing activities:				
Investment earnings	22,497	33,709	56,206	78,843
Net increase in cash and cash equivalents	324,811	2,334,822	2,659,633	457,415
Cash and cash equivalents, January 1	1,258,841	1,590,536	2,849,377	5,184,907
Cash and cash equivalents, December 31	\$ 1,583,652	3,925,358	5,509,010	5,642,322
Net operating loss	\$ (359,206)	(1,069,339)	(1,428,545)	(876,942)
Adjustments to reconcile net operating loss to net cash provided by (used in) operating activities:				
Depreciation and amortization	592,983	602,036	1,195,019	—
Increase in interest receivable	(4,307)	(4,463)	(8,770)	(14,273)
(Increase) decrease in county goods and services receivable	(18,518)	—	(18,518)	126,915
Increase in due from other funds	(8,624)	—	(8,624)	(2,051)
Decrease in due from other governments	—	47,280	47,280	—
Increase due to other governments	—	20,042	20,042	—
Decrease in accounts receivable	—	75,886	75,886	—
Decrease in prepaid expenses	—	15,484	15,484	1,521
Increase in accounts payable	66,042	174,467	240,509	23,418
(Decrease) increase in due to other funds	27,399	(527,224)	(499,825)	142
Increase in unearned revenue	—	3,436	3,436	—
Increase in accrued liabilities	661	54,498	55,159	(243)
Increase in estimated health and dental claims	—	—	—	362,697
Decrease in estimated insurance claims	—	—	—	(910,127)
Decrease in other liabilities	—	(3,876)	(3,876)	(4,880)
Total adjustments	655,636	457,566	1,113,202	(416,881)
Net cash provided by (used in) operating activities	\$ 296,430	(611,773)	(315,343)	(1,293,823)

See accompanying notes to basic financial statements.

**BOULDER COUNTY, COLORADO**

Statement of Fiduciary Net Assets

Fiduciary Funds

December 31, 2004

<b>Assets</b>	<b>Pension Trust Fund</b>	<b>Agency</b>	<b>Total</b>
Equity in treasurer's cash and investments	\$ —	9,563,202	9,563,202
Restricted cash	—	1,325,458	1,325,458
Receivables	—	11,263	11,263
Property tax receivable	—	246,500,749	246,500,749
Total assets	\$ —	257,400,672	257,400,672
<b>Liabilities and Net Assets</b>			
Liabilities:			
Other liabilities	\$ —	1,336,642	1,336,642
Escrow payable	—	79	79
Undistributed taxes and other collections	—	9,563,202	9,563,202
Due to other taxing units	—	246,500,749	246,500,749
Total liabilities	—	257,400,672	257,400,672
Total liabilities and net assets	\$ —	257,400,672	257,400,672

See accompanying notes to basic financial statements.

**BOULDER COUNTY, COLORADO**  
Statement of Changes in Fiduciary Net Assets  
Pension Trust Fund  
Year ended December 31, 2004

Additions to net assets:	
Contributions:	
Boulder County	\$ 977,546
Boulder County employees	1,033,720
Total contributions	<u>2,011,266</u>
Investment earnings:	
Investment income	487,662
Net realized and unrealized appreciation	2,794,791
Total investment earnings	<u>3,282,453</u>
Less investment expense	<u>81,476</u>
Net investment earnings	<u>3,200,977</u>
Total additions	<u>5,212,243</u>
Deductions from net assets:	
Benefit payments	13,624,887
Conversion to PERA	79,329,240
Total deductions	<u>92,954,127</u>
Net decrease in plan assets	(87,741,884)
Net assets held in trust for plan benefits:	
Beginning of year	<u>87,741,884</u>
End of year	<u>\$ —</u>

See accompanying notes to basic financial statements.

# BOULDER COUNTY, COLORADO

## Notes to Basic Financial Statements

December 31, 2004

### (1) Summary of Significant Accounting Policies

The accompanying basic financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) applicable to governmental entities. A summary of significant accounting policies of Boulder County, Colorado (the County) applied in the preparation of these financial statements follows.

#### (a) *Financial Reporting Entity*

The County is a political subdivision organized in 1861 under the statutes of the State of Colorado. A three-member Board of County Commissioners (the Board) governs the County. Each commissioner is elected at-large by the voters of the County and must reside in the district for which he or she is elected. There are also seven other elected officials – assessor, clerk and recorder, coroner, sheriff, district attorney, treasurer, and surveyor.

The County provides a wide range of services to its residents including public safety, highways and streets, conservation, health and welfare, economic development, and general administration. Water, sanitation, fire, utilities, schools, recreation, and library services are provided to County residents by a variety of public and private entities, depending on property location.

The Governmental Accounting Standards Board (GASB) in its Statement No. 14, *The Financial Reporting Entity*, has specified the criteria to be used in defining the financial reporting entity:

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

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

Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. In general, the nature and significance of the component unit's relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

As required by accounting principles generally accepted in the United States of America (US GAAP), these financial statements present Boulder County (the primary government) and its component units. The component units included in the County's reporting entity are reported using the blended and the discretely presented methods. The blended method reports the financial data of the component unit as part of the primary government. The blended method is used when either of the following circumstances are present: 1) the component unit's governing body is substantively the

# BOULDER COUNTY, COLORADO

## Notes to Basic Financial Statements

December 31, 2004

same as the governing body of the primary government; or 2) the component unit provides services entirely or almost entirely to the primary government. The discretely presented method is used when a component unit does not meet the criteria for blending. The component unit columns in the government-wide financial statements include the financial data of the County's discrete component units. They are reported in a separate column to emphasize that it is legally separate from the County.

The following component units are included in the accompanying financial statements:

### Blended Presentation

Gunbarrel General Improvement District Fund – This is a subdivision of the State of Colorado created for constructing certain public improvements to be located within the district and governed by a board comprised of the County's elected Board of County Commissioners. The District is reported as a capital projects fund.

Housing Authority of Boulder County – Established in 1975 to promote and provide quality, affordable housing for lower income families, the elderly, and disabled people. Previous to 2003, the Housing Authority was a governmental entity independent of the County, governed by a seven-member board which now serves in an advisory capacity. In Resolution 2003-16, adopted by the Board of County Commissioners (Board) on January 14, 2003, the Board constituted itself as the governing body of the Boulder County Housing Authority (Housing Authority). Effective January 1, 2003, the Housing Authority became a component unit of the County and is governed by a board comprised of the County's elected Board of County Commissioners. The Authority meets the definition of, and operates as, an enterprise fund of the County. As such, the County provides support to the Housing Authority in the interest of supporting affordable housing within the County.

### Discrete Presentation

Boulder County Public Health (Public Health) – is organized by authority of state statute and resolution of the County Commissioners on March 25, 1952. According to state statute, the Commissioners appoint the governing board. In addition, the County appropriates significant funds for Public Health's operations. Public Health provides services to the residents of the County.

Complete financial statements for the individual component units may be obtained at the unit's administrative offices.

Boulder County Public Health  
3450 Broadway  
Boulder, CO 80304

Housing Authority of Boulder County  
3482 North Broadway  
Boulder, CO 80304

Gunbarrel General Improvement District  
Finance Department  
2020 13th Street  
Boulder, CO 80302

## BOULDER COUNTY, COLORADO

### Notes to Basic Financial Statements

December 31, 2004

#### **Related Organization**

The Boulder County Parks and Open Space Foundation (the Foundation) was created in December 2004. The Foundation is legally separate from Boulder County. However, it is considered a related organization since at least two-thirds of the Foundation's Board of Trustees are approved or appointed by the Board of County Commissioners. There is no financial relationship that would justify the Foundation's inclusion as a component unit of the County.

#### **(b) *Measurement Focus, Basis of Accounting, and Basis of Presentation***

With the implementation of GASB Statement 34, *Basic Financial Statements and Management's Discussion and Analysis—for State and Local Governments* (GASB Statement No. 34), the County's basic financial statements consist of the government-wide financial statements and the fund financial statements. The government-wide financial statements include a statement of net assets and a statement of activities, which present the financial activities of the County and its component units, but do not include fiduciary funds or component units that are fiduciary in nature. The government-wide statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund statements. Certain eliminations have been made as prescribed by GASB Statement No. 34 in regard to interfund activities, payables, and receivables. All internal balances in the statement of net assets have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the statement of activities, internal service fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely, to a significant extent, on fees and charges for support. The government-wide statement of activities reflects both the direct expenses and net cost of each function of the County's governmental activities and business-type activity. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include charges paid by the recipient for the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned on grants that is required to be used to support a particular program. Revenues that are not classified as program revenues are presented as general revenues of the County, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each government function or business segment is self-financing or draws from the general revenues of the County.

The accounts of the County are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements. The emphasis of the fund financial statements is on major governmental and enterprise funds, each presented in a separate column. All remaining governmental and enterprise funds are aggregated and presented as nonmajor funds in a single column.

## BOULDER COUNTY, COLORADO

### Notes to Basic Financial Statements

December 31, 2004

**Governmental funds** are used to account for the County's general government activities. Governmental fund financial statements are reported using the current financial resources measurement focus and the modified-accrual basis of accounting. Revenues are recognized when susceptible to accrual (i.e., when they are measurable and available). Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers all revenues available if they are collected within 60 days after year-end. Expenditures are recorded when a related fund liability is incurred, except for unmatured interest on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are matured (i.e., expected to be liquidated with expendable available financial resources).

Property taxes and grant revenue are the primary revenue sources subject to accrual. Property taxes are reported as a receivable and deferred revenue when the levy is certified and as revenue when due for collection in the subsequent year. An allowance for estimated uncollectible taxes has not been recorded since these amounts are not considered material to the financial statements. The County bills and collects its own property taxes and the taxes for various taxing agencies. Collections and remittance of taxes for the other taxing agencies are accounted for in the agency fund.

The County reports deferred revenue when potential revenue does not meet both the measurable and available criteria for recognition in the current period. Deferred revenues also arise when the County receives resources before it has legal claim to them, such as when grant funds are received and eligibility requirements have not been met. In subsequent periods, when both revenue recognition criteria are met, or when the government has a legal claim to the resources, the liability for deferred revenue is removed and revenue is recognized.

A reconciliation of the fund financial statements to the government-wide financial statements is provided in the financial statements to explain the differences created by the integrated approach of GASB Statement No. 34.

The County reports the following major **governmental funds**:

The *General Fund* is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Social Services Fund* accounts for public aid programs administered by the County. By State law, Colorado counties are required to maintain a Social Services Fund.

The *Open Space Capital Improvement Funds*, Bond Series 1994, 2000, and 2001 accounts for financial resources to be used for the acquisition of interest in open space real property and access thereto, water rights, and improvement upon open space real property.

**Proprietary funds** are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenue is recorded when earned and expenses are recorded at the time liabilities are incurred. Operating revenues in the proprietary funds are those revenues that are generated from providing services and producing and delivering goods in connection with the primary ongoing operations of the fund. The principal operating revenue of the enterprise and internal service funds are charges to customers for sales and services. Operating

## BOULDER COUNTY, COLORADO

### Notes to Basic Financial Statements

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expenses for the enterprise and internal service funds include the administrative expenses, cost of sales and services, and depreciation on capital assets. All other revenues are reported as nonoperating revenues.

The County reports the following major **proprietary funds**:

The *Resource Conservation Fund* accounts for the County's recycling operations which are primarily funded by site collections and the sale of recyclables.

The *Housing Authority Fund* accounts for the County's housing assistance programs which are primarily funded through Housing and Urban Development (HUD) and Rural Development (RD) contributions.

Additionally, the County reports the following funds:

The *Internal Service Fund* accounts for operations that provide services to other departments or agencies of the County on a cost-reimbursement basis.

The *Agency Funds* are custodial in nature and do not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that the County holds for others in an agency capacity.

The County reports its government-wide and enterprise fund financial statements following all applicable GASB pronouncements as well as the following pronouncements issued on or before November 30, 1989, unless those pronouncements conflict or contradict GASB pronouncements: Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins. Governments are given the option whether or not to apply all FASB Statements and Interpretations issued after November 30, 1989. The County has elected not to apply any applicable FASB pronouncements subsequent to November 30, 1989 in accounting and reporting for business-type activities and enterprise funds.

(c) ***Equity in Treasurer's Cash and Investments***

Investments are carried at amortized cost for those investments with remaining maturities of less than 12 months when purchased or at fair value for those investments with maturity dates exceeding 12 months from purchase date.

For purposes of the statement of cash flows, cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Except when required by trust agreements, the operating cash of each fund, except Public Health and the Housing Authority, is pooled into one bank account not identified with any particular fund. Cash in excess of operating requirements is invested in government obligations and cash equivalents. The accounting records for each fund reflect an equity in pooled cash and investments. Generally, investment income earned as a result of pooling is distributed to the appropriate funds utilizing a formula based on the monthly average balance of equity in treasurer's cash and investment of each of the funds.

## BOULDER COUNTY, COLORADO

### Notes to Basic Financial Statements

December 31, 2004

Restricted cash in the General Fund is composed of escrow funds which are restricted for various purposes. Restricted cash in the Social Services Fund is restricted for usage for various purposes under state statute. Restricted cash in the Road and Bridge and Capital Projects Funds comprise of restrictions for debt service expenditures. Restricted cash in the Housing Authority Fund is composed of tenants' security deposits, escrow funds, and capital asset replacement project funds. Restricted cash in the Public Trustee Agency Fund is composed of funds restricted by state statute and miscellaneous funds restricted for use by the Public Trustee. Restricted cash in the Public Health component unit, represent funds received from other organizations or individuals to be used for specific purposes.

**(d) *Property Tax Receivables and Other Receivables***

Revenues are recorded when received except for property taxes, which are reported as a receivable when the levy is certified. All current taxes receivable are offset by the full amount of the deferred revenue. Taxes are considered earned and due on January 1 in the period for which the tax is levied, following the year it was levied. The tax levy is divided into two billings. The billings are considered past due 60 days after the billing date, March 1 and June 16, respectively. Interest receivable and sales tax are accrued in the appropriate funds.

**(e) *County Goods and Services Receivable***

County goods and services receivable includes amounts due primarily from the general public and nongovernmental entities for fees and permits and charges for services.

**(f) *Due from Other Governmental Units***

Due from other governmental units includes amounts due primarily from intergovernmental agreements for public safety, telecommunication, housing, and recycling and composting services provided within the community, as well as federal and state grantors for grant programs. Grant revenues received prior to meeting eligibility requirements are deferred.

**(g) *Inventories and Prepaid Items***

Inventories are valued at cost using the first-in, first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. The prepaid items recorded in the governmental funds do not reflect current appropriable resources; therefore, an equivalent portion of fund balance is reserved in the fund financial statements.

**(h) *Capital Assets***

Capital assets, which include property, plant, and equipment, and infrastructure assets (e.g., roads, streets, highways, bridges, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The County defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life of more than one year. Infrastructure assets are long-lived capital assets that normally are stationary in nature and normally can be preserved for a significantly greater number of years than

**BOULDER COUNTY, COLORADO**

Notes to Basic Financial Statements

December 31, 2004

most capital assets. Infrastructure assets have been capitalized since January 1, 2002, and the County will adopt retroactive reporting requirements by the 2006 fiscal year, as prescribed by GASB Statement No. 34.

Capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at estimated fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful life of the related fixed asset, as applicable.

Capital assets are depreciated using the straight-line method. Depreciation expense is reflected as an operating expense in the government-wide statement of activities. Estimated useful lives for asset types are as follows:

<u>Assets</u>	<u>Years</u>
Buildings	30 – 40
Equipment	3 – 11
Improvements	1
Infrastructure	50

**(i) *Compensated Absences***

The County allows employees to accumulate unused vacation and medical leave benefits up to a certain maximum number of hours. Upon termination, all unused vacation leave benefits are paid to the employee. Medical leave benefits may be paid to the employee depending on hire date or length of service. Employees hired as full-time employees prior to June 1, 1987, except Social Service Department employees, and have worked for the County for 20 years or who are eligible for retirement at age 62 are paid all unused medical leave benefits. Employees hired as full-time employees prior to June 1, 1987, except Social Service Department employees, and have not worked for the County for 20 years nor are they eligible for retirement at age 62 are paid 50.00% of their unused medical leave. All other employees not listed in the above two categories are not paid for unused medical leave.

The entire compensated absence liability is reported in the government-wide and proprietary funds financial statements. In the governmental funds, a liability is reported only if it has matured as for employee resignations and retirements. Liabilities are liquidated out of the fund in which the employee is paid.

**(j) *Long-Term Obligations***

Long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or business-type activities of the government-wide statement of net assets or proprietary fund statement of net assets. Bond and other debt premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the debt using the straight-line method, which approximates the effective-interest method. However, deferred refunding gains (losses), if

## BOULDER COUNTY, COLORADO

### Notes to Basic Financial Statements

December 31, 2004

any, are amortized using the shorter of the term of either the new or old debt. Bond and other debt premiums and discounts are presented separately; issuance costs are recorded as deferred charges.

In the fund financial statements, governmental fund types recognize bond premiums, are available discounts, and issuance costs in the current period. Bond and other debt proceeds and premiums are reported as an other financing source. Bond and other debt discounts are reported as an other financing use. Issuance costs, whether or not withheld from the actual proceeds received, are reported as debt service expenditures.

**(k) Escrows Payable**

Escrows payable represent amounts due to other entities which were collected by the County primarily from E-911 fees for the Boulder County Regional Emergency Telephone Service Authority, state and federal dollars related to forfeitures, and school district fees.

**(l) Fund Balances**

In the fund financial statements, reservations of fund balances represent amounts that are not available for appropriation or are legally restricted by outside parties for a specific purpose. All fund balances not specifically reserved for a particular purpose are considered unreserved. Designations of unreserved fund balance represent amounts set aside by the Board of County Commissioners.

**(m) Use of Estimates**

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

**(n) Restricted and Unrestricted Resources**

Application of restricted and unrestricted resources is made on a case-by-case basis by management depending on overall program resources. Generally, management applies restricted resources then unrestricted resources when both restricted and unrestricted resources are available to pay on expenditure.

**(2) Related Party Transactions**

The County has entered into an agreement with one of its County Commissioners. The County Commissioner, Ron Stewart, serves as both a County Commissioner and the Director of Parks and Open Space. Commissioner Stewart receives no compensation for serving as the Director of Parks and Open Space that benefits the County at between \$6,494 to \$9,351 per month. Ron Stewart's term as County Commissioner ended December 31, 2004.

## BOULDER COUNTY, COLORADO

### Notes to Basic Financial Statements

December 31, 2004

The County entered into a contract with Stromquist Farms on August 19, 2003 for the purchase of real estate and associated water rights for \$1,112,912. At the time, Luther Stromquist, the Agricultural Resource Manager for The County Parks and Open Space Department, was a general partner. In the transaction, Stromquist retained his portion (one-third) while the other general partners sold their portions to the County. Stromquist did not receive any proceeds from the sale. The County has agreed to lease back the acquired real estate to Stromquist for agricultural purposes with a 10-year option to renew annually, beginning in 2004. Both transactions were valued at market rates and were consummated with terms equivalent to those that prevail in arm's-length transactions.

### (3) Cash, Deposits, and Investments

#### (a) Deposits

As of December 31, 2004, the carrying amount of the County's deposits was \$65,751,553 and the bank balance was \$55,865,819. Of the total bank balance, \$1,255,004 was covered by federal depository insurance and \$54,610,815 was uninsured and collateralized through the State's Public Deposit Protection Act (PDPA). The State's PDPA precludes the County from requiring banks to hold securities in the County's name.

The carrying amount of deposits for the component unit was \$1,733,288 and the bank balance was \$2,034,830. Of the bank balance, \$300,000 was covered by federal depository insurance and \$1,734,830 was uninsured and collateralized with securities held by banks in their trust departments in the component unit's name. The State's PDPA is also applicable to the component unit.

The County's and component unit's deposits are subject to and in accordance with the State of Colorado's PDPA. Under this act, all uninsured deposits are to be fully collateralized. The eligible collateral pledged must be held in custody by any Federal Reserve Bank, or branch thereof, or held in escrow by some other bank in a manner as the banking commissioner shall prescribe by rule and regulation, or may be segregated from the other assets of the eligible public depository and held in its own trust department. All collateral so held must be clearly identified as being security maintained or pledged for the aggregate amount of public deposits accepted and held on deposit by the eligible public depository. The depository has the right at any time to make substitutions of eligible collateral maintained or pledged and is at all times entitled to collect and retain all income derived from those investments without restrictions. Deposits collateralized under the PDPA are considered collateralized with securities held by the pledging financial institution's trust department or agent in the "County's or component unit's name," because the collateral pool meets the "held in name of the government" criterion.

#### (b) Investments

The County's investment portfolio includes investments that bear interest at variable rates, or which may periodically fluctuate depending on market conditions. With respect to these investments as well as other investments within the County's portfolio, the County is subject to market risk. Market risk represents the exposure to changes in the market, such as change in interest rates or a change in price or principal value of a security. Additionally, the component unit is exposed to custodial credit risk associated with its investment portfolio. Custodial credit risk is the exposure to the default of counterparties to investment transactions.

**BOULDER COUNTY, COLORADO**

Notes to Basic Financial Statements

December 31, 2004

The County's investments are categorized into these three categories of custodial credit risk:

1. Insured or registered, or securities held by the County or by the County's agent in the County's name.
2. Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the County's name.
3. Uninsured and unregistered, with securities held by the counterparty's trust department or agent but not in the County's name.

At December 31, 2004, the County's investment balances were as follows:

	<b>Category</b>			<b>Fair value</b>
	<b>1</b>	<b>2</b>	<b>3</b>	
U.S. government securities	\$ 21,553,068	—	—	21,553,068
Repurchase agreements	20,000,000	—	—	20,000,000
Total categorized	\$ 41,553,068	—	—	41,553,068
Investment in Local Government Investment Pool				1,008,117
Total investments				\$ 42,561,185

The Investment in Local Government Investment Pool, or Colorado Diversified Trust, is not subject to categorization. The pool is open to local governments and acts as an open-end mutual fund.

**BOULDER COUNTY, COLORADO**

Notes to Basic Financial Statements

December 31, 2004

A reconciliation of cash and investments as shown in the basic financial statements as of December 31, 2004 is as follows:

	<u>Primary government</u>	<u>Component unit</u>	<u>Total</u>
Governmental and business-type activities:			
Equity in treasurer's cash and cash equivalents and investments	\$ 78,343,119	1,568,269	79,911,388
Restricted cash and cash equivalents	<u>19,080,959</u>	<u>165,019</u>	<u>19,245,978</u>
Total governmental and business-type activities	<u>97,424,078</u>	<u>1,733,288</u>	<u>99,157,366</u>
Fiduciary:			
Cash and investments	9,563,202	—	9,563,202
Restricted cash and cash equivalents	<u>1,325,458</u>	<u>—</u>	<u>1,325,458</u>
Total fiduciary	<u>10,888,660</u>	<u>—</u>	<u>10,888,660</u>
Total	108,312,738	1,733,288	110,046,026
Less deposit balance	<u>(65,751,553)</u>	<u>(1,733,288)</u>	<u>(67,484,841)</u>
Total investments	\$ <u><u>42,561,185</u></u>	<u><u>—</u></u>	<u><u>42,561,185</u></u>

**(4) Receivables**

The Social Services Fund maintains a cumulative allowance of doubtful accounts for County goods and services receivable of \$1,507,336. This represents amounts not expected to be recovered from clients who received overpayments. The Housing Authority maintains a cumulative allowance of \$17,990 against total tenant receivables of \$122,310 included within general accounts receivable.

