

BOULDER COUNTY, COLORADO



Comprehensive Annual
Financial Report
for the Fiscal Year
ended December 31, 2007



Cover photo: Dodd Hindman Agricultural Open Space, Boulder County
Courtesy of David Hirt, Parks and Open Space Department

BOULDER COUNTY, COLORADO

Comprehensive Annual Financial Report
for the Fiscal Year ended December 31, 2007

(with Independent Auditors' Report Thereon)



Prepared by:

Boulder County Financial Services Division

BOULDER COUNTY, COLORADO
 Comprehensive Annual Financial Report
 December 31, 2007

Table of Contents

	Page
Introductory Section	
Letter of Transmittal	1
GFOA Certificate of Achievement	6
Organizational Chart	7
List of Principal Officials	8
Financial Section	
Independent Auditors' Report	9
Management's Discussion and Analysis	11
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Assets	23
Statement of Activities	24
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet	26
Reconciliation of Total Governmental Fund Balances to the Statement of Net Assets	27
Statement of Revenues, Expenditures, and Changes in Fund Balance	28
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities	29
Proprietary Funds:	
Statement of Fund Net Assets	30
Statement of Revenues, Expenses, and Changes in Fund Net Assets	31
Statement of Cash Flows	32
Fiduciary Funds:	
Statement of Fiduciary Net Assets	33
Notes to the Basic Financial Statements	34
Required Supplementary Information	
Budgetary Comparison Schedule – General Fund	77
Budgetary Comparison Schedule – Special Revenue – Road and Bridge Fund	80
Budgetary Comparison Schedule – Special Revenue – Social Services Fund	81
Notes to Required Supplementary Information	82
Supplementary Information	
Combining and Individual Fund Statements	
Nonmajor Governmental Funds:	
Combining Balance Sheet	85
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance	86

BOULDER COUNTY, COLORADO
 Comprehensive Annual Financial Report
 December 31, 2007

Table of Contents

	Page
Special Revenue Funds:	
Narrative Summary	87
Combining Balance Sheet.....	89
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance	91
Capital Projects Funds:	
Narrative Summary	93
Combining Balance Sheet.....	94
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance	95
Internal Service Funds:	
Narrative Summary	96
Combining Statement of Fund Net Assets	97
Combining Statement of Revenues, Expenditures, and Changes in Fund Net Assets.....	98
Combining Statement of Cash Flows.....	99
Schedule of Budgetary Compliance	100
Agency Funds:	
Combining Statement of Changes in Assets and Liabilities – Fiduciary – Public Trustee Fund and Agency Fund.....	101
Local Highway Finance Report	102
Statistical Section (Unaudited)	
Financial Trends:	
Table B-1: Net assets by component	105
Table B-2: Changes in net assets	106
Table B-3: Fund balances, governmental funds	107
Table B-4: Statement of Revenues, Expenditures, and Changes in Fund Balance, governmental funds.....	108
Table B-5: Program revenues by function/program.....	109
Table B-6: Tax revenues by source, governmental funds.....	110
Revenue Capacity:	
Table C-1: Assessed value and estimated value of taxable property	111
Table C-2: Direct and overlapping property tax rates	112
Table C-3: Principal property tax payers.....	114
Table C-4: Property tax levies and collections.....	115
Debt Capacity:	
Table D-1: Ratios of outstanding debt by type	116
Table D-2: Computation of direct and overlapping debt.....	117
Table D-3: Legal debt margin information.....	118
Table D-4: Pledged revenue coverage	119

BOULDER COUNTY, COLORADO
Comprehensive Annual Financial Report
December 31, 2007

Table of Contents

	Page
Demographic and Economic Information:	
Table E-1: Demographic and economic statistics	120
Table E-2: Principal employers	121
Operating Information:	
Table F-1: Full-time equivalent County employees by Function	122
Table F-2: Operating indicators by function/program.....	123
Table F-3: Capital asset statistics by function/program	125
Table F-4: Expenditures by function/program.....	127
S.E.C. Disclosure Subsection (Unaudited)	
Table A: Boulder County history of funding sources for Open Space land acquisition	129
Table B: Projected Open Space revenues vs. commitments	130
Table C: General Fund information	132
Table D: Open Space sales/use tax collection history, taxes effective 1994 and 2002	133
Table E: Open Space sales/use tax collection history – additional 0.10% tax, effective 2005	136
Table F: 2004-2006 Open space sales/use tax collections – monthly comparisons	137
Table G: Jail Improvement and Operation sales/use tax collections.....	138
Glossary of terms	139



Administrative Services Department

Financial Services Division

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July 30, 2008

To 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 accounting principles generally accepted in the United States of America (US GAAP), and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to this requirement, we hereby issue the comprehensive annual financial report of Boulder County for the fiscal year ended December 31, 2007.

This report consists of management's representations concerning the finances of Boulder County. Consequently, management assumes full responsibility for the completeness and reliability 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 US 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 Clifton Gunderson 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, 2007, 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. Based upon the audit, the independent auditor concluded that there was a reasonable basis for rendering an unqualified opinion that Boulder County's financial statements for the fiscal year ended December 31, 2007, are fairly presented in conformity with US 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.

US 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 741 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, conservation and recycling, 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 mill levy on or before December 22, per State Statute 39-1-111, C.R.S. 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 officials 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 continued growth in 2008. Unemployment, which was 3.43% in the fourth quarter of 2006, dropped .06% to 3.37% in the fourth quarter of 2007. Retail sales in the fourth quarter of 2007 were \$2,456,612,000 as compared to \$2,275,299,000 in 2006 – an increase of 8%.

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 a highly educated work force, the University of Colorado, a high concentration of research laboratories and high-tech industry, and an environment which includes mountains, thousands of acres of open space, parks, bike paths and other amenities.

According to recent surveys, managing or slowing growth in Boulder County continues to be the primary concern of citizens of the County. Boulder County, the City of Boulder, and some of the other cities in the County have implemented, or are considering implementing, policies that will serve to substantially reduce the rate of growth in coming years.