**BOULDER COUNTY, COLORADO**

Notes to Basic Financial Statements

December 31, 2004

**(5) Changes in Capital Assets**

	Capital asset activity Year ended December 31, 2004				Ending balance December 31, 2004
	Beginning balance January 1, 2004	Increases	Decreases	Transfers	
Governmental activities:					
Capital assets not being depreciated:					
Land	\$ 319,656,260	13,369,959	(1,601,611)	—	331,424,608
Land development rights and other	5,015,296	—	(200,000)	—	4,815,296
Construction in progress	8,868,594	3,667,123	—	(4,872,319)	7,663,398
Total capital assets not being depreciated	<u>333,540,150</u>	<u>17,037,082</u>	<u>(1,801,611)</u>	<u>(4,872,319)</u>	<u>343,903,302</u>
Capital assets being depreciated:					
Buildings and improvements	72,715,295	5,314,649	—	4,872,319	82,902,263
Equipment	28,402,255	3,449,013	(1,411,279)	—	30,439,989
Improvements other than buildings	876,230	861,579	—	—	1,737,809
Infrastructure	6,234,588	1,546,273	—	—	7,780,861
Total capital assets being depreciated	<u>108,228,368</u>	<u>11,171,514</u>	<u>(1,411,279)</u>	<u>4,872,319</u>	<u>122,860,922</u>
Less accumulated depreciation for:					
Buildings and improvements	(28,229,349)	(1,740,929)	—	—	(29,970,278)
Equipment	(19,874,740)	(2,451,572)	1,347,978	—	(20,978,334)
Improvements other than buildings	(26,637)	(121,570)	—	—	(148,207)
Infrastructure	(135,906)	(137,940)	—	—	(273,846)
Total accumulated depreciation	<u>(48,266,632)</u>	<u>(4,452,011)</u>	<u>1,347,978</u>	<u>—</u>	<u>(51,370,665)</u>
Total capital assets being depreciated	<u>59,961,736</u>	<u>6,719,503</u>	<u>(63,301)</u>	<u>4,872,319</u>	<u>71,490,257</u>
Governmental activities capital assets, net	\$ <u>393,501,886</u>	<u>23,756,585</u>	<u>(1,864,912)</u>	<u>—</u>	<u>415,393,559</u>

Depreciation expense was charged to functions as follows:

Governmental activities:	
General government	\$ 2,093,033
Conservation	306,652
Public safety	1,089,568
Health and welfare	62,644
Economic development	9,592
Highways and streets	890,522
Total governmental activities depreciation expense	\$ <u>4,452,011</u>

**BOULDER COUNTY, COLORADO**

Notes to Basic Financial Statements

December 31, 2004

		<b>Capital asset activity</b>				
		<b>Year ended December 31, 2004</b>				
		<b>Beginning balance, January 1, 2004</b>	<b>Increases</b>	<b>Decreases</b>	<b>Transfers</b>	<b>Ending balance, December 31, 2004</b>
Business-type activities (Resource Conservation/Housing Authority):						
Capital assets not being depreciated:						
Land	\$	5,367,571	—	—	—	5,367,571
Construction in progress		—	—	—	—	—
Total capital assets not being depreciated		<u>5,367,571</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>5,367,571</u>
Capital assets being depreciated:						
Buildings and improvements		34,053,288	111,412	—	—	34,164,700
Equipment		3,298,665	35,883	(19,021)	—	3,315,527
Total capital assets being depreciated		<u>37,351,953</u>	<u>147,295</u>	<u>(19,021)</u>	<u>—</u>	<u>37,480,227</u>
Less accumulated depreciation for:						
Buildings and improvements		(4,506,107)	(786,008)	—	—	(5,292,115)
Equipment		(1,142,685)	(409,011)	19,021	—	(1,532,675)
Total accumulated depreciation		<u>(5,648,792)</u>	<u>(1,195,019)</u>	<u>19,021</u>	<u>—</u>	<u>(6,824,790)</u>
Total capital assets being depreciated		<u>31,703,161</u>	<u>(1,047,724)</u>	<u>—</u>	<u>—</u>	<u>30,655,437</u>
Business-type activities capital assets, net	\$	<u><u>37,070,732</u></u>	<u><u>(1,047,724)</u></u>	<u><u>—</u></u>	<u><u>—</u></u>	<u><u>36,023,008</u></u>
Depreciation expense was changed to functions as follows:						
Business-type activities:						
Resource Conservation	\$	592,983				
Housing Authority		<u>602,036</u>				
Total business-type activities depreciation expense		<u><u>\$ 1,195,019</u></u>				

**BOULDER COUNTY, COLORADO**

Notes to Basic Financial Statements

December 31, 2004

		Capital asset activity				
		Year ended December 31, 2004				
		Beginning balance, January 1, 2004	Increases	Decreases	Transfers	Ending balance, December 31, 2004
Discretely presented component unit (Public Health):						
Other capital assets:						
Buildings and improvements	\$	48,809	—	—	—	48,809
Equipment		169,051	45,000	—	—	214,051
Total other capital assets at historical cost		217,860	45,000	—	—	262,860
Less accumulated depreciation for: (note 2)						
Buildings and improvements		(19,986)	(3,253)	—	—	(23,239)
Equipment		(44,663)	(26,302)	—	—	(70,965)
Total accumulated depreciation		(64,649)	(29,555)	—	—	(94,204)
Other capital assets, net	\$	153,211	15,445	—	—	168,656
Depreciation expense was charged to functions as follows:						
Component unit activities:						
Public Health	\$	29,555				

**(6) Lease Receivables – Governmental Activities**

**(a) Operating Leases**

As of December 31, 2004, the County manages approximately 160 agricultural leases on open space property. Approximately 47% of the leases are crop share and grazing share leases. The rental income is based on a percentage of revenues derived from the crops grown on the land or an “animal equivalent unit” rate for animals grazed on the land. As yields, weather, water availability, field conditions, and crop prices vary greatly from year to year, payments from these leases are not considered estimable. The remaining leases are for land, home and building rentals, and other miscellaneous sites. Where practical, crop share leases are increasingly replacing land leases. Therefore, revenues to the County will fluctuate with crop production.

In 2003, in response to a State Supreme Court decision, the County Assessor’s office implemented the collection of Possessory Interest Tax on agricultural leases of County-owned land. Since then, to minimize the ramifications upon the County’s agriculture tenants, leases have typically been written for a term of one year, usually with two or more one-year options to renew. Consequently, future minimum expected lease revenue has gradually decreased as these leases have been implemented.

**BOULDER COUNTY, COLORADO**

Notes to Basic Financial Statements

December 31, 2004

Future minimum lease payments, by year and in the aggregate, under noncancelable operating leases with initial or remaining terms of one year or more at December 31,2004 are as follows.

	<b>Expected lease revenue</b>		
	<b>Land</b>	<b>Home</b>	<b>Total</b>
Years:			
2005	\$ 52,935	33,920	86,855
2006	37,600	1,210	38,810
2007	6,478	1,210	7,688
2008	6,152	1,210	7,362
2009	6,152	1,210	7,362
2010-2012	5,050	6,050	11,100
2013-2019	5,020	6,050	11,070
2020-2024	5,000	6,030	11,030

The County has entered into various lease obligations for office space and office equipment. Lease terms are month-to-month or annual with renewal options. In the government-wide statements, the 2004 lease payments in the government activities is \$1,232,764 and in the business activities is \$0.

In the Fund financials, the 2004 lease payments by major funds are as follows:

General fund	\$ 598,840
Social services fund	1,035
Open space capital improvement fund	1,591
Housing authority fund	—
Nonmajor funds	<u>631,298</u>
Total	<u>\$ 1,232,764</u>

**BOULDER COUNTY, COLORADO**

Notes to Basic Financial Statements

December 31, 2004

**(7) Changes in Long-Term Obligations**

During the year ended December 31, 2004, the following changes occurred in liabilities reported as long-term obligations:

	<u>Balance, January 1, 2004</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance, December 31, 2004</u>	<u>Due in one year</u>
Governmental activities:					
Claims payable	\$ 4,334,749	11,838,011	12,385,441	3,787,319	1,950,212
Bonds payable	180,340,000	4,215,000	9,015,000	175,540,000	9,935,000
Certificates of participation	—	9,355,000	—	9,355,000	—
Bond premium	997,305	73,081	65,639	1,004,747	70,071
Compensated absences	<u>7,280,792</u>	<u>5,799,640</u>	<u>5,553,770</u>	<u>7,526,662</u>	<u>512,703</u>
Total governmental activities	<u>192,952,846</u>	<u>31,280,732</u>	<u>27,019,850</u>	<u>197,213,728</u>	<u>12,467,986</u>
Business-type activities:					
Resource Conservation:					
Compensated absences	7,864	12,474	12,623	7,715	—
Housing Authority:					
Bonds payable	4,795,000	10,410,000	175,000	15,030,000	280,000
Deferred loss on debt	—	(108,000)	(21,600)	(86,400)	(43,200)
Notes and mortgages payable	10,144,504	128,464	7,618,412	2,654,556	1,667,008
Compensated absences	<u>69,031</u>	<u>43,318</u>	<u>45,400</u>	<u>66,949</u>	<u>371</u>
Total business-type activities	<u>15,016,399</u>	<u>10,486,256</u>	<u>7,829,835</u>	<u>17,672,820</u>	<u>1,904,179</u>
Total primary government	<u>207,969,245</u>	<u>41,766,988</u>	<u>34,849,685</u>	<u>214,886,548</u>	<u>14,372,165</u>
Component units:					
Public Health:					
Compensated absences	<u>519,975</u>	<u>541,541</u>	<u>519,975</u>	<u>541,541</u>	<u>45,130</u>
Total reporting entity	<u>\$ 208,489,220</u>	<u>42,308,529</u>	<u>35,369,660</u>	<u>215,428,089</u>	<u>14,417,295</u>

**(8) Defeased Debt**

The series 2004 Mortgage Revenue Bonds issued by BCHA included an in-substance defeasance for which \$748,000 was placed into an irrevocable trust for the purpose of future debt-service payments to Jack Bloss for the Beaver Creek property. As a result, the mortgage payable is considered to be defeased and the liability has been removed from the Balance Sheet. The reacquisition price exceeded the carrying amount of the old debt by \$108,000. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is shorter than the new debt issued. The amount amortized in 2004 equals \$21,600 and leaves a balance of deferred loss on refunding of \$86,400. This advance refunding was undertaken to finance the debt over a longer period of time any pay the balloon payment that is due on December 31, 2006 for \$640,000.

## **BOULDER COUNTY, COLORADO**

### Notes to Basic Financial Statements

December 31, 2004

In 2000, the County entered into a refunding transaction whereby bonds were issued to facilitate the retirement of a portion of the County's Open Space Sales and Use Tax Revenue Bonds Series 1994. Certain proceeds of the Open Space Improvement Trust Fund Bonds, Series 2000A/2000B have been placed in an irrevocable escrow account and invested for the purpose of generating resources for all future debt service payments of the refunded debt. The refunded bonds are considered to be defeased and the liability has been removed from the financial statements. The amount of defeased bonds outstanding at December 31, 2004 is \$575,000.

#### **(9) Debt Service Forward Delivery Agreement**

On December 31, 2002, the County entered into a debt service forward delivery agreement with a financial institution under the approval of the board of county commissioners. The County entered into this agreement for purposes of managing its investments by increasing the predictability of its cash flow from earnings on its investments and not for purposes of speculation. Under this agreement, the County makes monthly payments to the financial institution in sufficient amount to make the County's semiannual bond payments. In return, the County received an upfront lump-sum amount of \$3,000,000 on December 31, 2002. The \$3,000,000 represents the present value of interest proceeds expected to be earned and was recognized as deferred revenue to be amortized through 2019. The County's Open Space Bond Series 1996, 1998, 2000A, 2000B, 2001, and 2002 are included in this agreement. At December 31, 2004, the outstanding balance was \$2,854,107.

**BOULDER COUNTY, COLORADO**

Notes to Basic Financial Statements

December 31, 2004

**(10) Long-Term Debt**

**(a) Governmental Activities**

During the year ended December 31, 2004, the following changes occurred in liabilities reported as long-term debt:

<u>Description of bond issue</u>	<u>Beginning balance, January 1, 2004</u>	<u>New Bond issues 2004</u>	<u>Principal retired 2004</u>	<u>Ending balance, December 31, 2004</u>	<u>Interest paid 2004</u>
Open Space Sales and Use Tax Rev. Bonds, Series 1994 (see note below)	\$ 7,660,000	—	3,720,000	3,940,000	440,450
Gunbarrel General Improvement District General Obligation Bonds, Series 1994	810,000	—	395,000	415,000	44,965
Open Space Capital Improvement Trust Bonds, Series 1996	21,670,000	—	2,630,000	19,040,000	1,068,893
Open Space Capital Improvement Trust Bonds, Series 1998	30,825,000	—	1,300,000	29,525,000	1,535,790
Open Space Capital Improvement Trust Bonds, Series 2000A/2000B	38,575,000	—	—	38,575,000	2,200,025
Open Space Capital Improvement Trust Bonds, Series 2001	50,000,000	—	185,000	49,815,000	2,424,713
Open Space Capital Improvement Trust Bonds, Series 2002	30,800,000	—	785,000	30,015,000	1,369,039
Offender Management Capital Improvement Trust Bonds, Series 2004	—	4,215,000	—	4,215,000	44,553
Total revenue bonds	<u>180,340,000</u>	<u>4,215,000</u>	<u>9,015,000</u>	<u>175,540,000</u>	<u>9,128,428</u>
Certificates of Participation: 2004 Certificates	<u>—</u>	<u>9,355,000</u>	<u>—</u>	<u>9,355,000</u>	<u>—</u>
Total long-term debt \$	<u><u>180,340,000</u></u>	<u><u>13,570,000</u></u>	<u><u>9,015,000</u></u>	<u><u>184,895,000</u></u>	<u><u>9,128,428</u></u>

Note: The ending balance due on the 1994 bonds on 12/31/99 was \$23,775,000. Due to a partial defeasance in February 2000, the balance before principal payments in FY 2000 was \$20,755,000. The \$3,000,000 difference is an amount held in escrow at Cherry Creek Bank. The detail listed above only reflects the County's payments, not payments out of escrow.

**BOULDER COUNTY, COLORADO**

Notes to Basic Financial Statements

December 31, 2004

**Revenue Bonds**

Annual debt service requirements to maturity for revenue bonds are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year ending December 31:			
2005	\$ 9,935,000	8,741,570	18,676,570
2006	10,490,000	8,217,748	18,707,748
2007	11,345,000	7,685,776	19,030,776
2008	12,630,000	7,120,583	19,750,583
2009	13,935,000	6,439,090	20,374,090
2010-2014	52,320,000	24,682,523	77,002,523
2015-2019	64,885,000	10,576,110	75,461,110
Totals	<u>\$ 175,540,000</u>	<u>73,463,400</u>	<u>249,003,400</u>

Note: The schedule above does not include amounts held in escrow at American National Bank due to a partial defeasance of the 1996 Open Space Bonds in February 2000. In February, \$3,000,000 was held in escrow for future principal payments and \$622,300 was held for future interest payments.

The County has issued \$36,025,000 in Open Space Sales and Use Tax Revenue Bonds, Series 1994. The bonds are payable from revenue received by the County from the imposition of a .25% sales and use tax. The bonds mature annually beginning in 1996 with final payment in 2005. Interest at 5.75% is payable semiannually. Debt service to maturity is as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year ending December 31:			
2005	\$ 3,940,000	226,550	4,166,550

The Gunbarrel General Improvement District has issued \$3,600,000 in General Obligation Bonds, Series 1994. The bonds are general obligations of the Gunbarrel District, a component unit, and do not represent a liability of the County. The bonds are payable from revenue received by the Gunbarrel District for general ad valorem taxes. The bonds mature annually beginning in 1995 with final payment in 2005. Interest at 5.60% is payable semiannually. Debt service to maturity is as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year ending December 31:			
2005	\$ 415,000	23,240	438,240

**BOULDER COUNTY, COLORADO**

Notes to Basic Financial Statements

December 31, 2004

The County has issued \$35,000,000 in Open Space Capital Improvement Fund Bonds, Series 1996. The bonds are payable from revenue transferred to the Trust Fund from the County's General Fund and other legally available funds. The bonds mature annually beginning in 1998 with final payment in 2010. Interest at rates from 5.05% to 5.80% is payable semiannually. Debt service to maturity is as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year ending December 31:			
2005	\$ 2,765,000	932,432	3,697,432
2006	2,925,000	772,953	3,697,953
2007	3,085,000	610,231	3,695,231
2008	3,245,000	449,588	3,694,588
2009	3,420,000	277,920	3,697,920
2010	3,600,000	94,500	3,694,500
Totals	<u>\$ 19,040,000</u>	<u>3,137,624</u>	<u>22,177,624</u>

The County has issued \$35,000,000 in Open Space Capital Improvement Fund Bonds, Series 1998. The bonds are payable from revenues from the County's existing ¼% Open Space Sales and Use Tax held in the County's Open Space Sales Tax Capital Improvement Fund Surplus account, from the proceeds of the bonds, and from the General Fund if necessary. The bonds mature annually beginning in 1999 with final payment in 2009. Interest at rates from 4.35% to 5.25% is payable semiannually. Debt service to maturity is as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year ending December 31:			
2005	\$ 1,415,000	1,477,290	2,892,290
2006	6,360,000	1,412,200	7,772,200
2007	6,800,000	1,094,200	7,894,200
2008	7,250,000	754,200	8,004,200
2009	7,700,000	336,600	8,036,600
Totals	<u>\$ 29,525,000</u>	<u>5,074,490</u>	<u>34,599,490</u>

**BOULDER COUNTY, COLORADO**

Notes to Basic Financial Statements

December 31, 2004

The County has issued \$38,575,000 in Open Space Capital Improvement Fund Bonds, Series 2000A/2000B. The bonds are payable from tax revenues received by the County from the 0.25% sales and use tax imposed in 1994. The bonds mature annually beginning in 2006 with final payment in 2019. Interest with rates from 5.25% to 6.00% is payable semiannually. Debt service to maturity is as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year ending December 31:			
2005	\$ —	2,200,025	2,200,025
2006	700,000	2,200,025	2,900,025
2007	750,000	2,161,525	2,911,525
2008	775,000	2,120,275	2,895,275
2009-2013	12,730,000	9,305,445	22,035,445
2014-2018	19,105,000	4,869,653	23,974,653
2019	4,515,000	270,900	4,785,900
Totals	\$ <u>38,575,000</u>	<u>23,127,848</u>	<u>61,702,848</u>

The County has issued \$50,000,000 in Open Space Capital Improvement Fund Bonds, Series 2001. The bonds are payable from revenue generated by the pledged .10% sales and use tax dedicated to open space, from the open space surplus account, and from the general fund if necessary. The bonds mature annually beginning in 2004 with final payment in 2019. Interest with rates from 4.25% to 5.00% is payable semiannually. Debt service to maturity is as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year ending December 31:			
2005	\$ 690,000	2,416,850	3,106,850
2006	—	2,387,525	2,387,525
2007	355,000	2,387,525	2,742,525
2008	905,000	2,372,438	3,277,438
2009-2013	15,305,000	10,746,413	26,051,413
2014-2018	26,455,000	5,619,500	32,074,500
2019	6,105,000	305,250	6,410,250
Totals	\$ <u>49,815,000</u>	<u>26,235,501</u>	<u>76,050,501</u>

**BOULDER COUNTY, COLORADO**

Notes to Basic Financial Statements

December 31, 2004

The County has issued \$30,800,000 in Open Space Capital Improvement Fund Bonds, Series 2002. The bonds are payable from revenue generated by the pledged .10% sales and use tax dedicated to open space, from the open space surplus account, and from the general fund if necessary. The bonds mature annually beginning in 2004 with final payment in 2019. Interest with rates from 3.00% to 5.00% is payable semiannually. Debt service to maturity is as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year ending December 31:			
2005	\$ 555,000	1,345,488	1,900,488
2006	185,000	1,328,838	1,513,838
2007	30,000	1,323,288	1,353,288
2008	120,000	1,322,388	1,442,388
2009-2013	10,255,000	6,009,800	16,264,800
2014-2018	15,355,000	3,222,450	18,577,450
2019	3,515,000	175,750	3,690,750
Totals	\$ <u>30,015,000</u>	<u>14,728,002</u>	<u>44,743,002</u>

The County has issued \$4,215,000 in Offender Management Capital Improvement Trust Fund Bonds, Series 2004. Bond proceeds are being used to fund the construction and equipment costs of a new addition recovery center and to fund the expansion of the County's jail facility. The bonds are payable from revenue generated by the pledged 0.05% sales and use tax imposed January 1, 2005. The bonds mature annually beginning in 2005 with final payment in 2016. Interest with rates from 2.25% to 3.50% is payable semiannually. Debt service to maturity is as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year ending December 31:			
2005	\$ 155,000	119,695	274,695
2006	320,000	116,208	436,208
2007	325,000	109,008	434,008
2008	335,000	101,695	436,695
2009	340,000	94,158	434,158
2010-2014	1,885,000	324,654	2,209,654
2015-2016	855,000	44,730	899,730
Totals	\$ <u>4,215,000</u>	<u>910,148</u>	<u>5,125,148</u>

In November 2004, voters approved \$60,000,000 in Open Space Capital Improvement Fund Bonds. The County has issued \$39,405,000 of these approved bonds in 2005. The bond proceeds will be used to acquire and improve open space. The bonds will be payable from revenue generated from the pledged 0.10% sales and use tax imposed on January 1, 2005, the open space surplus account and the general fund, if necessary.

**BOULDER COUNTY, COLORADO**

Notes to Basic Financial Statements

December 31, 2004

**Certificates of Participation**

During December 2004, the County issued \$9,355,000 in certificates of participation for building a County Fleet Maintenance Facility. The certificates impose no economic compulsion upon the County and the Board of County Commissioners must appropriate the debt payments annually. The lease payments are payable from highway user and specific ownership taxes, with 63.00% of the payments being budgeted in the road fund and 37.00% in the capital expenditure fund. The certificates of participation mature annually beginning in 2006 with final payment in 2016. Upon final payment, the County will take possession of the property. Interest at rates from 3.00% to 3.90% is payable semiannually. Debt service to maturity is as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year ending December 31:			
2005	\$ —	293,236	293,236
2006	730,000	319,894	1,049,894
2007	750,000	297,994	1,047,994
2008	765,000	275,493	1,040,493
2009	785,000	252,544	1,037,544
2010-2014	4,350,000	850,869	5,200,869
2015-2016	1,975,000	115,250	2,090,250
Totals	\$ <u>9,355,000</u>	<u>2,405,280</u>	<u>11,760,280</u>

**(b) Business-Type Activities**

A summary of Boulder County Housing Authority's long-term debt for notes and mortgages payable for the year ended December 31, 2004 is as follows:

	<u>Beginning balance, January 1, 2004</u>	<u>Issued 2004</u>	<u>Principal retired 2004</u>	<u>Ending balance, December 31, 2004</u>	<u>Interest rate</u>
Prime Haven Rural Development	\$ 228,118	—	1,016	227,102	9.00
Powell – Horizon	1,394,907	—	258,907	1,136,000	prime, floor of 5.75%
Casa Vista Rural Development	29,535	—	1,278	28,257	1.00
Casa Vista – CHFA	51,580	—	4,331	47,249	1.00
Casa Esperanza Rural Development	332,302	—	13,021	319,281	1.00
Casa Esperanza Rural Development	72,790	—	2,852	69,938	5.00
Casa Esperanza – Compass	110,459	—	110,459	—	1.00
EG Property Community First	83,355	—	83,355	—	prime, less 2%
EG Property Community First	143,434	—	143,434	—	prime, less 2%
EG Property Tom Davidson	194,398	—	194,398	—	5.00
EG Property Mariposa Properties	216,000	—	216,000	—	6.75
EG Property FHLB Forgivable Loan	16,000	—	2,667	13,333	—

**BOULDER COUNTY, COLORADO**

Notes to Basic Financial Statements

December 31, 2004

	<b>Beginning balance, January 1, 2004</b>	<b>Issued 2004</b>	<b>Principal retired 2004</b>	<b>Ending balance, December 31, 2004</b>	<b>Interest rate</b>
Mariposa Properties	\$ 136,000	—	136,000	—	6.75
Mariposa Properties	136,000	—	136,000	—	6.75
Mariposa Properties	136,000	—	136,000	—	6.75
Mariposa FHLB Forgivable Loan	36,667	—	3,333	33,334	—
Mariposa Community First	180,659	—	180,659	—	prime, less 2%
Mariposa Terry Anderson	220,000	—	220,000	—	6.50
Mariposa Terry Anderson	220,000	—	220,000	—	6.50
Mercy Wells Fargo	331,420	—	331,420	—	6.00
Mercy	200,000	—	200,000	—	4.00
Mercy FHLB Forgivable Loan	35,100	—	3,900	31,200	—
Mercy Wells Fargo	89,635	—	89,635	—	6.75
Meadows Horizon	611,093	—	611,093	—	prime, floor of 5.75%
Layfayette Affordable Wells Fargo	232,447	—	232,447	—	5.75
Layfayette Affordable FHLB Forgivable	16,000	—	2,667	13,333	—
Layfayette Affordable Community 1st	218,605	—	218,605	—	prime, less 2%
Layfayette Affordable Community 1st	217,180	—	217,180	—	prime, less 2%
Layfayette Affordable Community 1st	219,445	—	219,445	—	6.75
Layfayette Affordable Wells Fargo	197,773	—	197,773	—	5.75
Terry (Summer) Compass	495,065	—	10,000	485,065	6.70
Beaver Creek (Nederland) Jack Bloss	640,000	—	640,000	—	6.75
Beaver Creek (Nederland) Com 1st	49,474	—	49,474	—	1.00
503-515 Geneseo Westar	584,077	—	584,077	—	5.25
505 Geneseo Community 1st	319,533	—	319,533	—	prime, less 2%
517 Geneseo Community 1st	152,558	—	152,558	—	prime, less 1%
517 Geneseo Carlson	167,642	—	167,642	—	4.50
Longmont Village Community 1st	609,869	—	609,869	—	prime, less 1%
Longmont Village Community 1st	309,934	—	309,934	—	prime, less 1%
Longmont Village Community 1st	131,390	—	131,390	—	prime, less 1%
Longmont Village City of Longmont	—	128,464	—	128,464	—
Longmont Village 11th Ave Invest	225,000	—	225,000	—	4.50
Eagle Place FHLB Forgivable Loan	36,000	—	4,000	32,000	—
Regal Ct 1 FHLB Forgivable Loan	100,000	—	10,000	90,000	—
Vehicles Wells Fargo	9,683	—	9,683	—	8.50
Vehicles Wells Fargo	7,377	—	7,377	—	8.50
Total notes and mortgages	<u>10,144,504</u>	<u>128,464</u>	<u>7,618,412</u>	<u>2,654,556</u>	
Bonds payable:					
Housing revenue bonds 1998	4,795,000	—	110,000	4,685,000	variable, 1.5% current
Housing revenue bonds 2004	—	10,410,000	65,000	10,345,000	variable, 1.5% current
Deferred loss on debt	—	(108,000)	(21,600)	(86,400)	
Total bonds payable	<u>4,795,000</u>	<u>10,302,000</u>	<u>153,400</u>	<u>14,943,600</u>	
Totals	<u>\$ 14,939,504</u>	<u>10,430,464</u>	<u>7,771,812</u>	<u>17,598,156</u>	

**BOULDER COUNTY, COLORADO**

Notes to Basic Financial Statements

December 31, 2004

In 2004, interest paid on notes, mortgages, and bonds by the Housing Authority totals \$820,826.