While the general supply of housing in the County is still increasing, the supply of affordable housing continues to decrease. 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 arising from longer commuting distances are secondary problems with which elected officials must contend.

Overall, the economy in the County continues to improve. The Boulder County Leading Economic Index has been growing steadily over the past five years, and increased 3.2% in December 2007, compared to the same period in 2006. This should lead to continued moderate job market and income growth in 2008.

Long-term financial planning/Major initiatives: The greatest influence on the development of the 2008 budget was the ongoing designation in the County budget from ballot issue 2005-1A. The voters were asked in County ballot issue 1A to exempt the County from the fiscal year spending and revenue limitations within Colorado Constitutional Amendment One, also known as TABOR (Taxpayers Bill of Rights). Ballot language in 2005-1A allows the property tax mill levy to grow by no more than 0.6 mills annually until it reaches the TABOR allowed maximum of 23.745 mills. The additional property tax revenue received in excess of the base property tax revenue received in 2005 will be allocated by the following percentages: at least 30% on public safety services, 6.67% on environmental sustainability efforts, and at least 20% on health and human services (one-third of which must go to nonprofit organizations). Decisions will be made in the coming years to ensure compliance with 1A ballot provisions.

In 2007, the County opened its new fleet maintenance facility. With the exception of those vehicles related to public safety, this new facility will be providing maintenance services to all County vehicles for many years to come.

In 2007, the County increased the budget in its Capital Expenditure Fund by a total of \$8.1 million. These additional dollars were used for the completion of the new Communications Center, improvements at the 33rd Street Elections Office, and infrastructure maintenance. Long-term planning includes reviewing expansion alternatives at the Boulder County Justice Center for office and court space for a new 20th Judicial District judge.

In 2008, the County is launching a new collaborative program for forest health involving the Parks and Open Space Department, the Sheriff's Office, the Land Use Department, and the Colorado and U.S. Forest Services. Along with this, the County has increased allocations to 60 nonprofit agencies and the Mental Health Center in accordance with ballot issue 2005-1A.

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 Investment Trusts; and

* Highest rated commercial paper.

Income on investments for the primary government for 2007 was \$8,351,647. The average yield on investments managed by the Treasurer was 5.27% in 2007, compared to 5.01% in 2006.

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 that began in 1983, a workers' compensation plan that began in 1990, and a property/casualty plan that began in 1985. For 2008, the County assumes the risk for the first \$275,000 for each medical claim, the first \$400,000 for each worker's compensation occurrence, the first \$100,000 for each property occurrence, the first \$250,000 for each liability occurrence, and the first \$500,000 for employment liability claims. 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 worker's compensation plan are completely self-administered. Resources to pay potential claims are accumulated in an internal service fund. Various risk control techniques have been implemented to minimize losses, including 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: 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 the Boulder County Retirement Savings Plan and established membership with PERA. Under PERA, the County contributes to the Local Government Division Trust Fund (LGDTF), a cost-sharing multiple-employer defined benefit pension plan administered by PERA. Prior to January 1, 2006, the LGDTF was known as the Municipal Division Trust Fund. The LGDTF provides retirement and disability, post-retirement annual increases, and death benefits for members or their beneficiaries. All employees of the County are members of the LGDTF. In 2008, plan members and the County are required to contribute to the LGDTF 8.0% and 11.9% of covered salary, respectively.

Additional information on the County's pension arrangements and post employment benefits can be found in Note 15 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, 2006. 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 reports 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 17 consecutive years (fiscal years ended 1990-2006). 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, Assessor, Community Services, Land Use, Parks and Open Space, Sheriff, and Treasurer, all of who made many contributions to this report.

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

Respectfully,

A handwritten signature in black ink, appearing to read 'R. Lamb', with a long horizontal flourish extending to the right.

Robert D. Lamb, CPA, CPFO
Financial Services Division 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, 2006

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

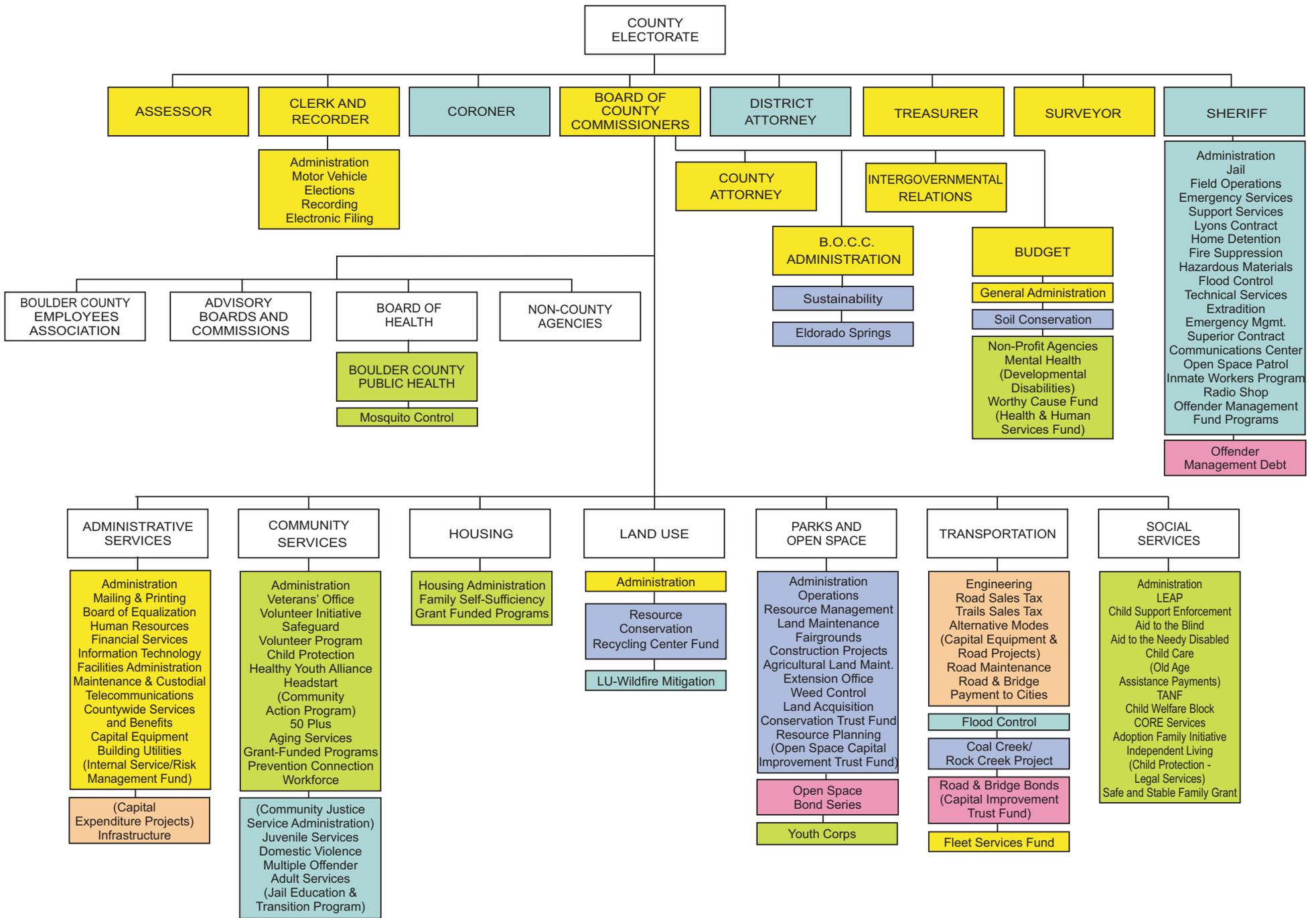


Chae S. Cox

President

Jeffrey R. Emer

Executive Director



ORGANIZATIONAL CHART – JANUARY 2008

- CONSERVATION/SANITATION
- GENERAL GOVERNMENT
- HIGHWAYS & STREETS/CAPITAL BUILDING PROJECTS
- DEBT SERVICE
- HEALTH & WELFARE/ECONOMIC OPPORTUNITY
- PUBLIC SAFETY/JUDICIAL

BOULDER COUNTY, COLORADO

List of Principal Officials

(In office at the time this report was published)

Elected Officials:

Commissioner - District 2	Ben Pearlman, Chair	2009
Commissioner - District 1	Will Toor	2009
Commissioner - District 3	Cindy Domenico	2009
Assessor	Jerry Roberts	2009
Clerk and Recorder	Hillary Hall	2011
Coroner	Tom Faure	2011
District Attorney	Mary Lacy	2009
Sheriff	Joe Pelle	2011
Surveyor	Jason Emery	2011
Treasurer	Bob Hullinghorst	2011

Current Term Expires:

Appointed Department Directors:

Administrative Services	Keith Ickes
Budget Office	Margaret Parish
Community Services	Robin Bohannon
County Attorney	Lawrence Hoyt
Deputy to Board of County Commissioners	Jana Petersen
Intergovernmental Relations	Michelle Krezek
Land Use	Dale Case
Parks and Open Space	Ronald Stewart
Public Health	Jeff Zayach
Social Services	Paula McKey
Transportation	George Gerstle

Independent Auditor's 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, 2007 which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Boulder County, Colorado as of December 31, 2007, 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 July 30, 2008 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis and budgetary comparison information on pages 11 through 21 and 77 through 83 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 no opinion on it.

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

The introductory section, statistical section, and S.E.C. disclosure subsection, as listed in the table of contents, have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Clifton Henderson LLP

Greenwood Village, Colorado
July 30, 2008

BOULDER COUNTY, COLORADO

Management's Discussion and Analysis

December 31, 2007

As management of Boulder County (the County), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County, for the fiscal year ended December 31, 2007. 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's governmental activities exceeded its liabilities at the close of the most recent fiscal year by \$446,234,699 (net assets). Of this amount, \$82,829,782 (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 \$90,551,466, a decrease of \$18,217,933 in comparison with the prior year. Approximately 94% of this total amount, \$85,037,457, 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 \$36,142,902, or 36.6% of total General Fund expenditures, excluding transfers out.

The County's total debt decreased \$12,244,603 (5.5%) during the current fiscal year. The key factor in this decrease was the payment of principal on Open Space bonds.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the County's basic financial statements. The 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 the County's finances, in a manner similar to a private-sector business.

The statement of net assets presents information on all of the 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).

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 opportunity, highways and streets, and sanitation. The business-type activities of the County include a recycling center and a housing authority.

BOULDER COUNTY, COLORADO

Management's Discussion and Analysis

December 31, 2007

The Boulder County Housing Authority was established in 1975 to promote and provide quality, affordable housing for lower-income families, disabled people, and the elderly. Prior to 2003, the Housing Authority was a governmental entity independent of the County, governed by a seven-member board. 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 departments 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 eighteen 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, Road and Bridge Fund, Social Services Fund, and the Open Space Capital Improvement Fund, all of which are considered to be major funds. Data from fourteen other governmental funds are combined into a single, aggregated presentation.

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 the Boulder County Recycling Center and for the Boulder County 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 and fleet 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 statement because the resources of

BOULDER COUNTY, COLORADO

Management's Discussion and Analysis

December 31, 2007

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 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, Road and Bridge Fund, and Social Services Fund, which demonstrate compliance with their respective annual appropriated budgets.

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 \$477,314,357 at the close of the most recent fiscal year.