Future principal and interest payments and maturities for the Authority's notes and mortgages payable subsequent to December 31, 2004 are as follows:

	<u>Principal</u>	<u>Interest</u>
2005	\$ 1,667,008	61,081
2006	46,258	28,578
2007	46,585	26,891
2008	46,923	26,552
2009	175,604	26,198
2010-2014	216,460	112,273
2015-2019	123,490	100,685
2020-2024	128,300	86,231
2025-2029	75,699	67,589
2030-2034	63,076	44,153
2035-2039	65,153	10,911
Total	\$ <u>2,654,556</u>	<u>591,142</u>

The Housing Authority of the County of Boulder has issued \$5,280,000 in Mortgage Revenue Bonds, Series 1998. The proceeds of the bonds were used to refinance 125 housing units located throughout Boulder County. The bonds are payable from operating revenues generated by the housing units. The bonds mature annually beginning in 1999 with final payment in 2028. Interest is payable semiannually. Debt service to maturity is as follows:

	<u>Principal</u>	<u>Interest</u>
2005	\$ 115,000	217,054
2006	120,000	212,454
2007	120,000	207,594
2008	125,000	202,614
2009	130,000	197,364
2010-2014	760,000	894,231
2015-2019	945,000	702,465
2020-2024	1,195,000	454,575
2025-2028	1,175,000	142,738
Total	\$ <u>4,685,000</u>	<u>3,231,089</u>

**BOULDER COUNTY, COLORADO**

Notes to Basic Financial Statements

December 31, 2004

The Housing Authority of the County of Boulder has issued \$10,410,000 in Housing Revenue Bonds, Series 2004. The proceeds are to be used to refinance and rehabilitate 106 housing units located throughout Boulder County. The bonds are payable from operating revenues generated by the housing units. The bonds mature annually beginning in 2004 with final payment in 2034. Interest at rates from 1.50% to 5.25% is payable semiannually. Debt service to maturity is as follows:

	<u>Principal</u>	<u>Interest</u>
2005	\$ 165,000	487,653
2006	170,000	484,353
2007	175,000	480,443
2008	175,000	475,718
2009	185,000	470,468
2010-2014	1,015,000	2,250,230
2015-2019	1,270,000	2,020,553
2020-2024	1,635,000	1,693,082
2025-2029	2,115,000	1,241,042
2030-2034	<u>3,440,000</u>	<u>628,703</u>
Total	<u>\$ 10,345,000</u>	<u>10,232,241</u>

The 2004 Housing Revenue bond covenants dictate that the Housing Authority will promptly pay debt service solely from the project revenues of the 106 housing units refinanced in the bond. A rehabilitation and extraordinary maintenance fund was set up to service the properties in the 2004 bond in the amount of \$1,114,000. The Housing Authority pledged \$200,000 from its operating reserves to be held in the bond trust to cover unexpected shortfalls from the project operating revenues to meet the debt service of the bond. Boulder County entered into a moral obligation to enhance the status of the 2004 bond, which resulted in the AAA rated bonds.

**BOULDER COUNTY, COLORADO**

Notes to Basic Financial Statements

December 31, 2004

**(11) Interfund Transactions**

*(a) Due to/Due from*

The County reports interfund balances between its funds. The nonmajor interfund balances are reported in aggregate. The sum of all balances presented in the table agree with the sum of interfund balances reported in the balance sheet and statement of net assets for governmental and proprietary funds, respectively. All balances result from the time lag between the dates that (1) interfund goods or services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. Interfund balances are expected to be repaid within one year of the financial statement date.

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Nonmajor Governmental Funds	\$ 686,703
	Open Space Capital Improvement	
	Bond Series 1994, 2000, and 2001	434
	Resource Conservation	45,174
	Housing Authority	473,287
	Internal Service Fund	1,218
	Social Services Fund	448,492
	<u>1,655,308</u>	

**BOULDER COUNTY, COLORADO**

Notes to Basic Financial Statements

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<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Open Space Capital Improvement	General Fund	\$ 88,055
	Nonmajor Governmental Funds	4,770
	Internal Service Fund	866
	Resource Conservation	232
		<u>93,923</u>
Nonmajor Governmental Funds	General Fund	425,736
	Nonmajor Governmental Funds	27,116
	Open Space Capital Improvement Bond Series 1994, 2000, and 2001	30
	Housing Authority	84
	Social Services	179,647
		<u>632,613</u>
Social Services	Nonmajor Governmental Funds	<u>100,000</u>
Resource Conservation	General Fund	7,273
	Nonmajor Governmental Funds	3,526
		<u>10,799</u>
Internal Service	General Fund	14,364
	Social Services	130,658
	Nonmajor Governmental Funds	14,057
		<u>159,079</u>
Total		<u>\$ 2,651,722</u>

**(b) Interfund Transfers**

Transfers are used to move revenues, capital projects, debt service, and subsidies of various County programs in accordance with approved budgets and for the reallocation of certain special revenues. The following is a schedule of the County interfund transfers:

<u>Payable Fund (Transfers Out)</u>	<u>Receivable Fund (Transfers In)</u>	<u>Amount</u>
General Fund	Internal Service Fund	\$ 1,670,000
	Housing Authority	684,572
	Resource Conservation	2,358
	Nonmajor Governmental Funds	7,033,366
		<u>9,390,296</u>

**BOULDER COUNTY, COLORADO**

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<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Open Space Capital Improvement Bond Series 1994, 2000, and 2001	Nonmajor Governmental Funds	\$ 2,835,940
Nonmajor Governmental Funds	General Fund	326,784
	Social Services Fund	1,310,512
	Housing Authority	5,000
	Resource Conservation	3,526
	Nonmajor Governmental Funds	6,028
		<u>1,651,850</u>
Total		\$ <u>13,878,086</u>

**(c) Due from Component Unit**

Due from Public Health, the discretely presented component unit, totals \$203,403 on the County's government-wide statement of net assets, while Public Health reports due to primary government of \$6,746. The variance of \$196,657 represents payments in transit from Public Health to County.

**(d) Due From Other Governmental Units**

The Northwest Parkway Authority will contribute \$3,000,000 under the agreement with the County for open space that has already been acquired within the plan area. The amount will be paid on or before December 31, 2008; therefore, the amount has been deferred.

	<u>Governmental activities</u>	<u>Business – type activities</u>	<u>Total primary government</u>	<u>Component unit</u>
Grants	\$ 3,145,360	—	3,145,360	10,107
Intergovernmental agreements and others	8,501,393	24,720	8,526,113	696,239
Total	\$ <u>11,646,753</u>	<u>24,720</u>	<u>11,671,473</u>	<u>706,346</u>

**(12) Fund Balances – Reserved**

In November 1992, the voters of Colorado approved an amendment to Article X, Section 20 of the State Constitution. A part of the amendment requires each governmental entity to establish an "Emergency Reserve" equal to 3% of fiscal year expenditures. In December 1992, the Boulder County Board of Commissioners passed a resolution which designated the fund balance in the Contingency Fund as the County's Emergency Reserve. Additional reserves required throughout the years are designated in the general fund. At December 31, 2004, the balance in the emergency reserve in the special revenue contingency fund was \$2,706,085 and in the General Fund was \$610,157, totaling \$3,316,242 for the primary government. The emergency reserve for Public Health, component unit, was \$35,553. Additional amounts will be added as required.

## BOULDER COUNTY, COLORADO

### Notes to Basic Financial Statements

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In 1992, a reservation for escrow fees was created in both the general and road and bridge funds. The escrow fees are development permit fees which have been accumulating over a period of time and were recorded as revenue for the first time in 1992. The revenue is reflected in each of the applicable funds under the category licenses and permits. The fees will be reserved until such a time as they are utilized for the purpose for which they are collected. The fees collected are recorded as restricted cash in the general fund with an interfund payable due to the special revenue fund and a corresponding interfund receivable in the special revenue fund.

#### **(13) Conduit Debt**

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

Revenue bond financing, as authorized by this Act, does not constitute the pledging of credit for a private corporation and does not subject the County to the debt, contract, or liability of a private corporation. Neither the County, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reflected in the records or basic financial statements of the County.

There are five series of Industrial Revenue Bonds (IRB) outstanding and five series of Single Family Mortgage Revenue Bonds. The aggregate principal amount payable for the five series of IRBs and the five series of Single Family Mortgage Revenue Bonds issued before January 1996 could not be determined; however, their original issue amounts totaled \$48,607,731 and \$66,225,000, respectively. The aggregate principal amount payable for the IRB series issued after January 1, 1996 is \$180,680,320. The aggregate principal amount payable for Mortgage Revenue Bonds series issued after January 1, 1996 was \$29,751,000.

The County has issued four Local Improvement District Bonds. The bonds are payable from revenue generated by special tax assessments imposed against the benefited properties located within the districts. The bonds do not constitute a debt or indebtedness of the County and shall not be considered or held to be a general obligation of the County. Details are as follows:

Palo Park Local Improvement District Bonds were issued in April 1997 in the amount of \$100,000. They were issued for the purpose of grading, paving, and constructing curb, gutter, and sidewalk improvements. The bonds mature annually beginning in 1997. Interest at 6.00% was payable semiannually. There was a special provision in the bond documents that allowed for the prepayment of principal, if sufficient assessments had been collected. The County used that provision to its advantage and has paid off the bonds in 2004, rather than 2007 as dictated by the bond schedule.

Valley Lane Local Improvement District Bonds were issued in April 1997 in the amount of \$105,000. They were issued for the purpose of grading, paving, and constructing curb, gutter, and sidewalk improvements. The bonds mature annually beginning in 1997. Interest at 6.50% was payable semiannually. There was a special provision in the bond documents that allowed for the

## BOULDER COUNTY, COLORADO

### Notes to Basic Financial Statements

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prepayment of principal, if sufficient assessments had been collected. The County used that provision and has paid off the bonds in 2004, rather than 2007 as dictated by the bond schedule.

North Cedar Brook Local Improvement District Bonds were issued in April 2000 in the amount of \$110,000. They were issued for the purpose of rehabilitating existing roads, paving, and drainage. The bonds mature annually beginning in 2000 with final payment in 2009. Interest at 6.00% is payable semiannually. The County has called in \$50,000 in bonds. Principal debt service to maturity is \$60,000.

Palo Park #3 Local Improvement District Bonds were issued in April 2000 in the amount of \$195,000. They were issued for the purpose of rehabilitating existing street, curb, gutter, and sidewalk improvements, and installing storm drains. The bonds mature annually beginning in 2000 with final payment in 2009. Interest at 6.00% is payable semiannually. Boulder County has called in \$100,000 in bonds. Principal debt service to maturity is \$95,000.

#### **(14) Pension Plan**

Effective April 1, 2004, the County withdrew from the Boulder County Retirement Savings Plan (BCRSP) and joined the Public Employees' Retirement Association of Colorado (PERA). The BCRSP member contributions from the County for the period ended March 31, 2004 were \$977,546.

##### **(a) *Defined Benefit Pension Plan***

The County contributes to the Municipal Division Trust Fund (MDTF), a cost-sharing multiple-employer defined benefit pension plan administered by PERA. The MDTF provides retirement and disability, annual increases, and death benefits for members or their beneficiaries. All employees of the County are members of the MDTF. Title 24, Article 51 of the Colorado Revised Statutes (CRS), as amended, assigns the authority to establish benefit provisions to the State Legislature. PERA issues a publicly available annual financial report that includes financial statements and required supplementary information for the MDTF. That report may be obtained by writing to Colorado PERA, 1300 Logan Street, Denver, Colorado 80203 or by calling PERA at 303-832-9550 or 1-800-759-PERA (7372).

Plan members and the County are required to contribute to the MDTF at a rate set by statute. The contribution requirements of plan members and the County are established under Title 24, Article 51, Part 4 of the CRS, as amended. The contribution rate for members is 8.00% and for the County it is 10.00% of covered salary. Beginning with payroll periods ending on or after January 1, 2001 and before June 1, 2004, the employer contributions paid to the MDTF were reduced by an employer match on members' voluntary contributions to a defined contribution plan. The match, set by the Board of Trustees of PERA, is 100.00% of a member's eligible tax-deferred retirement program contributions limited by a per payroll whole percentage of PERA-includable salary limit (percentage set for January through May 31, 2004 was 1.00%). Any unused defined contribution match money is forwarded to the MDTF. With the passage and signing of Senate Bill 04-132, the employer match was suspended on June 1, 2004. Also, a portion of the County's contribution (1.10% of covered salary April 1, 2004 through June 30, 2004, 1.02% of covered salary July 1, 2004 through December 31, 2004) is allocated for the Health Care Trust Fund (see Note 13b). The County's total contribution to MDTF for the year ended December 31, 2004 was \$12,397,940.

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**(b) *Postemployment Healthcare Benefits***

The County contributes to the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer postemployment healthcare plan administered by PERA. The HCTF provides a healthcare premium subsidy to PERA participating benefit recipients and their eligible beneficiaries. Title 24, Article 51, Part 12 of the CRS, as amended, assigns the authority to establish the HCTF benefit provisions to the State Legislature. PERA issues a publicly available annual financial report that includes financial statements and required supplementary information for the HCTF. That report may be obtained by writing to PERA of Colorado, 1300 Logan Street, Denver, Colorado 80203 or by calling PERA at 303-832-9550 or 1-800-759-PERA (7372). The County is required to contribute, at a rate of 1.10% of covered salary, from April 1, 2004 through June 30, 2004, and 1.02% from July 1, 2004 through December 30, 2004, for all PERA members as set by statute. No member contributions are required. The contribution requirements for the County are established under Title 24, Article 51, Part 4 of the CRS, as amended. The apportionment of the contribution to the HCTF is established under Title 24, Article 51, Section 208 of the CRS, as amended. The County's total contribution to the HCTF is included in the contribution to MDTF, noted above.

**(c) *Defined Contribution Pension Plan***

The MDTF members (see Note 13a) of the County may voluntarily contribute to the Voluntary Investment Program (401(k) Plan), an Internal Revenue Code Section 401(k) defined contribution plan administered by PERA. Plan participation is voluntary, and contributions are separate from others made to PERA. Title 24, Article 51, Part 14 of the CRS, as amended, assigns the authority to establish the 401(k) Plan provisions to the State Legislature.

The 401(k) Plan is funded by voluntary member contributions up to a maximum limit set by the IRS (in 2004, \$13,000; \$16,000 for employees age 50 and older). Beginning January 1, 2001, an employer match was legislated, which would match 100.00% of a member's eligible tax-deferred retirement program contributions limited by 1.00% in 2004 (through May 31, 2004) per payroll of the PERA-includable salary. With the passage and signing of Senate Bill 04-132 the employer match was suspended on June 1, 2004. The contribution requirements for the County are established under Title 24, Article 51, Section 1402 of the Colorado Revised Statutes, as amended. The 401(k) Plan member contributions from the County for the year ended December 31, 2004 were \$1,412,104.

**(15) Risk Management**

The County, including its component units, is self-insured for risks associated with workers' compensation. The County, including its component units, except the Housing Authority, has excess insurance with a high retention for risks associated with property/casualty claims and, therefore, is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disaster. The total liability for the primary government as well as the component units is recorded in the risk management internal service fund. The Housing Authority, enterprise fund, carries commercial insurance for the risk of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The County also maintains a self-funded health and dental plan. The County assumes the risk for the first \$200,000 for each medical claim, the first \$300,000 for each workers' compensation occurrence, the first \$100,000 for each

**BOULDER COUNTY, COLORADO**

Notes to Basic Financial Statements

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property occurrence, and the first \$250,000 for each liability occurrence. Third-party insurance is purchased to protect the County above these amounts.

The County established a risk management fund (an internal service fund) to account for and finance all uninsured risks of loss. With the implementation of GASB No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, liabilities of the risk management fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR). Claims liabilities are calculated considering the effects of inflation, recent claims settlement trends including frequency and amount of payouts, and other economic and social factors.

Changes in the balances of claims liabilities for each of the past two years are as follows:

	<u>2004</u>	<u>2003</u>
Unpaid claims, beginning of year	\$ 4,334,749	3,897,152
Incurred claims (including IBNRs)	11,277,183	13,445,811
Claim payments	<u>(11,824,613)</u>	<u>(13,008,214)</u>
Unpaid claims, end of year	<u>\$ 3,787,319</u>	<u>4,334,749</u>

There has been no significant reduction in insurance coverage from the prior year. There have been no settlements exceeding insurance coverage during the last three years, with the exception of settlements paid in 2003 in the amount of \$280,000 in excess of the County's insurance coverage.

**(16) Commitments and Contingent Liabilities**

**(a) Risk Management**

All funds of the County participate in the program and make payments to the risk management fund based on estimates of the amounts needed to pay prior and current year claims and to establish a reserve for catastrophic losses.

**(b) Litigation**

Boulder County is a defendant in several lawsuits, including various claims related to activities or employees of the County. The County believes that final settlement of these matters not covered by insurance will not have a material effect on its financial condition or results of operations.

In December 2000, the County acquired property for open space purposes that is possibly contaminated with hazardous substances. Disposal or placement of hazardous substances would have occurred before the County's acquisition. The Environmental Protection Agency (EPA), pursuant to the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), may require cleanup of the contamination on the site. Any liability beyond a de minimis landowner settlement negotiated with the EPA would be aggressively litigated.

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**(c) Purchase Options**

The County leases areas of open space land, separated into parcels upon which purchase options may be exercised annually. The continuance of each option is contingent upon the annual exercise of each available option in succession. Further details of each lease are as follows:

	<u><b>Autrey property</b></u>	<u><b>Trevarton Lillian property</b></u>	<u><b>Parish property</b></u>	<u><b>Cemex Dowe Flats property</b></u>
Total acreage	237.32	2,006.43	250.08	1,604.00
Number of parcels	10	1	2	2
Total options	\$ 1,048,388	2,415,927	4,151,250	7,000,000
Options exercised through December 31, 2004	<u>1,048,388</u>	<u>996,656</u>	<u>3,696,750</u>	<u>700,000</u>
Remaining options	\$ <u>—</u>	<u>1,419,271</u>	<u>454,500</u>	<u>6,300,000</u>
	<u><b>Billings property</b></u>	<u><b>Peck property</b></u>	<u><b>Almquist property</b></u>	<u><b>Caribou Ranch property 1</b></u>
Total acreage	326.32	45.29	219.10	2,640.00
Number of parcels	8	2	11	5
Total options	\$ 1,123,019	611,856	891,793	14,887,727
Options exercised through December 31, 2004	<u>745,282</u>	<u>229,807</u>	<u>675,264</u>	<u>14,887,727</u>
Remaining options	\$ <u>377,737</u>	<u>382,049</u>	<u>216,529</u>	<u>—</u>
	<u><b>Macy property</b></u>	<u><b>Golden Fredstrom property</b></u>	<u><b>Meglemre property</b></u>	<u><b>Cline property</b></u>
Total acreage	175	147	145.63	179.25
Number of parcels	6	1	3	1
Total options	\$ 5,980,650	1,150,000	1,462,199	1,050,000
Options exercised through December 31, 2004	<u>2,278,450</u>	<u>225,100</u>	<u>1,462,199</u>	<u>90,000</u>
Remaining options	\$ <u>3,702,200</u>	<u>924,900</u>	<u>—</u>	<u>960,000</u>

**BOULDER COUNTY, COLORADO**

Notes to Basic Financial Statements

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	<u>Cal-Wood property</u>	<u>Stromquist Farms property</u>	<u>Zimdahl property</u>
Total acreage	974.00	222.58	77.20
Number of parcels	3	2	1
Total options	\$ 1,600,000	1,112,911	1,202,351
Options exercised through December 31, 2004	<u>1,320,000</u>	<u>751,738</u>	<u>27,746</u>
Remaining options	<u>\$ 280,000</u>	<u>361,173</u>	<u>1,174,605</u>

For properties not yet purchased, the County pays an annual rental per acre plus assessed property taxes.

**(d) Legal Debt Margin**

Per Colorado Revised Statutes Section 30-26-301(3), the County's aggregate amount of indebtedness for general obligation bonds shall not exceed 3.00% of the actual value, as determined by the assessor, of the taxable property in the County. As of December 31, 2004, the debt capacity was \$1,149,910,379. The County does not currently have debt subject to this limitation.

**(e) Construction Contracts**

As of December 31, 2004, the County has construction commitments outstanding with various contractors of approximately \$1,098,000.

**(f) Grants**

Under terms of federal and state grants, periodic audits are required and certain costs may be questioned as not being appropriate expenditures under the terms of the grants. Such audits could lead to reimbursement to the grantor agencies. County management believes disallowances, if any, would be immaterial to the County as a whole.

On March 9, 2005, the office of the HUD Office of the Inspector General (OIG) issued an audit report that covered the 2002 and 2003 fiscal years for the Housing Authority. In the report, the OIG recommended to the Denver Office of Public Housing that they require the Housing Authority to repay \$433,139 of ineligible costs from non-federal funds to the appropriate HUD-funded programs. It also recommended that the Housing Authority provide documentation supporting \$123,784 in unsupported costs or repay this amount to the appropriate HUD-funded programs. These two recommendations do not have a management decision from the Denver Office of Public Housing as of the date of this report. It has not been determined if these amounts should be repaid to the Housing Authority's HUD-funded programs and are not recorded as a liability for the Housing Authority.

## BOULDER COUNTY, COLORADO

### Notes to Basic Financial Statements

December 31, 2004

#### (17) Revenue and Expenditure Limitations

The 1992 amendment to Article X, Section 20 of the State Constitution, the Taxpayer's Bill of Rights (TABOR), limits the revenue raising and spending abilities of the State and local governments, effective December 31, 1992. It prohibits any increase in the mil levy without a vote of the citizens, requires any revenue collected in excess of the fiscal year spending limit to be refunded in the following year, and requires the establishment of an "emergency reserve" equal to 3% of fiscal year expenditures. See note 12, Fund Balance – Reserved, for further discussion.

In 1997, the County voters approved two ballot issues related to the amendment. The first requested that \$461,306 in grants from the State, other governments, and nonprofit organizations received and expended in 1996 be exempt from the amendment's revenue and spending limitations. The second requested that grants from the State, other governments, and nonprofit organizations received and expended in 1997 and future years be exempt from the amendment's revenue and spending limitations.

In 2000, the County voters approved additional exemptions of certain kinds of revenues. The exempted revenues include interest earnings on fund balances, fees paid for contracted Sheriff's services, fees paid pursuant to contracts for public services and public capital facilities, payment of fines, and employee contributions to the County health and dental benefit plans. The change was effective in 2000 and each subsequent year without further voter approval.

Based upon its interpretation of the TABOR Amendment, the County has exceeded its revenue and spending limits for 2003. In any year when the limits are exceeded, the excess will be handled in accordance with the provisions of the Amendment. In 2003, the County recorded a liability of \$2,550,947 for the excess and reduced property tax revenue accordingly. In 2005, the County will issue a TABOR refund of \$2,550,947 to property taxpayers.