By far, the largest portion of the County's net assets (81%) reflects its investment in capital assets (e.g., land, buildings, infrastructure, 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	
	2007	2006	2007	2006	2007	2006
Current and other assets	\$ 245,063,537	\$ 251,165,432	\$ 12,413,527	\$ 8,751,379	\$ 257,477,064	\$ 259,916,811
Capital assets	555,346,410	530,823,354	37,863,186	33,648,158	593,209,596	564,471,512
Total assets	800,409,947	781,988,786	50,276,713	42,399,537	850,686,660	824,388,323
Long-term liabilities outstanding	191,008,854	205,400,278	17,163,924	17,559,254	208,172,778	222,959,532
Other liabilities	163,166,394	146,715,934	2,033,131	1,581,104	165,199,525	148,297,038
Total liabilities	354,175,248	352,116,212	19,197,055	19,140,358	373,372,303	371,256,570
Net assets:						
Invested in capital assets						
net of related debt	359,572,676	333,675,656	22,190,447	17,861,944	381,763,123	351,537,600
Restricted	3,832,241	3,602,216	3,090,289	1,950,517	6,922,530	5,552,733
Unrestricted	82,829,782	92,594,702	5,798,922	3,446,718	88,628,704	96,041,420
Total net assets	\$ 446,234,699	\$ 429,872,574	\$ 31,079,658	\$ 23,259,179	\$ 477,314,357	\$ 453,131,753

BOULDER COUNTY, COLORADO

Management's Discussion and Analysis

December 31, 2007

An additional portion of the County's net assets (0.9%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets of \$88,628,704 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 all three categories of 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.

In governmental activities, there was an increase of \$18,421,161 in total assets, an increase of \$2,059,036 in total liabilities, and an increase of \$16,362,125 in total net assets. This overall increase is due primarily to open space land purchases.

In business-type activities, there was an increase of \$7,877,176 in total assets, an increase of \$56,697 in total liabilities, and an increase of \$7,820,479 in total net assets. These increases are due primarily to the purchase of a single stream processing line by the Recycling Center along with increases in ongoing revenues, which have exceeded similar increases in ongoing expenses.

BOULDER COUNTY, COLORADO

Management's Discussion and Analysis

December 31, 2007

SUMMARY OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS

	Governmental activities		Business-type activities		Total	
	2007	2006	2007	2006	2007	2006
Revenues:						
Program revenues:						
Charges for services	\$ 20,507,377	\$ 20,342,900	\$ 7,651,743	\$ 6,539,557	\$ 28,159,120	\$ 26,882,457
Operating grants and contributions	38,624,624	39,375,742	6,749,254	7,171,942	45,373,878	46,547,684
Capital grants and contributions	1,635,291	526,106	62,879	178,236	1,698,170	704,342
General revenues:						
Property taxes	111,541,746	108,401,607	—	—	111,541,746	108,401,607
Sales taxes	25,998,848	24,406,908	—	—	25,998,848	24,406,908
Specific Ownership taxes	7,791,988	7,718,149	—	—	7,791,988	7,718,149
Grants and contributions not restricted	—	—	280,975	243,979	280,975	243,979
Interest earnings	7,996,747	7,182,054	354,900	271,398	8,351,647	7,453,452
Gain on sale of capital assets	3,764	421,992	—	—	3,764	421,992
Total revenues	214,100,385	208,375,458	15,099,751	14,405,112	229,200,136	222,780,570
Expenses:						
General government	59,465,933	55,992,512	—	—	59,465,933	55,992,512
Conservation	10,054,731	10,019,933	5,114,866	4,863,819	15,169,597	14,883,752
Public safety	39,793,861	34,440,809	—	—	39,793,861	34,440,809
Health and welfare	44,156,770	41,818,868	—	—	44,156,770	41,818,868
Economic opportunity	10,016,493	9,101,074	—	—	10,016,493	9,101,074
Highways and streets	15,871,767	13,124,693	—	—	15,871,767	13,124,693
Sanitation	945,507	1,068,623	—	—	945,507	1,068,623
Urban redevelopment/housing	286,831	219,887	9,540,413	9,354,586	9,827,244	9,574,473
Interest on long-term debt	9,770,360	10,004,567	—	—	9,770,360	10,004,567
Total Expenses	190,362,253	175,790,966	14,655,279	14,218,405	205,017,532	190,009,371
Increase in net assets before transfers	23,738,132	32,584,492	444,472	186,707	24,182,604	32,771,199
Transfers	(7,376,007)	(507,397)	7,376,007	507,397	—	—
Increase (decrease) in net assets	16,362,125	32,077,095	7,820,479	694,104	24,182,604	32,771,199
Net assets - January 1 as reported	429,872,574	333,622,221	23,259,179	22,565,075	453,131,753	356,187,296
Prior Period Adjustment	—	64,173,258	—	—	—	64,173,258
Net assets, January 1 as restated	429,872,574	397,795,479	23,259,179	22,565,075	453,131,753	420,360,554
Net assets - December 31	\$ 446,234,699	\$ 429,872,574	\$ 31,079,658	\$ 23,259,179	\$ 477,314,357	\$ 453,131,753

Governmental activities. Governmental activities increased the County's net assets by \$16,362,125. Key elements of this increase are as follows:

Capital grants and contributions increased \$1,109,185. The increase is due to the donation of a building from the federal government for \$1 million, which is being used by the Rocky Mountain Search and Rescue Group.

Sales taxes increased \$1,591,940 due to the completion and build-out of the 29th Street Mall in Boulder, along with inflation and higher prices.

BOULDER COUNTY, COLORADO

Management’s Discussion and Analysis

December 31, 2007

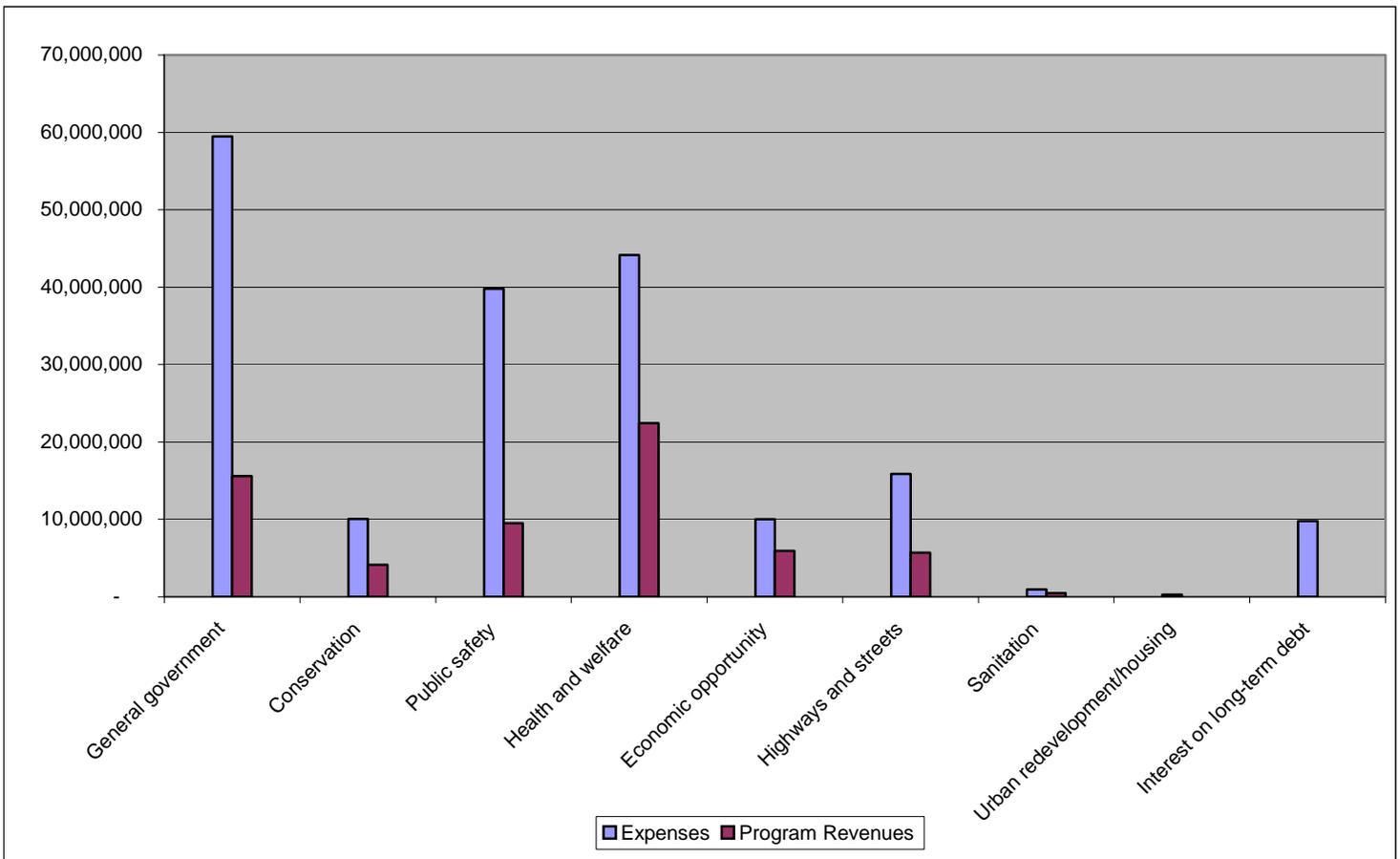
General government expenses increased \$3,473,421 due primarily to state-mandated increases in employer retirement contributions, along with a loss taken on property whose book value was overstated.

Public safety expenses increased \$5,353,052 due primarily to a \$4.3 million payment to the City of Boulder for the creation of a new Fire Rescue Training Center, along with increased personnel costs.

Health and welfare expenses increased \$2,337,902 due to increased costs in Social Services along with 14 new full-time equivalent employees (FTEs).

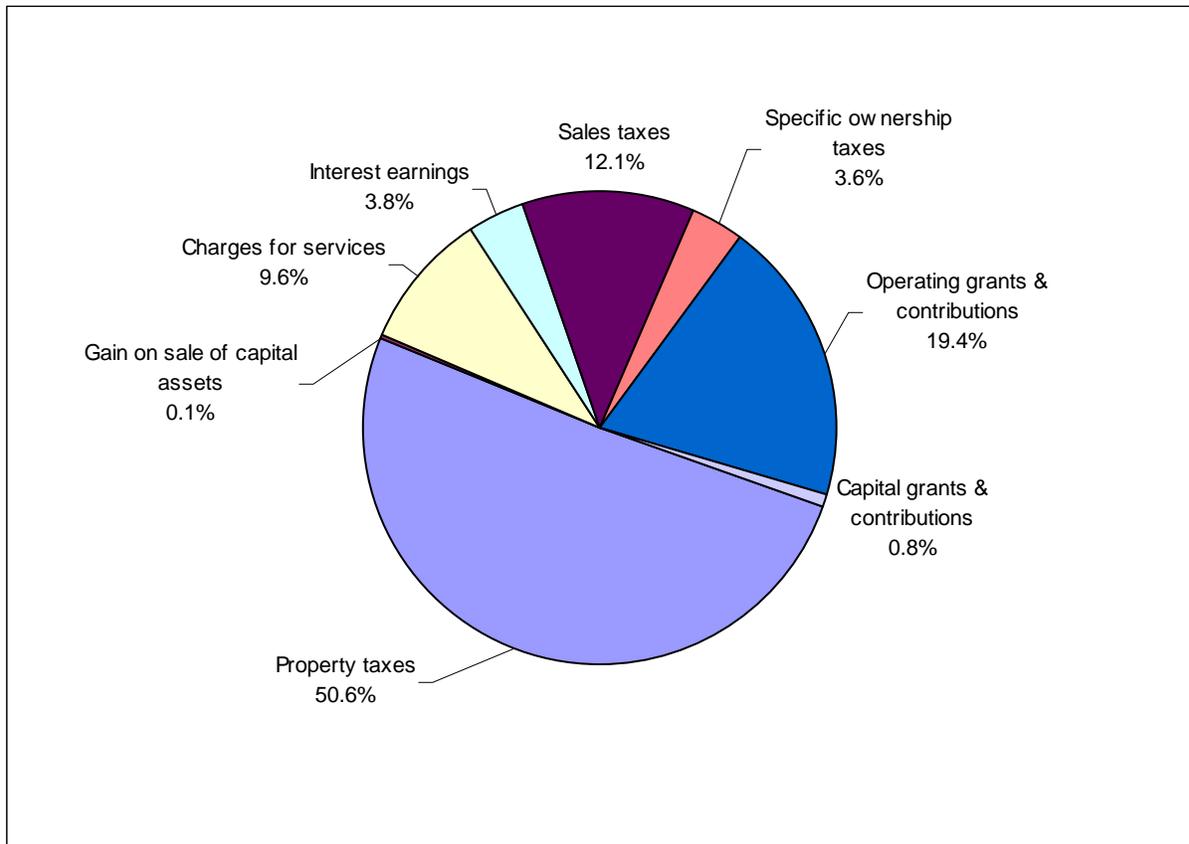
Highways and streets expenses increased \$2,747,074 due primarily to snow removal and heavy equipment maintenance needed during a blizzard in early 2007.