Boulder County ballot issue #1C passed on November 2, 2004. The successful passage of this issue results in the following:

- (1) TABOR 2004 Property Tax Limit: Regardless of the amount of the 2004 property tax collections and the relationship to the 2004 TABOR property tax limit, the County is authorized to retain all property tax revenues up to \$4,700,000 that would otherwise be a liability to refund in 2006. The 2005 TABOR property tax base, established for the purposes of measuring property tax TABOR compliance for 2005, is reset to the amount of actual collections in 2004, up to \$4,700,000 above the TABOR limit.
- (2) TABOR 2004 Revenue Limit: Regardless of the amount of revenues collected that are not exempt from TABOR compliance, which equal the Fiscal Year Spending Limit for 2004, the County is authorized to retain all such revenues up to \$4,700,000 that would otherwise be a liability to refund in 2006. The 2005 TABOR Fiscal Year Spending Limit, established for the purposes of measuring TABOR compliance, and the base for calculating the TABOR reserve for 2004, is reset to the total of the actual collection of revenues that are not exempted from TABOR compliance tests by ballot or exclusion in Amendment One of the Colorado Constitution, plus \$4,700,000.

**BOULDER COUNTY, COLORADO**

Notes to Basic Financial Statements

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- (3) The County is not exempt from any mil levy limitation. In 2004, the County levied 20.088 mils for the purpose of collecting property tax. The mil levy limit is 23.745. The County is therefore in compliance with this provision of the TABOR amendment.

**(18) Schedule of EBT Authorizations, Warrant Expenditures, and Total Expenditures**

<u>Program</u>	<u>(A) County EBT authorizations</u>	<u>(B) County share of authorizations</u>	<u>(C) Expenditures by County warrant</u>	<u>(D) County EBT authorizations plus expenditures by County warrant (A + C)</u>	<u>(E) Total expenditures (B + C)</u>
Low income energy assistance program	\$ 807,237	—	—	807,237	—
CBMS Assistance Payment Programs	6,033,040	568,151	—	6,033,040	568,151
Regular administration	4,740	—	16,281,232	16,285,972	16,281,232
CWEST/Child welfare	4,259,410	754,743	282,701	4,542,111	1,037,444
Core services	1,117,161	131,146	257,517	1,374,678	388,663
IV-D administration	—	—	1,237,990	1,237,990	1,237,990
CHATS/Child care	3,365,463	321,578	—	3,365,463	321,578
General assistance	—	—	29,900	29,900	29,900
Miscellaneous	—	—	—	—	—
Subtotal	<u>15,587,051</u>	<u>1,775,618</u>	<u>18,089,340</u>	<u>33,676,391</u>	<u>19,864,958</u>
Food assistance	<u>9,837,460</u>	—	—	<u>9,837,460</u>	—
Grand total	<u>\$ 25,424,511</u>	<u>1,775,618</u>	<u>18,089,340</u>	<u>43,513,851</u>	<u>19,864,958</u>

- A. County EBT Authorizations – welfare payments authorized by the Boulder County Department of Social Services. These County authorizations are paid by the Colorado Department of Human Services by QUEST debit card or by electronic funds transfer (EBT).

## BOULDER COUNTY, COLORADO

### Notes to Basic Financial Statements

December 31, 2004

- B. County Share of Authorizations – the County’s share of EBT authorizations. These amounts are settled monthly by a reduction of State cash advances to the County.
- C. Expenditures made by County Warrant – expenditures made by County warrants or other County payment methods.
- D. County EBT Authorizations plus Expenditures by County Warrant – the total cost of the welfare programs that are administered by Boulder County.
- E. Total Expenditures – the grand total equals the expenditures presented on the government funds’ statement of revenues, expenditures, and changes in fund balance, Social Services fund.

#### (19) Subsequent Events

##### (a) *Revenue Bond Issuance*

In March 2005, the County issued \$39,405,000 in open space revenue bonds. The bonds were issued with a premium of \$2,429,658. The bond proceeds will be used to purchase and improve open space properties. The bonds are payable from revenue generated from the pledged 0.10% sales tax imposed January 1, 2005. The bonds mature annually beginning in 2014, with final payment in 2025. Interest with a coupon rate of 5.00% is payable semiannually.

##### (b) *Local Improvement District*

In August 2003, the Board of County Commissioners created the Boulder County Eldorado Springs Local Improvement District for funding a community wastewater collection and treatment system through special assessments imposed on benefited properties located within the district. In November 2004, the registered electors of the district passed a ballot issue to increase indebtedness with a maximum repayment cost of \$3,164,899.

##### (c) *Housing Authority Property Sale*

On February 8, 2005, Boulder County Housing Authority sold one unit of the Powell commercial building at a loss of \$306,371. On March 30, 2005 a second unit of the Powell commercial building was sold at a loss of \$147,548. With the sale of these two units, the mortgage payable to Horizon’s Bank in the amount of \$1,136,000 was paid in full. The Authority still owns one commercial unit in the Powell property.

**REQUIRED SUPPLEMENTARY INFORMATION**

**BOULDER COUNTY, COLORADO**

Required Supplementary Information  
Budgetary Comparison Schedule  
General Fund

Year ended December 31, 2004

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	<u>Favorable (unfavorable) variance</u>
Revenues:				
Taxes:				
Property	\$ 70,757,102	71,322,502	71,270,017	(52,485)
Specific ownership	1,341,556	1,400,699	1,438,182	37,483
Total	<u>72,098,658</u>	<u>72,723,201</u>	<u>72,708,199</u>	<u>(15,002)</u>
Licenses, fees, and permits:				
Business	7,000	7,000	8,104	1,104
Nonbusiness	476,903	808,794	810,754	1,960
Total	<u>483,903</u>	<u>815,794</u>	<u>818,858</u>	<u>3,064</u>
Interest on investments	<u>1,000,000</u>	<u>1,000,000</u>	<u>415,514</u>	<u>(584,486)</u>
Intergovernmental:				
Federal grants	27,960	—	—	—
Federal shared revenue	116,000	184,454	247,821	63,367
State grants	2,400	2,400	2,400	—
State shared revenue	128,980	148,834	1,345,452	1,196,618
Other governmental units	3,919,525	2,553,728	2,710,110	156,382
Total	<u>4,194,865</u>	<u>2,889,416</u>	<u>4,305,783</u>	<u>1,416,367</u>
Charges for services:				
Motor vehicle fees – clerk	2,042,349	1,918,472	1,949,066	30,594
Recording fees – clerk	4,476,355	3,272,598	3,036,244	(236,354)
Treasurer fees	1,410,000	1,500,000	1,379,399	(120,601)
Other fees	1,858,635	1,979,593	2,386,790	407,197
Telecommunications	637,943	562,288	598,743	36,455
Parks charges	220,000	173,000	188,545	15,545
Sheriff charges	1,458,116	1,096,409	1,442,925	346,516
Miscellaneous	357,048	432,999	646,493	213,494
Total	<u>12,460,446</u>	<u>10,935,359</u>	<u>11,628,205</u>	<u>692,846</u>
Fines and forfeitures	<u>323,620</u>	<u>309,513</u>	<u>306,477</u>	<u>(3,036)</u>
Other revenue:				
Building rental	651,570	286,409	294,869	8,460
Open space rental	470,000	360,000	792,101	432,101
Grant revenue – other	—	—	—	—
Miscellaneous	247,810	663,893	827,639	163,746
Total	<u>1,369,380</u>	<u>1,310,302</u>	<u>1,914,609</u>	<u>604,307</u>
Total revenues	<u>91,930,872</u>	<u>89,983,585</u>	<u>92,097,645</u>	<u>2,114,060</u>

**BOULDER COUNTY, COLORADO**

Required Supplementary Information  
Budgetary Comparison Schedule  
General Fund

Year ended December 31, 2004

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	<u>Favorable (unfavorable) variance</u>
Expenditures:				
General government:				
Administrative services:				
Personnel services	\$ 7,210,933	7,238,877	7,120,830	118,047
Operating	2,501,953	2,578,814	2,526,036	52,778
Organizational administration:				
Combined	10,054,184	10,070,187	9,692,425	377,762
Assessor:				
Personnel services	2,339,372	2,339,372	2,339,306	66
Operating	244,826	244,826	244,610	216
Building utilities:				
Operating	1,127,971	1,248,407	1,248,407	—
County attorney:				
Personnel services	1,674,443	1,680,946	1,680,946	—
Operating	189,993	194,952	193,335	1,617
County commissioners:				
Personnel services	1,166,102	1,166,102	1,165,268	834
Operating	215,224	215,224	212,634	2,590
County surveyor:				
Operating	2,000	2,000	2,000	—
Clerk and recorder:				
Personnel services	3,088,987	3,226,737	3,226,662	75
Operating	968,981	1,022,374	894,665	127,709
General administration:				
Operating	6,228,788	8,046,652	6,950,183	1,096,469
Land use:				
Personnel services	2,156,494	2,162,494	2,162,331	163
Operating	890,042	977,219	713,866	263,353
Telecommunications:				
Personnel services	375,311	375,311	330,065	45,246
Operating	821,429	835,316	767,068	68,248
Treasurer:				
Personnel services	579,301	579,301	578,793	508
Operating	168,358	168,358	168,321	37
District attorney:				
Personnel services	3,444,221	3,444,221	3,410,098	34,123
Operating	218,495	234,495	204,263	30,232
Total	<u>45,667,408</u>	<u>48,052,185</u>	<u>45,832,112</u>	<u>2,220,073</u>
Conservation:				
Parks and open space:				
Personnel services	3,831,438	3,831,438	3,831,029	409
Operating	1,985,674	5,176,154	4,612,514	563,640
Coal Creek/Rock Creek:				
Operating	44,050	186,743	22,908	163,835
Total	<u>5,861,162</u>	<u>9,194,335</u>	<u>8,466,451</u>	<u>727,884</u>
Urban Redevelopment/Housing:				
Housing management:				
Personnel services	1,227,431	1,227,431	—	1,227,431
Operating	41,222	41,222	—	41,222
Total	<u>1,268,653</u>	<u>1,268,653</u>	<u>—</u>	<u>1,268,653</u>

**BOULDER COUNTY, COLORADO**

Required Supplementary Information  
Budgetary Comparison Schedule  
General Fund

Year ended December 31, 2004

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	<u>Favorable (unfavorable) variance</u>
Public safety:				
Community services:				
Personnel services	\$ 3,746,449	3,689,388	3,628,101	61,287
Operating	413,586	608,489	580,616	27,873
County coroner:				
Personnel services	294,648	294,648	294,404	244
Operating	247,927	247,927	227,209	20,718
Sheriff:				
Personnel services	16,085,399	16,131,096	16,128,660	2,436
Operating	2,977,721	3,326,075	3,260,079	65,996
Sheriff – communication center:				
Personnel services	1,856,414	1,856,414	1,852,154	4,260
Operating	313,296	313,296	214,517	98,779
Total	<u>25,935,440</u>	<u>26,467,333</u>	<u>26,185,740</u>	<u>281,593</u>
Economic development:				
Nonprofit payments:				
Operating	<u>2,413,987</u>	<u>2,557,737</u>	<u>2,528,987</u>	<u>28,750</u>
Highways and streets:				
Transportation:				
Personnel services	1,138,595	1,173,595	1,173,535	60
Operating	<u>103,736</u>	<u>253,040</u>	<u>138,770</u>	<u>114,270</u>
Total	<u>1,242,331</u>	<u>1,426,635</u>	<u>1,312,305</u>	<u>114,330</u>
Health and welfare:				
Public Health:				
Personnel services	<u>4,528,797</u>	<u>4,577,162</u>	<u>4,577,162</u>	<u>—</u>
Total	<u>4,528,797</u>	<u>4,577,162</u>	<u>4,577,162</u>	<u>—</u>
Total expenditures	<u>86,917,778</u>	<u>93,544,040</u>	<u>88,902,757</u>	<u>4,641,283</u>
Excess (deficiency) of revenues over expenditures	<u>5,013,094</u>	<u>(3,560,455)</u>	<u>3,194,888</u>	<u>6,755,343</u>
Other financing sources (uses):				
Proceeds from sale of capital assets	30,000	258,020	516,530	258,510
Transfers in	58,000	288,088	326,784	38,696
Transfers out	<u>(4,179,100)</u>	<u>(4,606,615)</u>	<u>(9,390,296)</u>	<u>(4,783,681)</u>
Total other financing uses	<u>(4,091,100)</u>	<u>(4,060,507)</u>	<u>(8,546,982)</u>	<u>(4,486,475)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ 921,994</u>	<u>(7,620,962)</u>	<u>(5,352,094)</u>	<u>2,268,868</u>
Fund balance, beginning of year			<u>23,321,789</u>	
Fund balance, end of year			<u>\$ 17,969,695</u>	

See accompanying independent auditors' report.

**BOULDER COUNTY, COLORADO**

Required Supplementary Information  
Special Revenue – Social Services Fund  
Budgetary Comparison Schedule

Year ended December 31, 2004

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	<u>Favorable (unfavorable) variance</u>
Revenue:				
Taxes:				
Property	\$ 3,408,741	3,408,741	3,429,261	20,520
Specific ownership	272,266	272,266	268,750	(3,516)
Total	<u>3,681,007</u>	<u>3,681,007</u>	<u>3,698,011</u>	<u>17,004</u>
Intergovernmental	14,270,694	14,270,694	13,091,873	(1,178,821)
Changes for service and other	—	—	143,278	143,278
Total revenue	<u>17,951,701</u>	<u>17,951,701</u>	<u>16,933,162</u>	<u>(1,018,539)</u>
Expenditures:				
Health and welfare:				
Administration salaries, supplies, and other	17,833,877	17,833,877	17,519,222	314,655
Direct assistance:				
Aid to blind	536	536	—	536
Aid to needy disabled	62,680	62,680	75,131	(12,451)
Core services	1,391,967	1,391,967	388,663	1,003,304
Child welfare	1,097,972	1,097,972	1,037,444	60,528
Day care payments	318,043	318,043	321,578	(3,535)
General assistance	39,163	39,163	29,900	9,263
Old age pensions	7,802	7,802	8,584	(782)
TANF/Colorado works	653,420	653,420	484,436	168,984
Total direct assistance	<u>3,571,583</u>	<u>3,571,583</u>	<u>2,345,736</u>	<u>1,225,847</u>
Total expenditures	<u>21,405,460</u>	<u>21,405,460</u>	<u>19,864,958</u>	<u>1,540,502</u>
Excess (deficiency) of revenue over expenditures	<u>(3,453,759)</u>	<u>(3,453,759)</u>	<u>(2,931,796)</u>	<u>521,963</u>
Other financing sources (uses):				
Transfers in	1,284,879	1,284,879	1,310,512	25,633
Transfers out	—	—	—	—
Total other financing sources	<u>1,284,879</u>	<u>1,284,879</u>	<u>1,310,512</u>	<u>25,633</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ (2,168,880)</u>	<u>(2,168,880)</u>	<u>(1,621,284)</u>	<u>547,596</u>
Fund balance, beginning of year			<u>5,583,242</u>	
Fund balance, end of year			<u>\$ 3,961,958</u>	

See accompanying independent auditors' report.

## BOULDER COUNTY, COLORADO

### Notes to Required Supplementary Information

December 31, 2004

#### **Budgetary Information**

The County budgets on a calendar year, US GAAP basis for all funds except for the Grants and Contingency Funds. The Grants Fund is budgeted on a grant year basis, while the Contingency Fund has no legally adopted budget. The following procedures are used by the County Commissioners in establishing the budgetary data reflected in the required supplementary information:

- (a) The level of budgetary control is established by function and activity within the General Fund, and is established at the fund level for the Special Revenue Funds, the Capital Projects Funds, and the Enterprise Funds.
- (b) On or before August 1, all elected officers and department directors submit preliminary budget data to the Budget Officer.
- (c) On or before August 25, the County Assessor submits assessed valuations and other factors required to compute statutory property tax revenue limits.
- (d) On or before October 15, the Budget Officer submits a balanced budget to the Board of County Commissioners.
- (e) A notice is published and a public hearing is held to obtain taxpayer comments, usually in early October.
- (f) In the event a mil levy is required in excess of the mil levy set in 1992 by Amendment 1 (TABOR), the Board of County Commissioners must have the excess approved by the voters at the November election.
- (g) On or before December 10, the County Assessor submits final assessed valuations to all taxing entities.
- (h) The Board of County Commissioners enacts resolutions approving the budget, appropriating the budget, and setting the mil levies on or before December 15, per Statute 39-1-111, CRS, after which a budgetary report is published.
- (i) Expenditures may not legally exceed the appropriations approved by the Board of County Commissioners. The appropriations are at the level described in (a) above. Administrative control is maintained through the County's accounting system, at the appropriation level. Departmental administrators without approval of the Commissioners may reallocate funds within the appropriation level. Any increase to the adopted budget requires that a supplemental budget request and appropriation change be approved by the Commissioners at a public meeting, without prior published notice of the proposed change. Budgeted and appropriated amounts are as originally adopted and amended by the board of county commissioners throughout the year.
- (j) Once levied, property taxes become an enforceable lien on January 1 of the following year and are payable in two equal installments, on February 28, and June 15. Unpaid taxes become delinquent March 1 and June 16, but the entire balance may be paid by April 30 without penalty.
- (k) All appropriations lapse at each year-end.

## **SUPPLEMENTARY INFORMATION**

**BOULDER COUNTY, COLORADO**

Combining Balance Sheet

Nonmajor Governmental Funds

December 31, 2004

<b>Assets</b>	<b>Special Revenue</b>	<b>Capital Projects</b>	<b>Total</b>
Equity in treasurer's cash and investments	\$ 30,250,520	10,757,585	41,008,105
Restricted cash	8,705,496	3,384,636	12,090,132
Property taxes receivable	14,117,621	4,000,143	18,117,764
Due from other governmental units	3,435,008	3,763	3,438,771
Due from component unit	109,884	—	109,884
Interest receivable	108,985	872	109,857
County goods and services receivable	350,219	5,658	355,877
Due from other funds	601,552	31,061	632,613
Prepaid items	93,432	—	93,432
Inventory	47,074	—	47,074
	<u>\$ 57,819,791</u>	<u>18,183,718</u>	<u>76,003,509</u>
<b>Liabilities and Fund Balance</b>			
Liabilities:			
Accounts payable	\$ 3,182,355	722,344	3,904,699
Due to other funds	835,689	483	836,172
Deferred revenue	14,424,887	4,003,332	18,428,219
Due to other governmental units	63,733	—	63,733
Accrued liabilities	113,735	52,072	165,807
TABOR liability	124,963	113,406	238,369
Other liabilities	865	187	1,052
	<u>18,746,227</u>	<u>4,891,824</u>	<u>23,638,051</u>
Fund balance:			
Reserved for emergencies	2,706,085	—	2,706,085
Reserved for prepaid items and inventory	140,506	—	140,506
Reserved for escrow fees	291,751	—	291,751
Reserved for capital transactions	8,622,779	3,384,636	12,007,415
Unreserved – undesignated:			
Special revenue	27,312,443	—	27,312,443
Capital projects	—	9,907,258	9,907,258
	<u>39,073,564</u>	<u>13,291,894</u>	<u>52,365,458</u>
Total liabilities and fund balance	<u>\$ 57,819,791</u>	<u>18,183,718</u>	<u>76,003,509</u>

See accompanying independent auditors' report.

**BOULDER COUNTY, COLORADO**

Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balance

Nonmajor Governmental Funds

Year ended December 31, 2004

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total</u>
Revenues:			
Taxes	\$ 25,663,428	7,150,247	32,813,675
Licenses, fees, and permits	32,629	—	32,629
Interest on investments	458,229	11,069	469,298
Intergovernmental	16,356,792	7,640	16,364,432
Charges for services	257,378	2,554	259,932
Other revenue	8,292,902	482,965	8,775,867
	<u>51,061,358</u>	<u>7,654,475</u>	<u>58,715,833</u>
Total revenues			
Expenditures:			
Current:			
General government	12,548,518	9,086,023	21,634,541
Conservation	2,225,448	—	2,225,448
Public safety	5,198,805	—	5,198,805
Health and welfare	10,804,568	—	10,804,568
Economic development	5,204,100	—	5,204,100
Highways and streets	11,908,850	—	11,908,850
Intergovernmental	391,951	—	391,951
Debt service:			
Principal	—	4,325,000	4,325,000
Interest and fiscal charges	56,798	2,659,898	2,716,696
Debt issuance costs	274,051	100,801	374,852
	<u>48,613,089</u>	<u>16,171,722</u>	<u>64,784,811</u>
Total expenditures			
Excess (deficiency) of revenues over expenditures	<u>2,448,269</u>	<u>(8,517,247)</u>	<u>(6,068,978)</u>
Other financing sources (uses):			
Proceeds from sale of capital assets	446,762	—	446,762
Debt issuance	10,108,650	3,461,350	13,570,000
Premium on bonds sold	53,806	19,275	73,081
Transfers in	281,141	9,594,193	9,875,334
Transfers out	(1,651,850)	—	(1,651,850)
	<u>9,238,509</u>	<u>13,074,818</u>	<u>22,313,327</u>
Total other financing sources			
Net change in fund balance	11,686,778	4,557,571	16,244,349
Fund balance, January 1	<u>27,386,786</u>	<u>8,734,323</u>	<u>36,121,109</u>
Fund balance, December 31	\$ <u><u>39,073,564</u></u>	<u><u>13,291,894</u></u>	<u><u>52,365,458</u></u>

See accompanying independent auditors' report.

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## **BOULDER COUNTY, COLORADO**

### **Nonmajor Governmental Funds – Special Revenue Funds**

December 31, 2004

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects or expendable trusts) that are legally restricted to expenditures for specific purposes.

#### **Road and Bridge Fund**

Colorado counties are required by state law to maintain a Road and Bridge Fund. This fund reflects costs related to County road and bridge construction and maintenance except for engineering costs that are recorded in the General Fund.

#### **Recycling Capital Improvement Fund**

This fund accounts for proceeds received for the purpose of administering the resource recovery and recycling program, mountain solid waste collection, licensing of trash haulers, and monitoring of the landfill.

#### **Contingency Fund**

Colorado counties are required by state law to maintain a Contingency Fund. This fund accounts for monies the County would use to cover contingencies or emergencies, as defined in State statutes.

#### **Developmental Disabilities Fund**

This fund is used to account for monies used for the specific purpose of providing services to people with developmental disabilities.

#### **Emergency Rescue Services Fund**

This fund is used to account for Boulder County search and rescue and other emergency services.

#### **Grants Fund**

This fund is used to account for all revenue and expenditures of programs funded by federal, state, and/or local grant awards.

#### **Fire Training Fund**

This fund accounts for financial resources used by the Boulder Fire Training Board in the construction of training facilities.

#### **Health and Human Services 2002 Fund**

This fund accounts for financial resources used by Boulder County human services agencies which have had a reduction in funding due to state budgetary limitations.

#### **Retirement Fund**

This fund accounts for County contributions to the Colorado Public Employees Retirement Association (PERA).

#### **Conservation Trust Fund**

This fund accounts for revenue received from the state lottery proceeds to be used for the acquisition, development, and maintenance of parks and trail systems within the County.

**BOULDER COUNTY, COLORADO**

Nonmajor Governmental Funds –  
Special Revenue Funds

December 31, 2004

**Worthy Cause Tax Fund**

This fund accounts for financial resources used to provide human services funding to various nonprofit agencies.

**Offender Management Fund**

This fund accounts for financial resources used to provide for offender management programs and services, including an expansion of the jail, a new alcohol recovery center, and alternative programs to incarceration. This is a new fund for 2004 created to account for the voter-approved offender management ballot issue.