Expenses and Program Revenues – Governmental Activities
Year ended December 31, 2007



BOULDER COUNTY, COLORADO
Management's Discussion and Analysis
December 31, 2007

Revenues by Source – Governmental Activities
Year ended December 31, 2007



Business-type activities. Business-type activities increased the County's net assets by \$7,820,479. This increase was a result of a \$7.4 million transfer from Governmental activities to construct a single stream processing line at the Recycling Center along with operational increases.

Charges for services increased \$1,112,186 due to an increase in sales of recycled materials.

Operating grants and contributions decreased \$422,688 due to a \$1 million one-time grant received in 2006, offset by a \$.5 million increase in HUD income for 2007.

Recycling Center expenses increased \$251,047 due to an increase in cost of sales, general administration expenses, and professional services.

BOULDER COUNTY, COLORADO

Management's Discussion and Analysis

December 31, 2007

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.

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$90,551,466, a decrease of \$18,217,933 in comparison with the prior year. Approximately 94% of this total amount (\$85,037,457) 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 (\$3,763,844), 2) a reserve for prepaid items and inventory (\$1,544,865), 3) a reserve for long-term advances receivable due from other funds (\$136,903) and 4) a reserve for escrow fees (\$68,397).

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 \$36,142,902, while total fund balance was \$37,224,914. 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 36.6% of total General Fund expenditures, while total fund balance represents 37.7% of the same amount.

The fund balance of the County's General Fund increased by \$8,680,310 during the current fiscal year. Revenues exceeded expenditures by \$16,484,729, \$94,269 was transferred in from other funds, the sale of capital assets added \$633,692, and transfers out to other funds totaled \$8,532,380.

The Road and Bridge Fund has a total fund balance of \$10,687,450. Of this amount, \$105,452 is reserved for prepaid items and inventory, and the balance of \$10,581,998 is unreserved. Overall fund balance increased by \$2,055,417 due to a reduction in the number of projects.

The Social Services Fund has a total fund balance of \$4,238,948, all of which is unreserved. This represents a decrease of \$661,888 from the prior year's fund balance of \$4,900,836. The current year decrease to fund balance was due to a reduction in the mill levy intended to maintain current fund balance levels.

The Open Space Capital Improvement Fund has a total fund balance of \$16,435,418. Of this amount, \$985,200 is reserved for prepaid items and inventory, and the balance of \$15,450,218 is unreserved. The overall change from the prior year's fund balance was a decrease of \$16,370,665, due primarily to purchases of open space along with on-going bond payments.

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 \$4,086,434 for the Recycling Center (Resource Conservation), \$1,657,538 for the Housing Authority, and \$6,437,882 for the internal service funds.

BOULDER COUNTY, COLORADO

Management's Discussion and Analysis

December 31, 2007

For the fiscal year, unrestricted net assets of the Recycling Center increased by \$2,334,550, unrestricted net assets of the Housing Authority decreased \$360,533, and unrestricted net assets in the internal service funds increased \$2,017,690. These changes to unrestricted net assets were a result of operations, the transfer of \$6.5 million to the Recycling Fund for the creation of a single stream processing line, and the creation of a new internal service fund for Fleet Services.

General Fund Budgetary Highlights

Differences between the original budget and the final amended budget were \$8,465,995, and can be briefly summarized as follows:

- \$0.3 million for the Clerk and Recorder for upgrading e-recording software
- \$2.0 million in increases allocated to Parks and Open Space primarily for open space acquisition
- \$0.7 million in increases allocated to Transportation for completion of various projects
- \$0.6 million in increases allocated to general administration for completion of various computing projects
- \$0.4 million in increases to other miscellaneous expenditures
- \$4.0 million in fund equity transferred to the Capital Projects Fund for the purchase of the former Kaiser Permanente building

Actual 2007 General Fund expenditures totaled \$7,845,434 less than the final amended budget. This variance is not expected to significantly affect either future services or liquidity.

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, 2007, amounted to \$593,209,596 (net of accumulated depreciation). This investment in capital assets includes land, buildings and systems, improvements, infrastructure, machinery and equipment, park facilities, roads, highways, and bridges.

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

- The addition of \$4.2 million (net) in additional infrastructure assets
- The purchase of the Kaiser building and a Fire Rescue Training Center for \$8 million
- New open space purchases of \$22.3 million

BOULDER COUNTY, COLORADO

Management's Discussion and Analysis

December 31, 2007

BOULDER COUNTY'S CAPITAL ASSETS
(Net of depreciation)

	Governmental activities		Business-type activities		Total	
	2007	2006	2007	2006	2007	2006
Land	\$ 380,832,313	\$ 364,681,365	\$ 5,298,199	\$ 5,211,799	\$ 386,130,512	\$ 369,893,164
Land development rights & other	2,415,784	2,657,577	—	—	2,415,784	2,657,577
Construction in Progress	12,504,325	18,380,574	5,067,006	36,583	17,571,331	18,417,157
Buildings and improvements	72,489,449	63,522,925	26,497,730	27,110,726	98,987,179	90,633,651
Equipment	8,666,470	8,711,013	1,000,251	1,289,050	9,666,721	10,000,063
Improvements other than buildings	6,410,319	5,140,164	—	—	6,410,319	5,140,164
Infrastructure	72,027,750	67,729,736	—	—	72,027,750	67,729,736
Total	<u>\$ 555,346,410</u>	<u>\$ 530,823,354</u>	<u>\$ 37,863,186</u>	<u>\$ 33,648,158</u>	<u>\$ 593,209,596</u>	<u>\$ 564,471,512</u>

Additional information on the County's capital assets can be found in Note (5) of the notes to the basic financial statements within this report.

Long-term debt. At the end of the current fiscal year, the County had total bonded debt outstanding of \$197,940,620. All of the County's bonded debt represents bonds secured solely by specified revenue sources (i.e. revenue bonds).

Total debt decreased by \$12,244,603 due primarily to principal payments on bonds.

BOULDER COUNTY'S OUTSTANDING DEBT

	Governmental activities		Business-type activities		Total	
	2007	2006	2007	2006	2007	2006
Notes & loans payable	\$ 1,617,812	\$ 1,651,808	\$ 3,302,215	\$ 3,367,244	\$ 4,920,027	\$ 5,019,052
Bonds payable	183,775,620	194,876,198	14,165,000	14,460,000	197,940,620	209,336,198
Certificate of Participation	7,875,000	8,625,000	—	—	7,875,000	8,625,000
Total	<u>\$ 193,268,432</u>	<u>\$ 205,153,006</u>	<u>\$ 17,467,215</u>	<u>\$ 17,827,244</u>	<u>\$ 210,735,647</u>	<u>\$ 222,980,250</u>

Additional information on the County's long-term debt can be found in Notes (9) through (11) of the notes to the basic financial statements within this report.

BOULDER COUNTY, COLORADO

Management's Discussion and Analysis

December 31, 2007

Economic Factors and Next Year's Budgets and Rates

Per the Colorado Department of Labor and Employment, the average unemployment rate for the County during the fourth quarter of 2007 was 3.37%. Unemployment in the fourth quarter of 2006 averaged 3.43%. The State's average unemployment rate for 2007 was 3.8%.

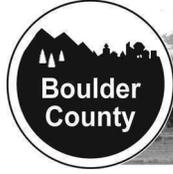
Per the Colorado Department of Revenue, total retail sales for the County were 16.3% higher in 2007 than they were in 2006, as the economy continued to expand. Total retail sales for the State increased 9.9% for the same period.

According to the Boulder County Business Report, the Boulder County Leading Economic Index has been growing steadily now for the past five years, and is expected to continue its upward trend in 2008.

These factors were taken into account when developing the budget for 2008.

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 financial activities. 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 13th Street, Boulder, CO, 80302.



BASIC FINANCIAL STATEMENTS

BOULDER COUNTY, COLORADO

Statement of Net Assets

December 31, 2007

Assets	Primary government			Component unit
	Governmental activities	Business-type activities	Total	Public Health
Equity in Treasurer's cash and investments	\$ 100,173,052	\$ 4,440,472	\$ 104,613,524	\$ 2,145,771
Property taxes receivable	125,143,818	—	125,143,818	—
Accounts receivable	—	26,880	26,880	53,451
Due from other governmental units	10,753,941	478,390	11,232,331	1,106,080
Due from discrete component unit	481,535	—	481,535	—
Internal balances	81,774	(81,774)	—	—
Interest receivable	342,313	13,012	355,325	—
County goods and services receivable, net	3,683,848	759,610	4,443,458	—
Prepaid items	1,320,354	265,467	1,585,821	6,307
Inventories and other assets	414,714	261,819	676,533	—
Restricted cash and cash equivalents	1,274,946	4,266,289	5,541,235	241,537
Notes receivable	—	1,145,990	1,145,990	—
Deferred charges – issuance costs	1,393,242	837,372	2,230,614	—
Capital assets, net of accumulated depreciation:				
Land	380,832,313	5,298,199	386,130,512	—
Land development rights and other	2,415,784	—	2,415,784	—
Construction in progress	12,504,325	5,067,006	17,571,331	—
Buildings and improvements	72,489,449	26,497,730	98,987,179	—
Equipment	8,666,470	1,000,251	9,666,721	100,691
Improvements other than buildings	6,410,319	—	6,410,319	—
Infrastructure	72,027,750	—	72,027,750	—
Total assets	<u>800,409,947</u>	<u>50,276,713</u>	<u>850,686,660</u>	<u>3,653,837</u>
Liabilities				
Accounts payable	9,224,005	1,200,943	10,424,948	620,392
Unearned revenue	130,860,886	108,294	130,969,180	103,251
Due to primary government	—	—	—	244,352
Accrued liabilities	1,714,292	65,926	1,780,218	153,675
Accrued interest payable	2,897,158	66,885	2,964,043	—
Escrows payable	8,229	218,897	227,126	142,614
Other liabilities	1,758,945	—	1,758,945	—
Liabilities:				
Due within one year:				
Claims	2,242,625	—	2,242,625	—
Notes and loans	66,034	114,775	180,809	—
Bonds	12,385,578	300,000	12,685,578	—
Certificates of participation	765,000	—	765,000	—
Premiums on debt issuance	321,582	—	321,582	—
Compensated absences	897,568	15,911	913,479	67,765
Due in more than one year:				
Claims	405,627	—	405,627	—
Notes and loans	1,551,778	3,187,440	4,739,218	—
Bonds	171,390,042	13,865,000	185,255,042	—
Certificates of participation	7,110,000	—	7,110,000	—
Premiums on debt issuance	3,005,390	—	3,005,390	—
Compensated absences	7,570,509	52,984	7,623,493	537,893
Total liabilities	<u>354,175,248</u>	<u>19,197,055</u>	<u>373,372,303</u>	<u>1,869,942</u>
Net Assets				
Invested in capital assets, net of related debt	359,572,676	22,190,447	381,763,123	100,691
Restricted for:				
Emergencies	3,763,844	—	3,763,844	55,611
Escrow fees	68,397	—	68,397	—
Restricted by bond covenants	—	3,090,289	3,090,289	—
Health and Human Services including balance to Ballot 1A	—	—	—	—
Unrestricted	82,829,782	5,798,922	88,628,704	1,627,593
Total net assets	<u>\$ 446,234,699</u>	<u>\$ 31,079,658</u>	<u>\$ 477,314,357</u>	<u>\$ 1,783,895</u>