**BOULDER COUNTY, COLORADO**

Combining Balance Sheet

Nonmajor Governmental Funds – Special Revenue Funds

December 31, 2004

<b>Assets</b>	<b>Road and Bridge</b>	<b>Recycling Capital Improvement</b>	<b>Contingency</b>	<b>Developmental Disabilities</b>	<b>Emergency Rescue Services</b>
Equity in pooled cash and investments	\$ 10,375,924	8,166,494	2,706,085	276,359	274,804
Restricted cash	5,782,013	—	—	—	—
Property taxes receivable	984,614	—	—	4,755,583	—
Due from other governmental units	1,368,843	—	—	1,367	—
Due from component unit	93	—	—	—	—
Interest receivable	40,247	31,685	—	—	1,066
County goods and services receivable	280,078	—	—	—	—
Due from other funds	270,045	20,310	—	—	716
Prepaid expenditures	4,800	—	—	—	—
Inventory	47,074	—	—	—	—
<b>Total assets</b>	<b>\$ 19,153,731</b>	<b>8,218,489</b>	<b>2,706,085</b>	<b>5,033,309</b>	<b>276,586</b>
<b>Liabilities and Fund Balance</b>					
Liabilities:					
Accounts payable	\$ 1,195,507	—	—	90,002	4,530
Due to other funds	24,491	1,309	—	29,173	3,588
Deferred revenue	1,285,519	—	—	4,757,950	—
Due to other governmental units	—	—	—	—	—
Accrued liabilities	75,831	—	—	—	—
TABOR liability	55,116	—	—	—	—
Other liabilities	176	—	—	—	—
<b>Total liabilities</b>	<b>2,636,640</b>	<b>1,309</b>	<b>—</b>	<b>4,877,125</b>	<b>8,118</b>
Fund balance:					
Reserved for emergencies	—	—	2,706,085	—	—
Reserved for prepaid items and inventory	51,874	—	—	—	—
Reserved for debt service	—	—	—	—	—
Reserved for escrow fees	242,447	—	—	—	—
Reserved for capital transactions	5,763,029	—	—	—	—
Unreserved – undesignated:					
Special revenue	10,459,741	8,217,180	—	156,184	268,468
<b>Total fund balance</b>	<b>16,517,091</b>	<b>8,217,180</b>	<b>2,706,085</b>	<b>156,184</b>	<b>268,468</b>
<b>Total liabilities and fund balance</b>	<b>\$ 19,153,731</b>	<b>8,218,489</b>	<b>2,706,085</b>	<b>5,033,309</b>	<b>276,586</b>

See accompanying independent auditors' report.

<b>Grants</b>	<b>Fire Training</b>	<b>Health and Human Services 2002</b>	<b>Retirement</b>	<b>Conservation Trust</b>	<b>Offender Management</b>	<b>Worthy Cause Tax</b>	<b>Nonmajor Special Revenue Funds</b>
650	4,495,675	369,358	1,643,634	914,439	210,398	816,700	30,250,520
63,733	—	—	—	—	2,859,750	—	8,705,496
—	—	3,295,589	5,081,835	—	—	—	14,117,621
1,486,018	288,186	947	1,461	—	—	288,186	3,435,008
—	—	—	109,791	—	—	—	109,884
—	17,402	—	—	3,546	11,911	3,128	108,985
69,653	244	—	—	—	—	244	350,219
95,245	11,556	—	191,291	2,297	7,841	2,251	601,552
21,132	—	—	—	—	—	67,500	93,432
—	—	—	—	—	—	—	47,074
<u>1,736,431</u>	<u>4,813,063</u>	<u>3,665,894</u>	<u>7,028,012</u>	<u>920,282</u>	<u>3,089,900</u>	<u>1,178,009</u>	<u>57,819,791</u>
418,816	92	5,823	1,295,384	—	172,109	92	3,182,355
760,350	675	5,189	—	10,197	633	84	835,689
—	—	3,297,260	5,084,158	—	—	—	14,424,887
63,733	—	—	—	—	—	—	63,733
35,715	—	2,189	—	—	—	—	113,735
—	—	—	69,847	—	—	—	124,963
685	—	—	—	—	4	—	865
<u>1,279,299</u>	<u>767</u>	<u>3,310,461</u>	<u>6,449,389</u>	<u>10,197</u>	<u>172,746</u>	<u>176</u>	<u>18,746,227</u>
—	—	—	—	—	—	—	2,706,085
21,132	—	—	—	—	—	67,500	140,506
—	—	—	—	—	—	—	—
49,304	—	—	—	—	—	—	291,751
—	—	—	—	—	2,859,750	—	8,622,779
<u>386,696</u>	<u>4,812,296</u>	<u>355,433</u>	<u>578,623</u>	<u>910,085</u>	<u>57,404</u>	<u>1,110,333</u>	<u>27,312,443</u>
<u>457,132</u>	<u>4,812,296</u>	<u>355,433</u>	<u>578,623</u>	<u>910,085</u>	<u>2,917,154</u>	<u>1,177,833</u>	<u>39,073,564</u>
<u>1,736,431</u>	<u>4,813,063</u>	<u>3,665,894</u>	<u>7,028,012</u>	<u>920,282</u>	<u>3,089,900</u>	<u>1,178,009</u>	<u>57,819,791</u>

**BOULDER COUNTY, COLORADO**  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balance  
Nonmajor Governmental Funds – Special Revenue Funds  
Year ended December 31, 2004

	<u>Road and Bridge</u>	<u>Recycling Capital Improvement</u>	<u>Contingency</u>	<u>Developmental Disabilities</u>	<u>Emergency Rescue Services</u>
Revenues:					
Taxes	\$ 9,264,332	—	—	4,683,397	—
Licenses, fees, and permits	32,629	—	—	—	—
Interest on investments	173,497	124,700	—	—	5,209
Intergovernmental	5,268,664	—	—	1,451	—
Charges for services	237,293	—	—	—	—
Other revenue	36,768	—	—	—	—
<b>Total revenues</b>	<u>15,013,183</u>	<u>124,700</u>	<u>—</u>	<u>4,684,848</u>	<u>5,209</u>
Expenditures:					
Current:					
General government	—	—	—	—	—
Conservation	—	—	—	—	—
Public safety	—	—	—	—	894,596
Health and welfare	—	—	—	4,650,179	—
Economic development	—	—	—	—	—
Highways and streets	11,908,850	—	—	—	—
Intergovernmental	391,951	—	—	—	—
Debt service:					
Principal	—	—	—	—	—
Interest and fiscal charges	12,170	—	—	—	—
Debt issuance costs	171,635	—	—	—	—
<b>Total expenditures</b>	<u>12,484,606</u>	<u>—</u>	<u>—</u>	<u>4,650,179</u>	<u>894,596</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>2,528,577</u>	<u>124,700</u>	<u>—</u>	<u>34,669</u>	<u>(889,387)</u>
Other financing sources (uses):					
Sale of capital assets	242,000	—	—	—	—
Debt issuance	5,893,650	—	—	—	—
Premium on bonds sold	32,820	—	—	—	—
Transfers in	—	—	—	—	—
Transfers out	(35,000)	—	—	—	(3,526)
<b>Total other financing sources (uses)</b>	<u>6,133,470</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(3,526)</u>
<b>Net change in fund balance</b>	<u>8,662,047</u>	<u>124,700</u>	<u>—</u>	<u>34,669</u>	<u>(892,913)</u>
Fund balance, January 1	<u>7,855,044</u>	<u>8,092,480</u>	<u>2,706,085</u>	<u>121,515</u>	<u>1,161,381</u>
Fund balance, December 31	<u>\$ 16,517,091</u>	<u>8,217,180</u>	<u>2,706,085</u>	<u>156,184</u>	<u>268,468</u>

See accompanying independent auditors' report.

<b>Grants</b>	<b>Fire Training</b>	<b>Health and Human Services 2002</b>	<b>Retirement</b>	<b>Conservation Trust</b>	<b>Offender Management</b>	<b>Worthy Cause Tax</b>	<b>Nonmajor Special Revenue Funds</b>
—	1,795,064	3,499,525	4,626,053	—	—	1,795,057	25,663,428
—	—	—	—	—	—	—	32,629
(93)	68,832	—	—	14,218	59,929	11,937	458,229
10,686,823	—	1,006	1,538	397,310	—	—	16,356,792
20,085	—	—	—	—	—	—	257,378
742,924	—	13	7,513,197	—	—	—	8,292,902
<u>11,449,739</u>	<u>1,863,896</u>	<u>3,500,544</u>	<u>12,140,788</u>	<u>411,528</u>	<u>59,929</u>	<u>1,806,994</u>	<u>51,061,358</u>
723,876	—	—	11,824,642	—	—	—	12,548,518
293,730	—	—	—	1,931,718	—	—	2,225,448
2,384,682	600,000	—	—	—	1,319,527	—	5,198,805
2,819,190	—	2,273,882	—	—	—	1,061,317	10,804,568
5,204,100	—	—	—	—	—	—	5,204,100
—	—	—	—	—	—	—	11,908,850
—	—	—	—	—	—	—	391,951
—	—	—	—	—	—	—	—
—	—	—	—	—	44,628	—	56,798
—	—	—	—	—	102,416	—	274,051
<u>11,425,578</u>	<u>600,000</u>	<u>2,273,882</u>	<u>11,824,642</u>	<u>1,931,718</u>	<u>1,466,571</u>	<u>1,061,317</u>	<u>48,613,089</u>
24,161	1,263,896	1,226,662	316,146	(1,520,190)	(1,406,642)	745,677	2,448,269
4,762	—	—	—	200,000	—	—	446,762
—	—	—	—	—	4,215,000	—	10,108,650
—	—	—	—	—	20,986	—	53,806
193,331	—	—	—	—	87,810	—	281,141
(302,812)	—	(1,310,512)	—	—	—	—	(1,651,850)
<u>(104,719)</u>	<u>—</u>	<u>(1,310,512)</u>	<u>—</u>	<u>200,000</u>	<u>4,323,796</u>	<u>—</u>	<u>9,238,509</u>
(80,558)	1,263,896	(83,850)	316,146	(1,320,190)	2,917,154	745,677	11,686,778
537,690	3,548,400	439,283	262,477	2,230,275	—	432,156	27,386,786
<u>457,132</u>	<u>4,812,296</u>	<u>355,433</u>	<u>578,623</u>	<u>910,085</u>	<u>2,917,154</u>	<u>1,177,833</u>	<u>39,073,564</u>

## **BOULDER COUNTY, COLORADO**

### **Nonmajor Governmental Funds – Capital Projects Funds**

December 31, 2004

Capital Projects Funds account for financial resources collected and used for the acquisition or construction of major capital facilities.

#### **Capital Projects Fund**

This fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities, projects, and equipment.

#### **Capital Improvement Trust Fund (Roads)**

This fund is used to account for financial resources to be used for street, road, and drainage improvements.

#### **Gunbarrel General Improvement District Fund**

This fund is used to account for activities of the Gunbarrel General Improvement District, a subdivision of the State of Colorado created for the purposes of constructing certain public improvements to be located within the district.

#### **Open Space Capital Improvement Trust Fund, Bond Series 1996**

This fund is used to account for financial resources to be used for the acquisition of interests in open space real property and access thereto, water rights, and improvement upon open space real property.

**BOULDER COUNTY, COLORADO**

Combining Balance Sheet

Nonmajor Governmental Funds – Capital Projects Funds

December 31, 2004

<b>Assets</b>		<b>Capital Improvement Trust Fund (Roads)</b>	<b>Gunbarrel General Improvement District</b>	<b>Open Space Capital Improvement Fund, Bond Series 1996</b>	<b>Nonmajor Capital Projects Funds</b>
Equity in treasurer's cash and investments	\$	10,532,935	—	224,650	10,757,585
Restricted cash		3,384,636	—	—	3,384,636
Property taxes receivable		4,000,143	—	—	4,000,143
Due from other governmental units		1,148	—	2,615	3,763
Due from component unit		—	—	—	—
Interest receivable		—	—	872	872
County goods and services receivable		5,658	—	—	5,658
Due from other funds		30,506	—	555	31,061
<b>Total assets</b>	<b>\$</b>	<b>17,955,026</b>	<b>—</b>	<b>228,692</b>	<b>18,183,718</b>
<b>Liabilities and Fund Balance</b>					
Liabilities:					
Accounts payable	\$	722,344	—	—	722,344
Due to other funds		399	—	84	483
Deferred revenue		4,003,332	—	—	4,003,332
Accrued liabilities		52,072	—	—	52,072
TABOR liability		113,406	—	—	113,406
Other liabilities		187	—	—	187
<b>Total liabilities</b>		<b>4,891,740</b>	<b>—</b>	<b>84</b>	<b>4,891,824</b>
Fund balance:					
Reserved for capital transactions		3,384,636	—	—	3,384,636
Undesignated:					
Capital projects		9,678,650	—	228,608	9,907,258
<b>Total fund balance</b>		<b>13,063,286</b>	<b>—</b>	<b>228,608</b>	<b>13,291,894</b>
<b>Total liabilities and fund balance</b>	<b>\$</b>	<b>17,955,026</b>	<b>—</b>	<b>228,692</b>	<b>18,183,718</b>

See accompanying independent auditors' report.

**BOULDER COUNTY, COLORADO**

Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balance

Nonmajor Governmental Funds – Capital Projects Funds

Year ended December 31, 2004

	<b>Capital Projects</b>	<b>Capital Improvement Trust Fund (Roads)</b>	<b>Gunbarrel General Improvement District</b>	<b>Open Space Capital Improvement Fund, Bond Series 1996</b>	<b>Nonmajor Capital Projects Funds</b>
Revenues:					
Taxes	\$ 6,702,731	—	447,516	—	7,150,247
Interest on investments	4,859	—	6,210	—	11,069
Intergovernmental	7,640	—	—	—	7,640
Charges for services	2,554	—	—	—	2,554
Other revenue	482,965	—	—	—	482,965
Total revenues	<u>7,200,749</u>	<u>—</u>	<u>453,726</u>	<u>—</u>	<u>7,654,475</u>
Expenditures:					
Current:					
General government	9,086,023	—	—	—	9,086,023
Conservation	—	—	—	—	—
Debt service:					
Principal	—	—	395,000	3,930,000	4,325,000
Interest and fiscal charges	10,000	—	44,965	2,604,933	2,659,898
Debt issuance costs	100,801	—	—	—	100,801
Total expenditures	<u>9,196,824</u>	<u>—</u>	<u>439,965</u>	<u>6,534,933</u>	<u>16,171,722</u>
Excess (deficiency) of revenues over expenditures	<u>(1,996,075)</u>	<u>—</u>	<u>13,761</u>	<u>(6,534,933)</u>	<u>(8,517,247)</u>
Other financing sources:					
Debt issuance	3,461,350	—	—	—	3,461,350
Premium on bonds sold	19,275	—	—	—	19,275
Transfers in	3,059,260	—	—	6,534,933	9,594,193
Total other financing sources	<u>6,539,885</u>	<u>—</u>	<u>—</u>	<u>6,534,933</u>	<u>13,074,818</u>
Net change to fund balance	4,543,810	—	13,761	—	4,557,571
Fund balance, January 1	8,519,476	—	214,847	—	8,734,323
Fund balance, December 31	\$ <u>13,063,286</u>	<u>—</u>	<u>228,608</u>	<u>—</u>	<u>13,291,894</u>

See accompanying independent auditors' report.

**BOULDER COUNTY, COLORADO**

Combining Statement of Changes in  
Assets and Liabilities – Agency Funds

Fiduciary – Public Trustee Fund and Agency Fund

Year ended December 31, 2004

	<u>Balances at January 1, 2004</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balances at December 31, 2004</u>
Public trustee fund:				
Assets:				
Restricted cash	\$ 1,326,927	—	1,469	1,325,458
Receivables	—	15,282	4,019	11,263
Prepays	360	—	360	—
Total	<u>\$ 1,327,287</u>	<u>15,282</u>	<u>5,848</u>	<u>1,336,721</u>
Liabilities:				
Accounts payable	\$ 5,885	—	5,885	—
Escrow payable	79	—	—	79
Other liabilities	1,321,323	15,319	—	1,336,642
Total for public trustee fund	<u>\$ 1,327,287</u>	<u>15,319</u>	<u>5,885</u>	<u>1,336,721</u>
Agency fund:				
Assets:				
Cash	\$ 5,419,523	120,871,245	116,727,566	9,563,202
Property taxes receivable	246,121,331	246,500,749	246,121,331	246,500,749
Total	<u>\$ 251,540,854</u>	<u>367,371,994</u>	<u>362,848,897</u>	<u>256,063,951</u>
Liabilities:				
Undistributed taxes and other collections	\$ 5,414,398	120,376,685	116,227,881	9,563,202
Due to other taxing units	246,126,456	246,502,965	246,128,672	246,500,749
Total for agency fund	<u>\$ 251,540,854</u>	<u>366,879,650</u>	<u>362,356,553</u>	<u>256,063,951</u>
Total – all agency funds:				
Total assets	<u>\$ 252,868,141</u>	<u>367,387,276</u>	<u>362,854,745</u>	<u>257,400,672</u>
Total liabilities	<u>\$ 252,868,141</u>	<u>366,894,969</u>	<u>362,362,438</u>	<u>257,400,672</u>

See accompanying independent auditors' report.

**BOULDER COUNTY, COLORADO**

Schedule of Budgetary Compliance

Year ended December 31, 2004

The schedule of budgetary compliance is included to show budgetary compliance at the legal level of control for all appropriations not shown elsewhere in this report.

**BOULDER COUNTY, COLORADO**

Schedule of Budgetary Compliance  
Budgeted Nonmajor, Capital Projects Major, and Proprietary Funds

Year ended December 31, 2004

	<u>Final budget</u>	<u>Actual</u>	<u>Variance</u>
Budgeted nonmajor special revenue funds:			
Road and bridge fund:			
Local improvement district	\$ 56,740	54,170	2,570
Payments to cities	393,308	391,951	1,357
Road and bridge	16,218,933	9,336,559	6,882,374
Road sales tax	4,924,407	2,565,291	2,359,116
Open space and transportation complex	171,635	171,635	—
Recycling capital improvement fund	432,727	—	432,727
Developmental disabilities fund	4,650,179	4,650,179	—
Emergency rescue services fund	1,161,381	898,122	263,259
Workforce boulder county fund	4,000,000	3,614,764	385,236
Fire training fund	4,105,000	600,000	3,505,000
Health and human services 2002 fund	3,756,534	3,584,394	172,140
Retirement fund	13,682,755	11,824,642	1,858,113
Conversation trust fund	2,540,275	1,931,718	608,557
Offender management fund:			
Debt service	147,817	147,044	773
Construction	2,208,884	1,234,179	974,705
Partnership for active community engagement (PACE)	87,810	85,348	2,462
Worthy cause tax fund:			
Worthy cause tax 1 (2001)	400,000	170,000	230,000
Worthy cause tax 2 (2004)	1,768,362	891,317	877,045
Budgeted major capital projects fund:			
Open space capital improvement fund, bond series 1994, 2000, and 2001	26,058,631	22,336,335	3,722,296
Budgeted nonmajor capital projects funds:			
Capital projects funds:			
Facilities management	706,176	187,778	518,398
Infrastructure	1,254,393	862,248	392,145
General reconstruction	12,317,641	6,215,392	6,102,249
Parks general reconstruction	83,392	83,392	—
Open space and transportation complex	3,882,526	1,848,014	2,034,512
Capital improvement trust fund	—	—	—
Gunbarrel general improvement district fund	439,965	439,965	—
Open space capital improvement fund, bond Series 1996	6,534,933	6,534,933	—
Budgeted proprietary funds:			
Internal Service Fund – Risk management fund	14,790,032	13,888,069	901,963
Resource conservation fund	3,968,442	3,446,040 *	522,402

\* Depreciation expense is not budgeted in the 2004 proprietary funds.

See accompanying independent auditors' report.

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

<b>LOCAL HIGHWAY FINANCE REPORT</b>		City or County: <b>Boulder County</b>
		YEAR ENDING : <b>December 2004</b>
This Information From The Records Of (example - City of _ or County of _): <b>County of Boulder</b>	Prepared By: <b>Mark Schumann</b>	Phone: <b>303-441-3503</b>

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

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

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

ITEM	AMOUNT	ITEM	AMOUNT
<b>A. Receipts from local sources:</b>		<b>A. Local highway disbursements:</b>	
1. Local highway-user taxes		1. Capital outlay (from page 2)	4,656,896
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	3,965,474
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	288,398
2. General fund appropriations	—	b. Snow and ice removal	1,441,991
3. Other local imposts (from page 2)	9,296,962	c. Other	865,194
4. Miscellaneous local receipts (from page 2)	520,059	d. Total (a. through c.)	2,595,583
5. Transfers from toll facilities	—	4. General administration & miscellaneous	1,075,847
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	0
a. Bonds - Original Issues	5,763,029	6. Total (1 through 5)	12,293,801
b. Bonds - Refunding Issues	—	<b>B. Debt service on local obligations:</b>	
c. Notes	—	1. Bonds:	
d. Total (a. + b. + c.)	5,763,029	a. Interest	12,170
7. Total (1 through 6)	15,580,049	b. Redemption	42,000
<b>B. Private Contributions</b>	—	c. Total (a. + b.)	54,170
<b>C. Receipts from State government</b> (from page 2)	5,212,862	2. Notes:	
<b>D. Receipts from Federal Government</b> (from page 2)	217,108	a. Interest	0
<b>E. Total receipts (A.7 + B + C + D)</b>	21,010,019	b. Redemption	0
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	54,170
		<b>C. Payments to State for highways</b>	0
		<b>D. Payments to toll facilities</b>	0
		<b>E. Total disbursements (A.6 + B.3 + C + D)</b>	12,347,971

**IV. LOCAL HIGHWAY DEBT STATUS**

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
<b>A. Bonds (Total)</b>	197,000	5,893,650	42,000	6,048,650
1. Bonds (Refunding Portion)				
<b>B. Notes (Total)</b>	—	—	—	—

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

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	7,855,047	21,010,019	12,347,971	16,517,091	0

**Notes and Comments:****A. Receipts from local sources:**

## 6. Proceeds of sale of bonds and notes:

## a. Bonds - Original Issues

5,763,029

This amount represents the net proceeds from the issuance of Certificates of Participation (COPs) for funding to construct a Fleet Maintenance and Road Maintenance Administration building. Re-payment will be made using HUTF and Specific Ownership taxes.

<b>LOCAL HIGHWAY FINANCE REPORT</b>	STATE:
	<b>Colorado</b>
	YEAR ENDING (mm/yy): <b>December 2004</b>

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

ITEM	AMOUNT	ITEM	AMOUNT
<b>A.3. Other local imposts:</b>		<b>A.4. Miscellaneous local receipts:</b>	
a. Property Taxes and Assessments	1,041,763	a. Interest on investments	165,304
b. Other local imposts:		b. Traffic Fines & Penalties	0
1. Sales Taxes	3,640,821	c. Parking Garage Fees	0
2. Infrastructure & Impact Fees	0	d. Parking Meter Fees	0
3. Liens	0	e. Sale of Surplus Property	242,000
4. Licenses	32,629	f. Charges for Services	1,028
5. Other	4,581,748	g. Other Misc. Receipts	44,769
6. Total (1. through 5.)	8,255,198	h. Other	66,958
c. Total (a. + b.)	9,296,962	i. Total (a. through h.)	520,059
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
<b>C. Receipts from State Government</b>		<b>D. Receipts from Federal Government</b>	
1. Highway-user taxes	4,713,178	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	0
a. State bond proceeds		b. FEMA	0
b. Project Match		c. HUD	0
c. Motor Vehicle	215,469	d. Federal Transit Admin	0
d. Other (Specify)	284,215	e. U.S. Corps of Engineers	0
e. Other (Specify)	0	f. Other Federal	217,108
f. Total (a. through e.)	499,683	g. Total (a. through f.)	217,108
4. Total (1. + 2. + 3.f)	5,212,862	3. Total (1. + 2.g)	
			(Carry forward to page 1)

**III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL**

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
<b>A.1. Capital outlay:</b>			
a. Right-Of-Way Costs	0	107,470	107,470
b. Engineering Costs	0	360,969	360,969
c. Construction:			
(1). New Facilities	0	31,740	31,740
(2). Capacity Improvements	0	52,833	52,833
(3). System Preservation	0	1,636,219	1,636,219
(4). System Enhancement & Operation	0	2,467,665	2,467,665
(5). Total Construction (1) + (2) + (3) + (4)	0	4,188,457	4,188,457
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	4,656,896	4,656,896
			(Carry forward to page 1)

**Notes and Comments:**

II.A.3.b.5 Receipts from State Government - Other			
5030 - Specific Ownership Tax	4,581,748		
II.C.3.d Receipts from State Government - Other			
5300 - Misc. CDOT	217,606	Includes \$133,617.51 for RR Xings	
5302 - Cigarette Tax	53,050		
5308 - Forest Reserve	13,557		
5309 - GOCO Funds	2		
Total:	284,215		

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## **BOULDER COUNTY, COLORADO**

The statistical tables are intended to provide a broader understanding of Boulder County government and the trends in its financial affairs than is possible from the basic financial statements.

(Unaudited)

Table #1

**BOULDER COUNTY, COLORADO**  
 General Governmental Expenditures by Function (1)  
 Last Ten Fiscal Years

Year:	General government (2)	Public safety (3)	Highways and streets	Health and welfare	Conservation (4)	Urban redevelopment housing (8)	Resource conservation (7)	Economic development (5)	Inter-governmental (6)	Debt service		Total
										Principal	Interest	
1997	\$ 36,463,322	17,296,842	9,309,421	30,012,143	23,211,356	790,367	557,092	4,839,057	2,285,809	3,355,000	3,724,142	131,844,551
1998	43,739,611	19,240,383	10,610,305	26,760,660	26,664,239	873,965	642,330	5,801,571	1,854,169	5,405,000	5,011,016	146,603,249
1999	59,001,819	21,222,601	10,819,040	28,150,984	33,076,178	934,196	2,060,783	5,672,676	1,876,257	6,230,000	4,972,153	174,016,687
2000	53,791,828	24,400,127	10,868,312	28,985,919	40,280,094	1,204,369	7,367,593	5,605,172	1,057,813	9,360,000	6,431,117	189,352,344
2001	55,145,815	26,138,340	12,138,528	29,853,943	49,007,135	1,259,273	9,129,706	6,130,088	801,799	6,715,000	7,198,685	203,518,312
2002	64,199,251	27,402,522	12,513,546	28,187,899	41,359,932	1,515,173	N/A	7,097,016	779,293	7,285,000	8,469,647	198,809,279
2003	62,330,458	29,034,489	11,186,967	35,967,078	35,997,578	—	N/A	8,095,261	786,826	7,680,000	9,132,723	200,211,380
2004	67,466,653	31,384,545	13,221,155	35,246,688	19,066,868	—	N/A	7,733,087	391,951	9,015,000	9,152,122	192,678,069

Source: Financial Statements, Boulder County, Colorado, 1997, 1998, 1999, 2000, 2001, 2002, 2003, and 2004

In 1997, the Finance Office of Boulder County restructured expenditure categories to conform with guidelines published by the Government Finance Officers Association. Expenditures for the previous two years are presented on the following page.

- (1) Beginning in 2002, data includes General, Special Revenue, and Capital Projects Funds as reported in Governmental Fund Financial Statements. Prior to 2002, data included General, Special Revenue, Capital Projects, Component Unit, and Expendable Trust Funds.
- (2) General Government is charged with expenditures for the governing body (board of county commissioners), the judicial branch (District Attorney), the Clerk and Recorder, as well as financial and personnel administration.
- (3) Public Safety is charged with expenditures for protection of persons and property, including traffic engineering. Expenditures for the Coroner's office are also reported here.
- (4) Conservation is charged with expenditures for conserving and developing natural resources. It includes costs for open space, weed control, trails, and the fairgrounds.
- (5) Economic development is charged with expenditures for various programs designed to eliminate or alleviate poverty and its causes. It includes grants such as Head Start, Work Force Boulder County, and payments to nonprofits.
- (6) Intergovernmental is charged with expenditures made by one level or unit of government to another, and includes payments to cities.
- (7) Resource Conservation became a business-type activity in 2002.
- (8) In 2003, the Boulder County Housing Authority became a blended component unit. These expenditures are reported in the business-type activity statement.

**Table #1**

**BOULDER COUNTY, COLORADO**  
 General Governmental Expenditures by Function (1)  
 Last Ten Fiscal Years

Year:	<u>Auxiliary services</u>	<u>General government</u>	<u>Health services</u>	<u>Judicial</u>	<u>Public safety</u>	<u>Social services</u>	<u>Roads and bridges</u>	<u>Capital projects</u>	<u>Debt service</u>		<u>Total</u>
	(2)	(3)						(4)	Principal	Interest	(5)
1995	\$ 11,680,900	34,474,574	7,098,714	3,692,500	12,009,265	21,774,410	10,821,176	34,255,840	2,215,000	764,352	138,786,731
1996	10,568,711	38,179,830	6,884,415	2,377,941	12,399,154	22,295,581	10,675,408	25,029,688	5,525,000	3,898,417	137,834,145

Source: Financial Statements, Boulder County, Colorado, 1995 through 1996

Notes:

- (1) Includes General, Special Revenue, Capital Projects, Component Unit, and Expendable Trust Funds
- (2) Auxiliary Services include administration, management and maintenance of parks, fairgrounds, and trails, soil conservation, agricultural extension, and land acquisition (including open space purchases).
- (3) General Government includes ordinary operations such as county administration, planning and zoning and other community services, and activities not included in Auxiliary Services.
- (4) Capital Projects includes engineering fees.
- (5) In 1994, total expenditures increased due to increased expenditures in Auxiliary Services and Capital Projects.  
 In 1995, total expenditures increased due to the expenditure of the bulk of the proceeds of the 1994 open space bonds.  
 In 1996, total expenditures increased due to initiation of interest payments on the 1996 open space bonds and initiation of principal payments on the 1994 open space bonds (previously interest payments only).

**BOULDER COUNTY, COLORADO**  
 Ratio Composition of General Governmental Expenditures by Function (1)  
 Last Ten Fiscal Years

Year:	General government percentage of total (2)	Public safety percentage of total (3)	Highways and streets percentage of total	Health and welfare percentage of total	Conservation percentage of total (4)	Urban redevelopment housing percentage of total (8)	Resource conservation percentage of total (7)	Economic development percentage of total (5)	Inter-governmental percentage of total (6)	Debt service		Total percentage of total
										Principal percentage of total	Interest percentage of total	
1997	27.67	13.12	7.06	22.76	17.61	0.60	0.42	3.67	1.73	2.54	2.82	100.00
1998	29.84	13.12	7.24	18.24	18.19	0.60	0.44	3.96	1.26	3.69	3.42	100.00
1999	33.91	12.20	6.22	16.18	19.01	0.54	1.18	3.26	1.08	3.58	2.84	100.00
2000	28.41	12.89	5.74	15.31	21.27	0.64	3.89	2.96	0.56	4.94	3.39	100.00
2001	27.10	12.84	5.96	14.67	24.08	0.62	4.49	3.01	0.39	3.30	3.54	100.00
2002	32.29	13.78	6.29	14.18	20.80	0.76	0.00	3.57	0.39	3.66	4.28	100.00
2003	31.14	14.50	5.59	17.96	17.98	0.00	0.00	4.04	0.39	3.84	4.56	100.00
2004	35.02	16.29	6.86	18.29	9.90	0.00	0.00	4.01	0.20	4.68	4.75	100.00

Source: Financial Statements, Boulder County, Colorado, 1997, 1998, 1999, 2000, 2001, 2002, 2003, and 2004.

In 1997, the Finance Office of Boulder County restructured expenditure categories to conform with guidelines published by the Government Finance Officers Association. Expenditures for the previous two years are presented on the following page.

- (1) Beginning in 2002, data includes General, Special Revenue, and Capital Projects Funds as reported in Governmental Fund Financial Statements. Prior to 2002, data included General, Special Revenue, Capital Projects, Component Unit, and Expendable Trust Funds.
- (2) General Government is charged with expenditures for the governing body (board of county commissioners), the judicial branch (District Attorney), the Clerk and Recorder, as well as financial and personnel administration.
- (3) Public Safety is charged with expenditures for protection of persons and property, including traffic engineering. Expenditures for the Coroner's office are also reported here.
- (4) Conservation is charged with expenditures for conserving and developing natural resources. It includes costs for open space, weed control, trails, and the fairgrounds.
- (5) Economic development is charged with expenditures for various programs designed to eliminate or alleviate poverty and its causes. It includes grants such as Head Start, Work Force Boulder County, and payments to nonprofits.
- (6) Intergovernmental is charged with expenditures made by one level or unit of government to another, and includes payments to cities.
- (7) Resource Conservation became a business-type activity in 2002.
- (8) In 2003, the Boulder County Housing Authority became a component unit. These expenditures are reported in the business-type activity statement.

Table #2

**BOULDER COUNTY, COLORADO**

Ratio Composition of General Governmental Expenditures by Function (1)

Last Ten Fiscal Years

Year:	Auxiliary services percentage of total	General government percentage of total	Health services percentage of total	Judicial percentage of total	Public safety percentage of total	Social services percentage of total	Roads and bridges percentage of total	Capital projects percentage of total	Debt service		Total percentage of total
									Principal percentage of total	Interest percentage of total	
1995 (2)	8.42	24.84	5.11	2.66	8.65	15.69	7.80	24.68	1.60	0.55	100.00
1996 (3)	7.67	27.70	4.99	1.73	9.00	16.18	7.75	18.16	4.01	2.81	100.00

Source: Financial Statements, Boulder County, Colorado, 1995 through 1996

Notes:

- (1) Includes General, Special Revenue, Capital Projects, Component Unit, and Expendable Trust Funds
- (2) In 1994 and 1995, expenditures increased due to the sale of open space bonds and subsequent expenditure of a significant portion of the proceeds.
- (3) In 1996, expenditures increased due to initiation of interest payments on the 1996 open space bonds and initiation of principal payments on the 1994 open space bonds (previously interest payments only).

Table #3

**BOULDER COUNTY, COLORADO**  
 General Governmental Revenues by Source (1)  
 Last Ten Fiscal Years

	<u>Taxes</u>	<u>Licenses and permits</u>	<u>Interest on investments</u>	<u>Inter- governmental</u>	<u>Charges for services</u>	<u>Fines and forfeitures</u>	<u>Contributions and other revenues</u>	<u>Total revenues</u>
Year:								
1995	\$ 66,786,584	1,820,443	3,493,428	33,314,651	7,123,394	227,263	5,053,202	117,818,965
1996	71,549,460	1,427,696	4,595,809	34,468,687	7,375,975	314,599	5,961,936	125,694,162
1997	76,017,029	1,544,551	3,657,705	34,613,723	7,713,275	331,952	5,345,681	129,223,916
1998	81,835,935	1,671,887	5,487,684	32,329,421	9,492,240	376,095	6,159,321	137,352,583
1999	89,378,688	1,848,813	4,774,842	33,809,866	10,664,234	388,252	14,529,835	155,394,530
2000	97,214,983	1,913,886	7,303,057	34,868,100	10,329,119	337,849	9,943,184	161,910,178
2001	103,580,919	1,778,965	6,524,454	45,676,293	11,843,431	348,789	13,216,726	182,969,577
2002	103,327,318	643,125	3,323,473	36,151,143	12,144,358	323,725	8,106,242	164,019,384
2003	114,957,668	601,980	2,045,549	39,298,300	13,079,811	317,210	8,611,851	178,912,369
2004	121,787,198	851,487	1,347,803	33,809,579	12,027,578	306,477	10,695,870	180,825,992

Source: Financial Statements, Boulder County, Colorado, 1995 through 2004

## Notes:

- (1) Beginning in 2002, data includes General, Special Revenue, and Capital Projects Funds as reported in Governmental Fund Financial Statements. Prior to 2002, data included General, Special Revenue, Capital Projects, Component Unit, and Expendable Trust Funds.

**BOULDER COUNTY, COLORADO**

Ratio Composition of General Governmental Revenues by Source (1)

Last Ten Fiscal Years

	<u>Taxes percentage of total</u>	<u>Licenses and permits percentage of total</u>	<u>Interest on investments percentage of total</u>	<u>Inter- governmental percentage of total</u>	<u>Charges for services percentage of total</u>	<u>Fines and forfeitures percentage of total</u>	<u>Contributions and other revenues percentage of total</u>	<u>Total revenues percentage of total</u>
Year:								
1995	56.69	1.55	2.97	28.28	6.05	0.19	4.27	100.00
1996	56.92	1.14	3.66	27.42	5.87	0.25	4.74	100.00
1997	58.83	1.20	2.83	26.79	5.97	0.26	4.12	100.00
1998	59.58	1.22	4.00	23.54	6.91	0.27	4.48	100.00
1999	57.52	1.19	3.07	21.76	6.86	0.25	9.35	100.00
2000	60.04	1.18	4.51	21.54	6.38	0.21	6.14	100.00
2001	56.61	0.97	3.57	24.96	6.47	0.19	7.23	100.00
2002	63.00	0.39	2.03	22.04	7.40	0.20	4.94	100.00
2003	64.25	0.34	1.14	21.97	7.31	0.18	4.81	100.00
2004	67.35	0.47	0.75	18.70	6.65	0.17	5.91	100.00

Source: Financial Statements, Boulder County, Colorado, 1995 through 2004

Notes:

- (1) Beginning in 2002, data includes General, Special Revenue, and Capital Projects Funds as reported in Governmental Fund Financial Statements. Prior to 2002, data included General, Special Revenue, Capital Projects, Component Unit, and Expendable Trust Funds.

Table #5

**BOULDER COUNTY, COLORADO**  
 General Governmental Tax Revenues by Source  
 Last Ten Fiscal Years

	<u>Property tax</u>	<u>Percentage of total</u>	<u>Specific ownership</u>	<u>Percentage of total</u>	<u>Sales tax (1)</u>	<u>Percentage of total (1)</u>	<u>Total</u>	<u>Percentage of total</u>
Year:								
1995	\$ 53,148,350	79.58%	\$ 4,310,322	6.45%	\$ 9,327,912	13.97%	\$ 66,786,584	100.00%
1996	56,999,212	79.66	4,712,690	6.59	9,837,558	13.75	71,549,460	100.00
1997	60,140,645	79.11	5,186,250	6.82	10,690,132	14.07	76,017,027	100.00
1998	64,043,688	78.26	5,578,364	6.82	12,213,883	14.92	81,835,935	100.00
1999	68,948,898	77.14	6,173,905	6.91	14,255,885	15.95	89,378,688	100.00
2000	72,931,355	75.02	6,857,456	7.05	17,426,172	17.93	97,214,983	100.00
2001	78,176,496	75.47	7,356,466	7.10	18,047,957	17.43	103,580,919	100.00
2002	78,637,017	75.90	7,155,651	6.91	17,808,296	17.19	103,600,964	100.00
2003	88,519,683	77.00	7,313,192	6.36	19,124,793	16.64	114,957,668	100.00
2004	94,591,840	77.67	7,397,103	6.07	19,798,255	16.26	121,787,198	100.00

Source: Financial Statements, Boulder County, Colorado, 1995 through 2004

## Notes:

(1) Boulder County had no Sales Tax prior to January 1, 1994.

Table #6

## BOULDER COUNTY, COLORADO

## Property Tax Levies and Collections

Last Ten Fiscal Years

<b>Tax year/ collected year</b>	<b>Total tax levy (1)</b>	<b>Current year's taxes collected</b>	<b>Percentage of current taxes collected</b>	<b>Prior years' taxes collected (2) and (3)</b>	<b>Ratio of total tax collected to total tax levy</b>	<b>Unpaid current year's taxes (4)</b>	<b>Unpaid prior years' taxes (2)</b>	<b>Ratio of all unpaid taxes to total tax levy</b>
1994/1995	\$ 53,274,497	53,100,149	99.67%	\$ 48,201	99.76%	\$ 174,348	295,008	0.55%
1995/1996	56,925,709	56,790,488	99.76	208,724	100.13	135,221	106,680	0.19
1996/1997	60,808,622	60,338,865	99.23	(198,218)	98.90	469,757	508,918	0.84
1997/1998	64,601,011	64,141,135	99.29	(97,447)	99.14	459,876	955,395	1.48
1998/1999	69,290,373	68,867,420	99.39	301,125	99.82	422,953	568,165	0.82
1999/2000	73,168,671	72,844,544	99.56	191,420	99.82	324,127	236,221	0.32
2000/2001	78,430,755	78,006,520	99.46	6,118	99.47	424,235	283,338	0.36
2001/2002	78,183,325	78,078,045	99.87	224,920	100.15	105,280	139,661	0.18
2002/2003	90,859,290	90,763,392	99.89	279,892	100.20	95,898	224,020	0.25
2003/2004	94,356,357	94,209,625	99.84	11,243	99.86	146,732	258,762	0.27

Sources: Boulder County Treasurer  
Financial Statements, Boulder County, Colorado, 1994 through 2004

## Notes:

- (1) Total Tax Levy does not include levies for Urban Renewal Districts (ex: 1998 Assessed value reported on Table #7 includes \$54,217,220 assessed values for Urban Renewal Districts, but levies for those districts are not included in Boulder County's Total Tax Levy).
- (2) Generally, fluctuations in Prior Years' Taxes amounts from year to year are due to the method of updating data. Prior Years' Taxes are for previous six years. The Treasurer's office reports all taxes collected for previous years as "Prior Years' Taxes." Unpaid Prior Years' balance is updated each year; all unpaid tax balances over six years old are deleted and the previous year's uncollected is added.
- (3) The negative amount in Prior Years' Taxes Collected in 1996/1997 and 1997/1998 results from refund of a portion of 1994, 1995, 1996, and 1997 taxes for properties.
- (4) In 2003, revenues of \$2,550,947 were collected but reclassified to a liability to be repaid to taxpayers in 2005. Tax revenues in the financial statements will be lower due to the reclassification to a liability.

Table #7

**BOULDER COUNTY, COLORADO**  
Assessed and Estimated Actual Value of Property  
Last Ten Fiscal Years

Year:	Real property (2)		Personal property		Exemptions			Total (1)		Ratio of total assessed value to total estimated actual (3)
	Assessed value	Estimated actual value	Assessed value	Estimated actual value	Real property	Personal property	Total exemptions	Assessed value	Estimated actual value	
1995	\$ 2,425,696,288	16,713,110,925	319,427,652	2,200,864,885	821,444,380	41,871,770	863,316,150	2,745,123,940	18,913,975,810	14.51
1996	2,500,051,742	17,399,487,250	359,508,698	2,502,055,018	835,441,990	39,758,980	875,200,970	2,859,560,440	19,901,542,268	14.37
1997	2,683,676,312	19,414,798,587	389,528,715	2,818,008,111	955,891,030	37,590,990	993,482,020	3,073,205,027	22,232,806,698	13.82
1998	2,782,558,686	19,383,373,159	436,450,684	3,040,326,343	957,782,469	38,174,921	995,957,390	3,219,009,370	22,423,699,502	14.36
1999	3,292,784,680	25,591,553,403	473,096,100	1,631,365,861	890,471,906	127,939,974	1,018,411,880	3,765,880,780	27,222,919,264	13.83
2000	3,462,384,175	26,805,533,149	557,301,305	1,921,728,638	887,521,378	142,854,402	1,030,375,780	4,019,685,480	28,727,261,787	13.99
2001	3,958,513,427	31,980,313,282	486,719,273	1,678,342,322	1,223,212,739	150,400,201	1,373,612,940	4,445,232,700	33,658,655,604	13.21
2002	4,098,947,342	33,902,866,125	433,916,890	1,496,265,138	1,264,202,750	133,829,220	1,398,031,970	4,532,864,232	35,399,131,263	12.81
2003	4,311,285,978	39,562,530,109	396,387,471	1,366,853,349	1,306,975,158	120,165,672	1,427,140,830	4,707,673,449	40,929,383,458	11.50
2004	4,252,562,480	38,330,345,974	502,675,946	1,732,287,937	1,443,389,320	155,460,680	1,598,850,000	4,755,238,426	40,062,633,911	11.87

Sources: Boulder County Assessor's Office

## Notes:

- (1) Exempt Property is not included.
- (2) Total includes Urban Renewal Districts (ex:1999 includes \$69,535,570 Urban Renewal District valuations). Because Boulder County tax revenues do not include levies collected for Urban Renewal Districts, these levies are not included on Table #6.
- (3) Ratio of Total Assessed Value to Total Estimated Actual Value represent composite rates. Specific rates for the various types of property and the levels of valuation are set each year by the Colorado State Legislature.

## Rates:

1995 – 1996 – Residential assessed value = 10.36% Other assessed value = 29%  
 1997 – 2000 – Residential assessed value = 9.74% Other assessed value = 29%  
 2001 – Residential assessed value = 9.15% Other assessed value = 29%  
 2002 – Residential assessed value = 9.15% Other assessed value = 29%  
 2003 – Residential assessed value = 7.96% Other assessed value = 29%  
 2004 – Residential assessed value = 7.96% Other assessed value = 29%

## Levels of value:

1988 level of actual value was used for 1989-1990.  
 1990 level of actual value was used for 1991-1992.  
 1992 level of actual value was used for 1993-1994.  
 1994 level of actual value was used for 1995-1996.  
 1996 level of actual value was used for 1997-1999.

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Table #8

## BOULDER COUNTY, COLORADO

## Property Tax Rates

## Direct and Overlapping Governments

## Last Ten Assessed/Collected Years

Tax rates are per \$1,000 assessed valuation (a rate of 1,000 results in \$1 of revenue for every \$1,000 of assessed valuation)

	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05
Boulder County	22.245	20.897	21.447	21.243	21.762	19.682	19.835	17.621	18.748	21.267
School districts:										
Boulder Valley (RE2)	45.640	46.743	45.344	50.356	44.000	42.890	34.807	38.524	26.049	26.049
Park (R-3)	43.569	43.393	42.542	42.518	37.798	36.860	30.681	31.015	22.394	22.115
St. Vrain (RE1J)	48.432	48.393	50.022	49.635	44.096	42.173	36.256	41.025	25.878	25.680
Thompson (R-2J)	47.545	51.257	48.240	48.074	52.796	53.027	49.168	48.462	25.645	24.804
Cities and towns:										
City of Boulder	9.189	9.666	11.428	11.438	10.502	10.908	9.301	9.640	11.981	10.005
City of Broomfield	13.894	13.894	13.894	13.894	13.894	13.894	—	—	—	—
Town of Erie	10.964	10.165	8.435	7.654	7.288	7.288	7.288	7.288	7.288	10.965
Town of Jamestown	7.244	12.621	13.390	12.320	13.289	13.289	12.343	14.843	5.880	21.400
City of Lafayette	13.629	13.009	13.817	13.034	11.352	11.860	11.130	10.994	8.184	10.710
City of Longmont	13.420	13.420	13.420	13.420	13.420	13.420	13.420	13.420	13.420	13.420
City of Louisville	5.457	5.246	5.246	5.184	4.643	4.767	5.292	5.184	5.184	6.710
Town of Lyons	17.726	17.542	16.211	17.156	15.205	15.205	13.457	13.796	19.522	12.915
Town of Nederland	14.440	14.440	15.486	16.210	14.982	15.546	15.408	15.455	17.274	14.765
Town of Superior	2.709	2.737	2.727	2.594	2.279	2.144	1.836	1.906	12.127	8.805
Town of Ward	5.416	5.416	4.807	5.481	4.232	4.230	3.662	3.474	2.616	2.709
Water/sanitation:										
Allenspark (W&S)	4.058	4.237	4.136	4.381	3.906	4.058	3.711	3.829	4.077	4.372
Baseline (W)	3.400	1.000	0.932	0.985	0.985	—	0.824	0.869	0.874	0.922
East Boulder Co. (W)	—	—	—	—	—	29.160	19.985	21.510	22.470	22.470
Brownsville (W&S)	7.268	7.493	7.897	8.145	7.846	8.084	6.446	6.576	6.669	6.515
Erie (W&S)	—	—	—	—	—	—	—	—	—	—
Hoover Hill (W&S)	6.833	7.003	6.335	10.105	9.727	5.979	6.341	4.618	4.613	4.573
Knollwood (W)	3.730	3.909	3.914	4.152	3.786	3.967	2.981	3.144	3.429	3.619
Left Hand (W&S)	11.110	11.480	18.136	18.350	18.050	19.364	16.462	16.795	17.365	17.957
Niwot (s)	—	—	—	—	—	—	—	—	—	—
Northern Colo (W)	1.000	1.000	1.000	1.000	1.000	1.000	1.000	—	1.000	1.000
Pine Brook (W)	8.860	8.870	8.380	7.699	7.490	7.800	6.110	5.820	5.795	13.365
St. Vrain Left Hand (W)	0.368	0.368	0.351	0.357	0.328	0.303	0.258	—	0.243	0.230
Shannon Estates (W)	0.943	0.863	0.943	0.943	0.943	0.917	0.760	0.803	0.804	0.849

Sources: Boulder County Finance Office, Accounting Division Mil Levy Records

Notes: W – Water District, S = Sanitation District, W&S = Water and Sanitation District

Table #8

## BOULDER COUNTY, COLORADO

## Property Tax Rates

## Direct and Overlapping Governments

## Last Ten Assessed/Collected Years

Tax rates are per \$1,000 assessed valuation (a rate of 1,000 results in \$1 of revenue for every \$1,000 of assessed valuation)

	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05
Fire Districts:										
Allenspark	6.303	6.277	5.986	6.124	5.257	5.470	4.757	7.507	7.507	7.507
Berthoud	8.135	8.128	8.128	8.128	7.674	8.924	15.024	15.274	15.274	15.274
Boulder Heights	6.001	6.001	6.001	6.001	5.673	7.992	7.992	7.992	7.992	—
Boulder Rural	2.405	4.405	4.405	4.405	4.405	4.405	7.747	7.747	7.747	7.747
Cherryvale	3.482	6.666	6.609	7.055	6.764	6.650	6.325	6.325	8.325	8.325
Clover Basin	—	30.000	31.920	31.920	31.920	31.920	16.500	10.640	6.978	7.420
Coal Creek	8.678	8.000	8.000	8.200	8.200	8.000	8.000	8.000	8.000	8.000
Eldorado Spgs-Marshall	4.339	4.391	4.110	4.110	4.110	4.110	4.110	4.110	4.110	6.110
Four Mile	8.572	9.060	7.292	7.292	7.292	7.292	7.292	7.292	3.555	7.292
Gold Hill	3.937	4.167	3.852	3.863	3.746	3.746	3.555	3.555	3.555	7.561
High Country	6.872	6.687	6.402	6.439	6.439	6.439	6.439	8.439	8.439	8.439
Hygiene	0.622	1.655	1.750	3.004	2.750	2.774	2.137	4.099	4.099	4.099
Indian Peaks	3.514	3.698	3.590	3.603	3.112	3.292	3.000	3.089	2.810	3.060
Lafayette Rural	2.470	2.300	1.776	1.776	1.776	1.776	1.090	2.500	2.500	2.500
Left Hand	6.497	14.007	13.637	13.431	11.967	6.207	11.022	11.022	11.022	11.022
Longmont	—	—	—	—	—	—	—	—	—	—
Louisville	3.186	3.186	3.186	3.186	3.186	3.186	3.186	3.186	3.186	3.186
Lyons	6.568	6.404	5.581	5.776	4.991	5.224	6.521	6.763	6.755	6.952
Mountain View Fire Dist	9.322	8.781	9.337	9.573	9.085	8.917	8.657	8.577	8.177	8.107
Nederland	5.706	7.500	7.500	11.690	12.147	12.432	11.023	11.715	11.434	11.433
North Metro	—	—	—	—	—	8.552	8.227	7.909	7.955	7.955
Pine Brook Hills	4.689	4.689	4.689	4.689	4.689	6.189	6.189	6.189	6.189	—
Sugarloaf	4.053	7.671	6.915	6.915	6.611	6.611	6.805	6.700	6.716	6.738
Sunshine	4.689	4.689	4.481	8.480	8.480	8.480	8.480	8.480	8.480	8.480
West Adams County	8.831	8.892	9.036	8.600	8.551	—	—	—	—	—
Special Districts:										
Boulder Central	8.111	8.375	8.242	6.623	6.526	6.575	5.345	5.544	5.744	5.934
Colo Tech Cntr. Metro	57.502	39.000	32.234	30.000	25.000	25.000	25.000	25.000	23.000	23.000
Downtown Boulder	—	—	—	—	5.361	5.175	4.689	5.453	5.595	5.739
Estes Valley Rec	2.061	2.061	1.972	2.034	1.691	1.505	1.279	1.349	1.289	1.323
Exempla GID	—	—	—	—	—	—	—	25.000	5.000	5.000
Fairways Metro	4.901	4.963	4.691	4.691	4.545	3.651	3.108	3.288	3.428	3.621
Forest Glen Transit	—	—	—	—	—	1.490	1.037	0.910	0.950	0.661
Gunbarrel Estates	3.203	3.203	3.656	3.861	3.616	3.628	3.091	6.785	6.785	6.785
Gunbarrel General Imp	5.410	4.994	4.402	5.624	5.234	5.234	4.299	3.987	4.161	—
Lafayette City Cntr GID	—	—	—	17.000	16.745	17.000	25.000	26.072	29.587	6.769
Lafayette Corporate Campus	—	—	—	—	—	—	—	73.963	61.056	46.761
Lafayette Tech Center	—	—	—	—	—	25.000	43.000	98.746	84.319	89.500
Longmont Downtown	3.310	3.310	3.310	3.310	3.310	3.310	3.310	3.310	3.310	3.310
Longmont General	6.798	6.798	6.798	6.798	6.798	6.798	6.798	6.798	6.798	6.798
Nederland Community Library	—	—	—	—	—	—	—	2.500	2.061	1.960
Northern Colorado Water	—	—	—	—	—	—	—	1.000	1.000	1.000
St Vrain Left Hand Water	—	—	—	—	—	—	—	0.245	0.243	0.230
Superior Metro #2	25.000	25.000	25.000	25.000	25.000	25.000	25.000	22.000	8.000	7.500
Superior Metro #3	40.000	25.000	25.000	25.000	25.000	25.000	25.000	22.000	8.000	7.500
Superior/McCaslin Interchange	—	—	—	—	—	—	25.970	35.000	35.000	35.000
University Hills	3.863	4.040	3.327	3.424	3.344	3.163	2.504	2.684	2.514	2.729
Urban Drainage and Flood	0.696	0.696	0.668	0.676	0.583	0.594	0.521	0.531	0.533	0.538

Table #9

## BOULDER COUNTY, COLORADO

Property Tax Rates

County Levy Detailed by Fund

Last Ten Assessed/Collected Years

Year	General Fund	Road and Bridge Fund	Public Welfare Fund	Solid Waste Fund	Contingency Fund	Developmental Disability Fund	Retirement Fund	Self Insurance Fund	Capital Expenditure Fund	Judgment Levy Fund (1)	Total all County Funds
1994/95	16.282	1.778	1.833	—	—	0.270	0.566	—	1.516	—	22.245
1995/96	15.407	1.561	1.696	—	—	0.255	0.560	—	1.418	—	20.897
1996/97	16.936	1.500	1.619	—	—	0.245	0.557	—	0.590	—	21.447
1997/98	17.226	1.053	1.087	—	—	0.236	0.577	—	1.064	—	21.243
1998/99	17.298	1.000	1.123	—	—	0.256	0.509	—	1.576	—	21.762
1999/00	15.891	0.709	0.629	—	—	0.209	0.564	—	1.680	—	19.682
2000/01	15.405	0.500	1.323	—	—	0.205	0.486	—	1.916	—	19.835
2001/02	14.083	0.443	0.907	—	—	0.193	0.439	—	1.556	—	17.621
2002/03	15.905	0.207	0.733	—	—	1.000	0.916	—	1.327	—	20.088
2003/04	16.451	0.207	1.007	—	—	1.000	1.069	0.693	0.840	—	21.267

Source: Boulder County Finance Office, Accounting Division Mil Levy Records

**BOULDER COUNTY, COLORADO**

Computation of Legal Debt Margin

December 31, 2004

Total actual value of taxable property, 2004	\$ 38,330,345,974 (2)
Debt limitation: 3% of assessed value (1)	\$ 1,149,910,379
Debt applicable to limitation:	
Total bonded debt	—
Total debt applicable to limitation	—
Legal debt margin	<u>\$ 1,149,910,379</u>

(1) As established by Section 30-26-301 (3), C.R.S.

(2) Total excludes Urban Renewal Districts/Downtown Authority tax increments.

**Table #11**

**BOULDER COUNTY, COLORADO**

Computation of Direct and Overlapping Bonded Debt

General Obligation Bonds

December 31, 2004

<u>Jurisdiction</u>	<u>Net debt outstanding</u>	<u>Percentage applicable to Boulder County</u>	<u>Amount applicable to Boulder County</u>
Boulder County	\$ —	N/A	\$ —
School districts	477,206,009	67.21%	320,730,159
Cities and towns	180,650,589	99.80%	180,289,288
Fire protection districts	5,341,150	47.95%	2,561,081
Water and sanitation districts	10,649,420	73.67%	7,845,428
Other special districts	<u>75,009,173</u>	99.83%	<u>74,881,657</u>
Total overlapping bonded debt	\$ <u>748,856,341</u>	78.29%	\$ <u>586,307,613</u>

Sources: Boulder County Finance Office (Accounting Division Mil Levy Records)  
Tax Districts

Table #12

## BOULDER COUNTY, COLORADO

Principal Taxpayers

December 31, 2004

<u>Taxpayer</u>	<u>Type of business</u>	<u>Taxpayer's 2004 assessed valuation</u>	<u>Taxpayer's percentage of total assessed valuation (1)</u>
Xcel Energy	Energy Utility	\$ 66,791,400	1.41%
Amgen Boulder Inc	Biotechnology	52,792,360	1.11%
IBM Corporation	Software Development & Computer	40,089,550	0.84%
Qwest	Telecommunications Research and Development	37,454,700	0.79%
Pratt Land Limited Liability Co	Property Management and Development	29,129,320	0.61%
Storage Technology Corp	Computer Systems Design & Manufacturer	21,159,210	0.45%
Seagate	Biotechnology	20,635,440	0.43%
Roche Colorado Corporation	Pharmaceutical Manufacturer	18,514,670	0.39%
Xilinx	Computer Systems Design & Manufacturer	9,955,320	0.21%
Connecticut National Bank Owner's Trust	Banking	9,219,100	0.19%
	Totals	\$ 305,741,070	6.43%

Source: Boulder County Assessor's Office

Notes:

(1) Boulder County's Total Assessed Valuation is \$4,755,238,426.

4,755,238,426

Table #13

## BOULDER COUNTY, COLORADO

## Demographic Statistics

## Last Ten Fiscal Years

	Population (1) (3)	Annual population percent change	Per capita income (2)	Annual income percent change (2)	Median age	School enrollment (K-12) (4)	Annual enrollment percent change	Percent of school enrollment to population	Unemployment rate
Fiscal year:									
1995	253,850	2.45%	\$ 28,448	5.77%	32.36	39,391	(4.63)%	15.52%	3.90%
1996	260,500	2.62	29,914	5.15	34.20	39,588	0.50	15.20	3.80
1997	266,100	2.15	31,393	4.94	33.60	40,661	2.71	15.28	2.80
1998	272,700	2.48	34,181	8.88	34.20	41,800	2.80	15.33	3.30
1999	286,700	5.13	36,347	6.34	33.22	40,277	(3.64)	14.05	2.50
2000	291,288	1.60	39,347	8.25	33.40	42,791	6.24	14.69	2.40
2001	280,267	(3.78)	39,551	0.52	33.73	48,629	13.64	17.35	3.50
2002	270,691	(3.42)	39,784	0.59	34.00	50,772	4.41	18.76	5.20
2003	283,043	4.56	41,936	5.41	34.28	49,463	(2.58)	17.48	4.70
2004	290,588	2.67	38,028	(9.32)	34.80	44,186	(10.67)	15.21	5.00

Population Source: For 1995, Colorado Division of Local Government, Demographic Sector  
 For 1996, Denver Regional Council of Governments  
 For 1997, 1998, 1999, Boulder County Land Use Dept.  
 For 2000, 2000 US Census  
 For 2001, Colorado Division of Local Government, Demographic Sector  
 For 2002, Colorado Division of Local Government, Demographic Sector  
 For 2003, Colorado Division of Local Government, Demographic Sector  
 For 2004, Colorado Division of Local Government, Demographic Sector

Per Capita Income Source: U.S. Department of Commerce, Bureau of Economic Analysis

Median Age Source: For 1995, Colorado Division of Local Government, Demographic Section  
 For 1996 – 1998, Denver Regional Council of Governments  
 For 2000, 2000 US Census  
 For 2001, Colorado Division of Local Affairs, Demographic Sector  
 For 2002, Colorado Division of Local Affairs, Demographic Sector  
 For 2003, Colorado Division of Local Affairs, Demographic Sector  
 For 2004, Colorado Division of Local Affairs, Demographic Sector

School Enrollment Sources: Boulder Valley School District <http://www.bvsd.org>  
 St. Vrain Valley School District <http://www.stvrain.k12.co.us>

Unemployment Source: Colorado Department of Labor and Employment  
 For 2000, 2000 Annual Averages/Monthly Expenditure

## Notes:

- (1) Figures included in this column represent the most recent data available.
- (2) Per capita income data is estimated, and is subject to change based on updated information from U.S. Department of Commerce, Bureau of Economic Analysis.
- (3) Population and Unemployment subject to change based on updated information from Boulder County Land Use Department and Colorado Department of Labor and Employment. Population and per capita income for 2004 are projected and subject to change based on information from Colorado Department of Local Affairs
- (4) Beginning 2004, this number excludes students enrolled in Saint Vrain and Boulder Valley outside Boulder County.

**BOULDER COUNTY, COLORADO**

Salaries of Principal Officials

December 31, 2004

**Elected Officials**

	<u>Annual salary</u>
Official:	
District #1 Commissioner	\$ 63,203
District #2 Commissioner	63,203
District #3 Commissioner	63,203
Clerk and Recorder	75,500
Treasurer	75,500
Sheriff	95,000
Coroner	75,500
Assessor	75,500
District Attorney	130,000
Surveyor	Non-salaried office

**Appointed Department Directors**

	<u>Annual salary</u>
Department director:	
County Attorney	\$ 126,386
Transportation Director	103,562
Parks and Open Space Director	Unpaid Position
Land Use Director	106,668
Community Services Director	99,553
Administrative Services Director	118,328
Social Services Director	102,360

Source: Boulder County Personnel Schedule

**BOULDER COUNTY, COLORADO**  
Assessed Property Value, New Construction, and Bank Deposits  
Last Ten Fiscal Years

<b>Assessed property value (1)</b>						
	<b>Commercial</b>	<b>Residential</b>	<b>Industrial</b>	<b>Agricultural</b>	<b>Natural resources</b>	<b>Total</b>
Fiscal year:						
1995	\$ 733,352,712	1,629,871,351	345,795,300	22,554,242	13,550,334	2,745,123,939
1996	776,895,259	1,671,165,107	376,172,608	22,934,071	12,393,395	2,859,560,440
1997	910,848,547	1,752,460,551	375,676,557	23,329,067	10,890,307	3,073,205,029
1998	973,202,533	1,813,492,068	398,814,672	23,239,155	10,260,942	3,219,009,370
1999	1,170,175,330	2,087,963,601	473,778,205	25,630,419	8,333,225	3,765,880,780
2000	1,334,420,536	2,180,232,973	470,562,499	26,266,664	8,202,808	4,019,685,480
2001	1,469,329,149	2,450,345,765	492,202,904	23,936,056	9,418,826	4,445,232,700
2002	1,262,021,092	2,642,613,958	588,699,474	28,464,807	11,064,901	4,532,864,232
2003	1,353,278,590	2,709,520,348	606,560,744	30,023,105	8,290,662	4,707,673,449
2004	1,370,881,346	2,791,750,440	573,409,610	7,492,770	11,704,260	4,755,238,426

Property value sources: Boulder County Assessor's Office and Boulder County Finance Office,  
Accounting Division Mil Levy Records

New construction source: For 1995, Bureau of the Census, Construction Statistics Division  
For 1996 – 2000, Boulder County Assessor

Bank deposit source: Sheshunoff Information Services, Inc.

Notes:

- (1) Assessed Property Value amounts do not include exempt property
- (2) Includes incorporated and unincorporated areas of Boulder County.  
As of 1996, commercial and industrial statistics for new construction are no longer collected by the Bureau of Census. Increases in 1996 are due to data collection method differences between the Bureau of Census and Boulder County Assessor.
- (3) Bank deposit information includes only banks headquartered in Boulder County. Decreases, starting in 1995, are a result of fewer banks headquartered in the County.
- (4) Information not available.
- (5) Information no longer available in new Assessor's office

Table #15

Commercial construction		Residential construction		Industrial construction		Bank deposits (3)
Number of units	Value	Number of units	Value	Number of units	Value	
48	\$ 39,699,135	3,062	\$ 297,757,115	25	\$ 14,610,366	891,545,000
166	53,529,345	4,123	325,209,791	53	26,388,138	902,008,000
125	58,919,700	4,383	458,997,800	47	48,969,000	1,148,467,000
194	69,559,380	5,396	553,347,430	60	49,302,410	(4)
105	97,732,600	5,269	681,204,200	65	99,156,000	(4)
182	159,660,345	4,737	680,693,224	58	102,777,414	(4)
77	99,961,800	4,243	648,789,100	152	128,037,500	(4)
(5)	66,147,700	1,717	529,426,463	(5)	68,410,100	(4)
(5)	36,380,539	(5)	678,267,813	(5)	48,853,100	(4)
(5)	35,168,900	(5)	32,786,900	(5)	6,258,980	(4)

Table 16

## BOULDER COUNTY, COLORADO

## Miscellaneous Statistics

December 31, 2004

Environment:		
Area in square miles	741	
Highest elevation	14,255	feet
Lowest elevation	4,986	feet
Government:		
County seat	Boulder	
Form of Government	10 Elected Officials: Three-Member Board of County Commissioners; Assessor; Clerk and Recorder; Coroner; District Attorney; Sheriff; Surveyor; Treasurer	
Number of department heads	7	
Number of other employees	1,896	
Parks and open space:		
County parks and open space (acres)	69,760	
County trails maintained (miles)	89.3	
County environment programs (people served)	3,310	
County outreach/specific events (people served)	5,922	
County cultural/historical events (people served)	3,448	
Volunteer work projects (people served)	1,131	
Community services (clients served):		
Community Services Website Hits	284,421	
Aging Services:		
Aging Services (SAMS)	81,938	
Long-Term Care Ombudsman (Ombudsmanager)	2,143	
Community Action Programs (clients served)	515	
Community Justice Services:		
Justice System Volunteer Program (volunteers)	112	
Justice System Volunteer Program (hours of service)	10,766	
Community Service	4,111	
Pre-Trial Supervision	1,325	
Bond Commissioners	4,800	
Juvenile Assessment Center	1,700	
Head Start (children)	193	
Housing:		
Project Self Sufficiency (single parents & their families)	167	
Housing Counseling	642	
LPEC (Weatherization)	650	
Section 8	728	
Housing Management	639	

Information comes from various county departments. Highlighted areas indicate additional information or information verification needed.

Table 16

## BOULDER COUNTY, COLORADO

## Miscellaneous Statistics

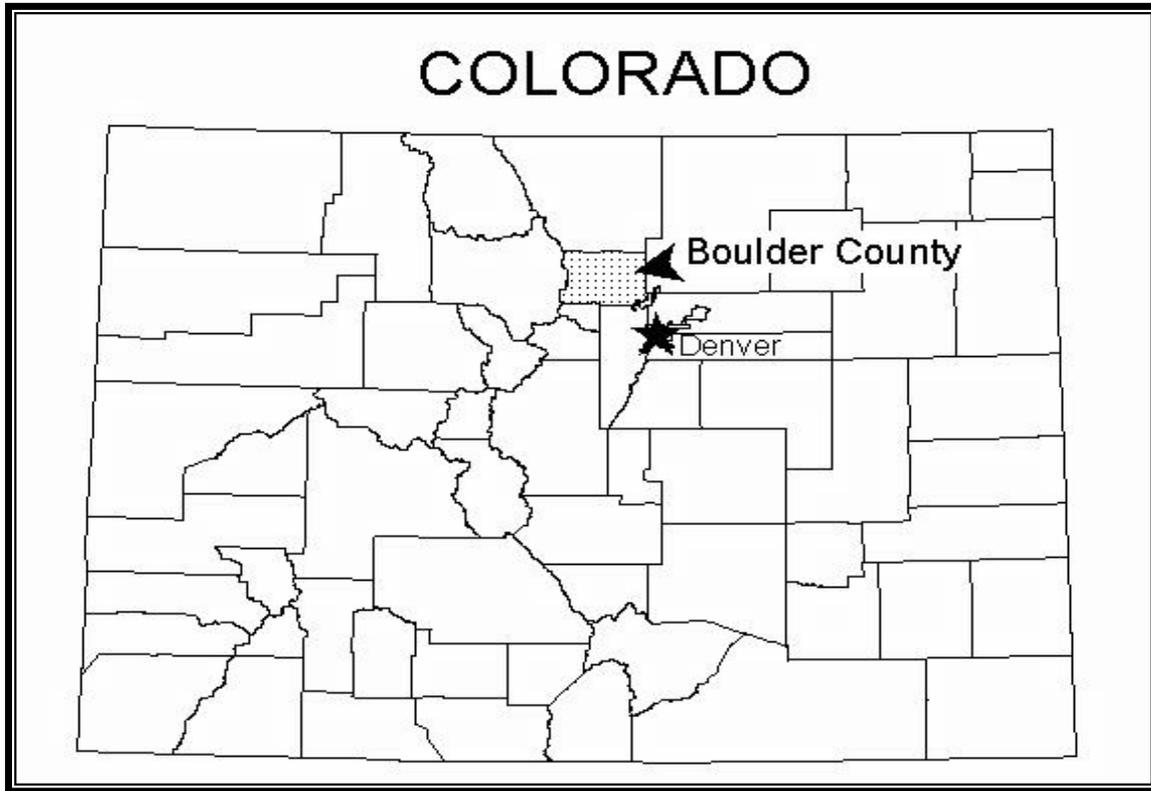
December 31, 2004

Land use/planning/zoning/building:	
Number of permits issued	1,852
Number of building inspections	15,709
Number of zoning and subdivision dockets processed including:	
Nonurban planned unit developments	—
Special uses	16
Subdivision exemptions	26
Oil and gas development reviews	4
Site plan application reviews	143
Sheriff Protection:	
Number of commissioned staff	214
Number of noncommissioned staff	146
Uniform nontraffic crime reports	3,022
Uniform incident reports	3,104
Average daily jail populations	366
Number of vehicles in fleet	107
Detective division cases assigned	1,485
Detective division cases cleared	1,550
Number of beds in jail	410
Number of people booked in the jail	10,168
Number of people released	10,114
Ratio of operational deputies to inmates	1 to 4
Transportation:	
Miles of County maintained road paved	368
Miles of County maintained road gravel	308
Miles of County maintained road total	676
Mileage of roads within subdivisions	200
Mileage of roads outside of subdivisions	476
County maintained bridges over 20 feet in length	76
Lane miles of County maintained bikeways (County owned)	104
Maintenance Equipment/Vehicle Fleet (in units) – excludes trailer and related tools	178

## Sources:

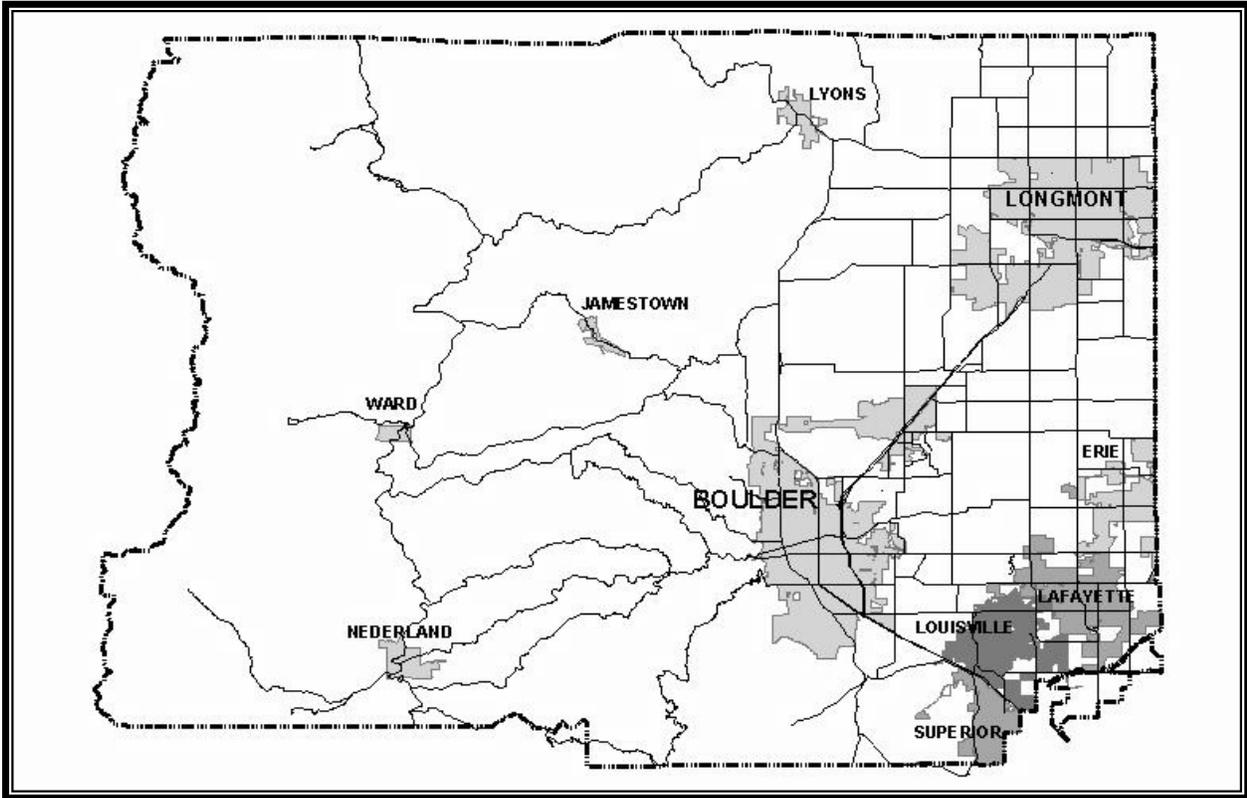
Boulder County Government Offices: Government  
Parks/open space  
Land use/planning  
Zoning/building  
Transportation  
Community services

Boulder County is located in northern Colorado, USA. The western border of the County is the Continental Divide. The eastern half of the County is rolling plains, and the western half is mountainous.



This map was produced by the Boulder County Geographic Information System (GIS). GIS made its debut in Boulder County in 1987 with the delivery of a PRIME computer and a 9-track tape containing Arc/Info version 3.2 software. For ten years prior to that, the Land Use Department had been using a Wang 220C with coordinate geometry (COGO) software to enter mining claim data.

Currently, GIS technology is used by several County departments and offices and has become an integral part of many government functions. There are several GIS data layers used for scientific analysis, resource management, development, planning, wildfire hazard identification and mitigation, property assessment, production mapping, and ad-hoc custom products.



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## **BOULDER COUNTY, COLORADO**

The following tables disclose certain information as required by Section (b)(5)(I) of Securities and Exchange Commission Rule 15c2-12 under the Securities Exchange Act of 1934, as amended.

Table A: Boulder County History of Funding Sources for Open Space Land Acquisition

Table B: Projected Open Space Revenues vs. Commitments

Table C: General Fund Information

Table D: Open Space Sales/Use Tax Collection History

Additionally required annual financial information can be found elsewhere in this document.

Letter of Transmittal

Management's Discussion and Analysis

Basic Financial Statements:

Government-wide Statement of Net Assets

Government-wide Statement of Activities

Fund Financials

Notes to the Financials

Required Supplementary Information

Statistical Section:

Table 6 – Historical Property Tax Levies and Collections

Table 7 – History of Assessed and Estimated Actual Value of Property

Tables 8 and 9 – Historical Property Tax Rates

Table 12 – Ten Principal Property Taxpayers in the County

Table A

**BOULDER COUNTY, COLORADO**  
S.E.C. Disclosure Subsection

Boulder County History of Funding Sources for Open Space Land Acquisition

December 31, 2004

The following table presents a history of the County's resources available or proposed to be used for the purchase of open space lands.

Year	General Fund (1)	Conservation Trust Fund	Grants (2)	Sales and use tax (3)	Bond proceeds	Total
1985	\$ 724,700	253,616	—	—	—	978,316
1986	1,107,040	405,605	—	—	—	1,512,645
1987	1,137,040	238,585	—	—	—	1,375,625
1988	1,391,117	334,893	—	—	—	1,726,010
1989	1,515,196	283,978	—	—	—	1,799,174
1990	1,715,196	263,785	—	—	—	1,978,981
1991	2,150,000	284,561	—	—	—	2,434,561
1992	1,935,000	301,880	—	—	—	2,236,880
1993	2,089,000	302,864	—	—	—	2,391,864
1994	6,117,808	313,779	—	5,872,634	35,216,363	47,520,584
1995	3,858,027	417,101	—	6,665,745	—	10,940,873
1996	4,199,033	392,010	575,000	7,003,101	35,000,000	47,169,144
1997	3,957,590	440,542	—	7,609,932	—	12,008,064
1998	3,957,590	406,988	—	8,703,742	36,358,000	49,426,320
1999	4,000,000	363,422	25,000	9,603,174	—	13,991,596
2000	3,800,000	391,513	550,000	10,055,707	34,868,358	49,665,578
2001	3,833,448	392,785	287,379	11,247,451	49,536,177	65,297,240
2002	3,833,448	437,414	375,000	12,442,974	30,324,434	47,413,270
2003	3,833,448	462,275	3,467,499	12,140,813	—	19,904,035
2004	3,833,448	397,310	350,000	12,567,313	—	17,148,071
2005 (est)	3,833,448	400,000	—	16,606,730	41,391,371	62,231,549
Totals	\$ 62,821,577	7,484,906	5,629,878	120,519,316	262,694,703	459,150,380

## Notes:

- (1) These are the dollars appropriated at January 1 from the General Fund to the Parks/Open Space Department specifically for land acquisition. For 1996 through 2004, the total includes amounts necessary to make the payment on the 1996 series open space bonds.
- (2) Grant funds from Go Colorado; these are State Lottery related funds, and other miscellaneous grant funding sources.
- (3) In 2002, the tax rate increased from .25% to .35%. The tax rate will return to .25% in 2019. In 2005, an additional .10% voter approved open space tax was imposed. 10% of the amount must be used for land maintenance. The remainder may be used for acquisitions. The .10% is reduced to .05% in 2025 and remains for perpetuity.
- (4) Includes bond premiums when applicable.

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**Table B**

**BOULDER COUNTY, COLORADO**  
S.E.C. Disclosure Subsection

Projected Open Space Revenues vs. Commitments

December 31, 2004

The following table describes the County's long-term open space acquisition program and compares the County's expected revenues available for open space purchases with current commitments for open space purchases. The estimated revenues and expenditures shown in the following table are not intended as a prediction of result. The table should be regarded as a planning document showing how the County currently expects to conduct business in the future. Changes in any assumed fact such as changes in land values, tax or spending policies or economic fluctuations, would affect the revenues and expenditures contemplated in the table.

A 4% increase in tax revenue is predicted for years 2005-2011. In 2010, we reduce the tax amount by 0.1% due to the 0.1% tax expiration. Beginning in 2005 an additional 0.1% tax is being collected. 10% of this amount must be used for land maintenance. The remainder may be used for acquisitions. This tax in effect through 12/31/24. At that time, it is reduced to 0.05% for perpetuity. At year-end 2019, the 0.25% portion of the open space tax expires.

The County issued Open Space bonds in the 1st quarter of 2005. The County intends to spend the proceeds within 3 years to comply with IRS regulations. Acquisitions are only added to the spreadsheet on the line entitled "Committed (land/water)" when property is under contract or letter of intent. This information is supplied by the Parks and Open Space staff

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
<b>Revenues:</b>								
Sales tax collections	\$ 13,070,006	13,592,806	14,136,518	14,701,979	15,290,058	11,358,329	11,812,662	11,812,662
2005 0.10% O/S tax (acquisition portion)	3,183,052	3,310,374	3,442,789	3,580,501	3,723,721	3,872,669	4,027,576	4,027,576
2005 0.10% O/S tax (land maint portion)	353,672	367,819	382,532	397,833	413,746	430,296	447,508	447,508
General fund (budgeted)	3,833,448	3,833,448	3,833,448	3,833,448	3,833,448	3,833,448	3,833,448	3,833,448
Lottery (budgeted)	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000
Estimated carryforward funds	8,715,861	48,516,192	48,979,643	47,424,218	49,866,050	50,782,171	52,831,403	55,474,331
Bond proceeds 2005 issue	38,961,713	—	—	—	—	—	—	—
Bond premium 2005 issue	2,429,658	—	—	—	—	—	—	—
Interest earnings	1,183,851	786,442	400,721	191,424	198,481	151,300	156,752	156,752
Northwest Parkway IGA's	—	1,000,000	1,000,000	2,000,000	—	—	—	—
Sale of assets	611,235	—	—	—	—	—	—	—
<b>Total revenues</b>	<u>72,742,496</u>	<u>71,807,081</u>	<u>72,575,651</u>	<u>72,529,403</u>	<u>73,725,504</u>	<u>70,828,213</u>	<u>73,509,349</u>	<u>76,152,277</u>
<b>Expended/committed:</b>								
Bond payment, series '1994	(4,166,550)	—	—	—	—	—	—	—
Bond payment, series '1996	(3,697,433)	(3,697,953)	(3,695,231)	(3,694,588)	(3,697,920)	(3,694,500)	—	—
Bond payment, series '1998	(2,892,290)	(7,772,200)	(7,894,200)	(8,004,200)	(8,036,600)	—	—	—
Bond payment, series '2000	(2,200,025)	(2,900,025)	(2,911,525)	(2,895,275)	(2,852,650)	(4,795,025)	(4,795,125)	(4,794,707)
Bond payment, series '2001	(3,106,850)	(2,387,525)	(2,742,525)	(3,277,438)	(3,933,975)	(2,760,975)	(6,459,938)	(6,455,263)
Bond payment, series '2002	(1,900,488)	(1,513,288)	(1,353,288)	(1,442,388)	(1,418,788)	(3,710,663)	(3,710,663)	(3,711,450)
Bond payment, series '2005	(656,750)	(1,970,250)	(1,970,250)	(1,970,250)	(1,970,250)	(1,970,250)	(1,970,250)	(1,970,250)
Maint expense (ballot issue 1a)	(353,672)	(367,819)	(382,532)	(397,833)	(413,746)	(430,296)	(447,508)	(447,508)
Payroll expenses	(173,600)	(180,544)	(187,766)	(195,276)	(203,087)	(211,211)	(219,659)	(228,446)
Hourly payroll expenses	(220,600)	(229,424)	(238,601)	(248,145)	(258,071)	(268,394)	(279,129)	(290,295)
Exp for other purposes	(68,090)	—	—	—	—	—	—	—
Committed* (land/water)	(4,789,956)	(1,808,410)	(3,775,515)	(537,960)	(158,246)	(155,496)	(152,746)	(102,743)
<b>Total expended/committed</b>	<u>(24,226,304)</u>	<u>(22,827,438)</u>	<u>(25,151,433)</u>	<u>(22,663,353)</u>	<u>(22,943,333)</u>	<u>(17,996,810)</u>	<u>(18,035,018)</u>	<u>(18,000,662)</u>
<b>Surplus</b>	<u>\$ 48,516,192</u>	<u>48,979,643</u>	<u>47,424,218</u>	<u>49,866,050</u>	<u>50,782,171</u>	<u>52,831,403</u>	<u>55,474,331</u>	<u>58,151,615</u>
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<b>Revenues:</b>								
Sales tax collections	\$ 11,812,662	11,812,662	11,812,662	11,812,662	11,812,662	11,812,662	11,812,662	—
2005 0.10% O/S tax (acquisition portion)	4,027,576	4,027,576	4,027,576	4,027,576	4,027,576	4,027,576	4,027,576	3,869,020
2005 0.10% O/S tax (land maint portion)	447,508	447,508	447,508	447,508	447,508	447,508	447,508	429,891
General fund (budgeted)	3,833,448	3,833,448	3,833,448	3,833,448	3,833,448	3,833,448	3,833,448	3,833,448
Lottery (budgeted)	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000
Estimated carryforward funds	58,151,615	60,817,321	63,525,051	63,518,437	62,808,268	62,088,097	61,337,197	60,561,418
Bond proceeds 2005 issue	—	—	—	—	—	—	—	—
Bond premium 2005 issue	—	—	—	—	—	—	—	—
Interest earnings	156,752	156,752	156,752	156,752	156,752	156,752	156,752	66,587
Northwest Parkway IGA's	—	—	—	—	—	—	—	—
Sale of assets	—	—	—	—	—	—	—	—
<b>Total revenues</b>	<u>78,829,561</u>	<u>81,495,267</u>	<u>84,202,997</u>	<u>84,196,383</u>	<u>83,486,214</u>	<u>82,766,043</u>	<u>82,015,143</u>	<u>69,160,364</u>
<b>Expended/committed:</b>								
Bond payment, series '1994	—	—	—	—	—	—	—	—
Bond payment, series '1996	—	—	—	—	—	—	—	—
Bond payment, series '1998	—	—	—	—	—	—	—	—
Bond payment, series '2000	(4,797,937)	(4,793,672)	(4,796,290)	(4,794,290)	(4,798,600)	(4,791,800)	(4,785,900)	—
Bond payment, series '2001	(6,441,263)	(6,438,000)	(6,417,500)	(6,411,000)	(6,402,250)	(6,405,750)	(6,410,250)	—
Bond payment, series '2002	(3,713,050)	(3,720,450)	(3,733,250)	(3,721,750)	(3,703,500)	(3,698,500)	(3,690,750)	—
Bond payment, series '2005	(1,970,250)	(1,009,625)	(4,631,500)	(4,599,750)	(4,582,000)	(4,567,500)	(4,546,000)	(4,526,750)
Maint expense (ballot issue 1a)	(447,508)	(447,508)	(447,508)	(447,508)	(447,508)	(447,508)	(447,508)	(429,891)
Payroll expenses	(237,583)	(247,087)	(256,970)	(267,249)	(277,939)	(289,057)	(300,619)	(312,644)
Hourly payroll expenses	(301,906)	(313,983)	(326,542)	(339,604)	(353,188)	(367,315)	(382,008)	(397,288)
Exp for other purposes	—	—	—	—	—	—	—	—
Committed* (land/water)	(102,743)	(999,891)	(75,000)	(806,964)	(833,132)	(861,416)	(890,690)	(920,988)
<b>Total expended/committed</b>	<u>(18,012,240)</u>	<u>(17,970,216)</u>	<u>(20,684,560)</u>	<u>(21,388,115)</u>	<u>(21,398,117)</u>	<u>(21,428,846)</u>	<u>(21,453,725)</u>	<u>(6,587,561)</u>
<b>Surplus</b>	<u>\$ 60,817,321</u>	<u>63,525,051</u>	<u>63,518,437</u>	<u>62,808,268</u>	<u>62,088,097</u>	<u>61,337,197</u>	<u>60,561,418</u>	<u>62,572,803</u>

Table B

## BOULDER COUNTY, COLORADO

S.E.C. Disclosure Subsection

## Projected Open Space Revenues vs. Commitments

December 31, 2004

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Revenues:					
Sales tax collections	\$ —	—	—	—	—
2005 0.10% O/S tax (acquisition portion)	3,869,020	3,869,020	3,869,020	3,869,020	1,934,510
2005 0.10% O/S tax (land maint portion)	429,891	429,891	429,891	429,891	214,945
General fund (budgeted)	3,833,448	3,833,448	3,833,448	3,833,448	3,833,448
Lottery (budgeted)	400,000	400,000	400,000	400,000	400,000
Estimated carryforward funds	62,572,803	65,008,981	67,893,799	70,761,152	72,109,062
Bond proceeds 2005 issue	—	—	—	—	—
Bond premium 2005 issue	—	—	—	—	—
Interest earnings	66,587	66,587	66,587	66,587	40,793
Northwest Parkway IGA's	—	—	—	—	—
Sale of assets	—	—	—	—	—
<b>Total revenues</b>	<u>71,171,749</u>	<u>73,607,927</u>	<u>76,492,745</u>	<u>79,360,098</u>	<u>78,532,758</u>
Expended/committed:					
Bond payment, series '1994	—	—	—	—	—
Bond payment, series '1996	—	—	—	—	—
Bond payment, series '1998	—	—	—	—	—
Bond payment, series '2000	—	—	—	—	—
Bond payment, series '2001	—	—	—	—	—
Bond payment, series '2002	—	—	—	—	—
Bond payment, series '2005	(4,505,875)	(4,491,375)	(4,478,125)	(4,465,625)	(4,448,500)
Maint expense (ballot issue 1a)	(429,891)	(429,891)	(429,891)	(429,891)	(214,945)
Payroll expenses	(325,149)	(338,155)	(351,682)	(365,749)	(380,379)
Hourly payroll expenses	(413,180)	(429,707)	(446,895)	(464,771)	(483,362)
Exp for other purposes	—	—	—	—	—
Committed* (land/water)	(488,673)	(25,000)	(25,000)	(1,525,000)	(1,372,568)
<b>Total expended/committed</b>	<u>(6,162,768)</u>	<u>(5,714,128)</u>	<u>(5,731,593)</u>	<u>(7,251,036)</u>	<u>(6,899,754)</u>
<b>Surplus</b>	<u>\$ 65,008,981</u>	<u>67,893,799</u>	<u>70,761,152</u>	<u>72,109,062</u>	<u>71,633,004</u>

\* Under contract or letter of intent, per schedule from Parks and Open Space Department.

**BOULDER COUNTY, COLORADO**  
 S.E.C. Disclosure Subsection  
 General Fund Information  
 December 31, 2004

Each year, during its budget process, the Board of County Commissioners appropriates monies from each fund for specific purposes. Monies appropriated to the Parks and Open Space Department for land acquisition are expected to be the primary source for payment of the 1996 Series Open Space Bonds. Monies in the General Fund balance would also be available, if necessary, as would those in the County Conservation Trust Fund.

The General Fund, at \$97.68 million, is the largest fund in the County's 2005 budget of \$236.99 million. Its primary funding sources, as derived from the 2005 consolidated budget summary, are as follows:

Property tax	78.64%
Other revenues (1)	2.85%
Intergovernmental revenues	17.92%
Use of fund balance	<u>0.59%</u>
Total	<u><u>100.00%</u></u>

- (1) This includes bond proceeds, sales taxes, specific ownership taxes, motor vehicle fees, recording and filing fees, Treasurer's fees, building permits, interest earnings, various other fees, rents, and charges for services.

For a discussion of the General Fund balance, see the Transmittal Letter section with that heading.

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Table D

**BOULDER COUNTY, COLORADO**  
 SEC Disclosure Subsection  
 Open Space Sales/Use Tax Collection History  
 December 31, 2004

The following table provides the tax collection history for the Open Space Sales and Use Tax.  
 Tax effective January 1, 1994, expires December 31, 2019 (25/100 cent)  
 Tax effective January 1, 2002, expires December 31, 2009 (10/100 cent)

<u>Month tax collected</u>	<u>1994 Net State collections</u>	<u>1994 Use tax</u>	<u>1994 total</u>	<u>1995 Net State collections</u>	<u>1995 Use tax</u>	<u>1995 total</u>	<u>1996 Net State collections</u>	<u>1996 Use tax</u>	<u>1996 total</u>
January	\$ 304,137	5,986	310,123	355,375	42,353	397,728	423,693	61,148	484,841
February	315,460	20,910	336,370	402,060	60,462	462,522	428,988	75,916	504,904
March	410,380	41,683	452,063	420,289	98,767	519,056	484,026	70,367	554,393
April	423,639	58,860	482,499	466,775	61,389	528,164	427,988	83,188	511,176
May	424,065	45,298	469,363	458,130	71,304	529,434	531,462	86,468	617,930
June	459,997	47,249	507,246	516,231	88,308	604,539	508,530	104,378	612,908
July	452,140	50,850	502,990	460,032	79,937	539,969	509,307	101,925	611,232
August	469,426	116,265	585,691	488,860	125,224	614,084	527,872	94,581	622,453
September	500,160	61,693	561,853	531,481	105,299	636,780	541,553	67,206	608,759
October	447,891	63,084	510,975	470,622	79,807	550,429	492,034	89,680	581,714
November	407,695	60,790	468,485	437,364	86,746	524,110	495,267	74,759	570,026
December	576,199	108,777	684,976	638,409	120,521	758,930	644,070	78,695	722,765
Totals	\$ 5,191,189	681,445	5,872,634	5,645,628	1,020,117	6,665,745	6,014,790	988,311	7,003,101
Percentage increase/ decrease over prior year				8.05%	33.20%	11.90%	6.14%	-3.22%	4.82%

<u>Month tax collected</u>	<u>1997 Net State collections</u>	<u>1997 Use tax</u>	<u>1997 total</u>	<u>1998 Net State collections</u>	<u>1998 Use tax</u>	<u>1998 total</u>	<u>1999 Net State collections</u>	<u>1999 Use tax</u>	<u>1999 total</u>
January	\$ 433,586	97,124	530,710	461,421	109,764	571,185	551,210	120,770	671,980
February	424,982	65,235	490,217	507,359	109,329	616,688	564,538	100,830	665,368
March	547,460	84,107	631,567	451,391	119,648	571,039	614,291	158,000	772,291
April	509,786	101,288	611,074	653,660	150,201	803,861	522,225	162,256	684,481
May	581,625	100,414	682,039	556,941	144,728	701,669	640,083	132,768	772,851
June	524,650	102,459	627,109	657,641	156,905	814,546	689,839	210,606	900,445
July	541,769	139,311	681,080	582,555	148,950	731,505	724,374	156,511	880,885
August	558,826	126,927	685,753	605,281	131,429	736,710	612,799	153,648	766,447
September	594,521	116,265	710,786	651,256	145,595	796,851	725,597	159,434	885,031
October	532,682	122,208	654,890	644,250	182,303	826,553	649,408	169,339	818,747
November	380,679	90,986	471,665	520,307	120,882	641,189	645,794	136,786	782,580
December	701,796	131,248	833,044	744,109	147,838	891,947	826,705	175,363	1,002,068
Totals	\$ 6,332,362	1,277,572	7,609,934	7,036,171	1,667,572	8,703,743	7,766,863	1,836,311	9,603,174
Percentage increase/ decrease over prior year	5.02%	22.64%	7.97%	10.00%	23.39%	12.57%	9.41%	9.19%	9.37%

Table D

**BOULDER COUNTY, COLORADO**  
SEC Disclosure Subsection  
Open Space Sales/Use Tax Collection History  
December 31, 2004

The following table provides the tax collection history for the Open Space Sales and Use Tax.  
Tax effective January 1, 1994, expires December 31, 2019 (25/100 cent)  
Tax effective January 1, 2002, expires December 31, 2009 (10/100 cent)

<u>Month tax collected</u>	<u>2000 Net State collections</u>	<u>2000 Use tax</u>	<u>2000 total</u>	<u>2001 Net State collections</u>	<u>2001 Use tax</u>	<u>2001 total</u>	<u>2002 Net State collections</u>	<u>2002 Use tax</u>	<u>2002 total</u>
January	\$ 583,529	150,315	733,844	779,971	197,907	977,878	803,363	137,159	940,522
February	567,876	152,221	720,097	774,846	141,554	916,400	838,851	160,660	999,511
March	602,378	202,720	805,098	778,160	160,206	938,366	773,222	186,186	959,408
April	549,679	156,329	706,008	746,693	141,254	887,947	878,213	166,598	1,044,811
May	743,631	192,482	936,113	782,585	135,629	918,214	899,058	192,801	1,091,859
June	631,577	203,674	835,251	978,441	151,581	1,130,022	970,617	151,761	1,122,378
July	691,473	143,501	834,974	734,887	154,703	889,590	862,360	179,147	1,041,507
August	721,977	147,984	869,961	802,936	159,458	962,394	866,843	175,545	1,042,388
September	776,222	128,803	905,025	857,296	148,399	1,005,695	846,589	137,705	984,294
October	731,522	191,028	922,550	743,065	144,792	887,857	800,868	263,252	1,064,120
November	638,875	145,453	784,328	699,149	113,506	812,655	801,347	129,618	930,965
December	868,620	133,839	1,002,459	809,764	110,668	920,432	1,086,526	134,687	1,221,213
Totals	\$ 8,107,359	1,948,349	10,055,708	9,487,793	1,759,657	11,247,450	10,427,857	2,015,119	12,442,976
Percentage increase/ decrease over prior year	4.20%	5.75%	4.50%	14.55%	-10.72%	10.60%	9.01%	12.68%	9.61%
<u>Month tax collected</u>	<u>2003 Net State collections</u>	<u>2003 Use tax</u>	<u>2003 total</u>	<u>2004 Net State collections</u>	<u>2004 Use tax</u>	<u>2004 total</u>			
January	\$ 759,913	146,087	906,000	794,599	145,710	940,309			
February	698,907	110,529	809,436	742,790	130,032	872,822			
March	800,882	114,211	915,093	886,859	188,381	1,075,240			
April	812,576	139,394	951,970	818,183	160,760	978,943			
May	864,799	149,527	1,014,326	895,064	185,443	1,080,507			
June	951,088	165,803	1,116,891	978,073	172,818	1,150,891			
July	866,642	196,210	1,062,852	913,969	139,475	1,053,444			
August	925,457	166,695	1,092,152	911,929	163,477	1,075,406			
September	893,514	187,424	1,080,938	930,941	152,302	1,083,243			
October	839,914	197,847	1,037,761	860,429	159,573	1,020,002			
November	802,445	117,367	919,812	822,911	136,615	959,526			
December	1,072,639	160,946	1,233,585	1,124,827	152,154	1,276,981			
Totals	\$ 10,288,776	1,852,040	12,140,816	10,680,574	1,886,740	12,567,314			
Percentage increase/ decrease over prior year	-1.35%	-8.81%	-2.49%	3.67%	1.84%	3.39%			

Note: The 2002 percentage comparisons are based upon actual sales/use tax revenues received by the County. The data has not been normalized to reflect the loss of revenue due to Broomfield becoming its own County. Likewise, the data has not been normalized to reflect the increase in the County tax rate from .25% to .35%. Both changes were effective 2002.

Totals subject to rounding errors.