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

BOULDER COUNTY, COLORADO

Statement of Activities

Year ended December 31, 2007

	<u>Expenses</u>	<u>Charges for services</u>	<u>Program revenues</u>	
			<u>Operating grants and contributions</u>	<u>Capital grants and contributions</u>
Primary government:				
Governmental activities:				
General government	\$ 59,465,933	\$ 10,649,957	\$ 1,939,722	\$ —
Conservation	10,054,731	2,617,946	1,521,932	—
Public safety	39,793,861	4,741,534	3,443,996	1,320,925
Health and welfare	44,156,770	1,702,368	20,702,733	22,630
Economic opportunity	10,016,493	52,500	5,881,129	—
Highways and streets	15,871,767	312,818	5,095,566	291,736
Sanitation	945,507	430,254	39,546	—
Urban redevelopment/housing	286,831	—	—	—
Interest on long-term debt	9,770,360	—	—	—
Total governmental activities	<u>190,362,253</u>	<u>20,507,377</u>	<u>38,624,624</u>	<u>1,635,291</u>
Business-type activities:				
Recycling Center	5,114,866	5,275,067	—	—
Housing Authority	9,540,413	2,376,676	6,749,254	62,879
Total business-type activities	<u>14,655,279</u>	<u>7,651,743</u>	<u>6,749,254</u>	<u>62,879</u>
Total primary government	<u>\$ 205,017,532</u>	<u>\$ 28,159,120</u>	<u>\$ 45,373,878</u>	<u>\$ 1,698,170</u>
Component unit:				
Public Health	<u>\$ 14,003,781</u>	<u>\$ 1,451,673</u>	<u>\$ 7,018,397</u>	<u>\$ —</u>

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

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

Net (expense) revenue and changes in net assets				
Primary government			Component	
Governmental activities	Business-type activities	Total	unit	
			Public Health	
\$ (46,876,254)	\$ —	\$ (46,876,254)	\$ —	Governmental activities:
(5,914,853)	—	(5,914,853)	—	General government
(30,287,406)	—	(30,287,406)	—	Conservation
(21,729,039)	—	(21,729,039)	—	Public safety
(4,082,864)	—	(4,082,864)	—	Health and welfare
(10,171,647)	—	(10,171,647)	—	Economic opportunity
(475,707)	—	(475,707)	—	Highways and streets
(286,831)	—	(286,831)	—	Sanitation
(9,770,360)	—	(9,770,360)	—	Urban redevelopment/housing
				Interest on long-term debt
<u>(129,594,961)</u>	<u>—</u>	<u>(129,594,961)</u>	<u>—</u>	Total governmental activities
				Business-type activities:
—	160,201	160,201	—	Recycling Center
—	(351,604)	(351,604)	—	Housing Authority
<u>—</u>	<u>(191,403)</u>	<u>(191,403)</u>	<u>—</u>	Total business-type activities
<u>(129,594,961)</u>	<u>(191,403)</u>	<u>(129,786,364)</u>	<u>—</u>	Total primary government
<u>—</u>	<u>—</u>	<u>—</u>	<u>(5,533,711)</u>	Public Health
				General revenues:
\$ 111,541,746	\$ —	\$ 111,541,746	\$ —	Taxes:
25,998,848	—	25,998,848	—	Property
7,791,988	—	7,791,988	—	Sales
7,996,747	354,900	8,351,647	124,602	Specific ownership
—	—	—	—	Interest earnings
—	280,975	280,975	5,490,247	Grants and contributions not restricted to specific programs
3,764	—	3,764	—	Gain on sale of capital assets
<u>153,333,093</u>	<u>635,875</u>	<u>153,968,968</u>	<u>5,614,849</u>	Total general revenues
<u>(7,376,007)</u>	<u>7,376,007</u>	<u>—</u>	<u>—</u>	Transfers
<u>145,957,086</u>	<u>8,011,882</u>	<u>153,968,968</u>	<u>5,614,849</u>	Total general revenues and transfers
<u>16,362,125</u>	<u>7,820,479</u>	<u>24,182,604</u>	<u>81,138</u>	Change in net assets
<u>429,872,574</u>	<u>23,259,179</u>	<u>453,131,753</u>	<u>1,702,757</u>	Net assets, January 1
<u>\$ 446,234,699</u>	<u>\$ 31,079,658</u>	<u>\$ 477,314,357</u>	<u>\$ 1,783,895</u>	Net assets, December 31

BOULDER COUNTY, COLORADO

Balance Sheet

Governmental Funds

December 31, 2007

Assets	General Fund	Road and Bridge Fund	Social Services Fund	Open Space Capital Improvement Fund I	Other governmental funds	Total governmental funds
Equity in Treasurer's cash and investments	\$ 38,989,624	\$ 9,466,203	\$ 6,046,924	\$ 14,869,287	\$ 22,080,135	\$ 91,452,173
Restricted cash and cash equivalents	8,229	23,595	138,849	—	1,104,273	1,274,946
Property taxes receivable	104,086,060	1,038,019	4,680,766	—	15,338,973	125,143,818
Due from other governmental units	1,497,361	1,579,244	1,932,378	3,185,408	2,559,212	10,753,603
Due from component unit	45,034	248	—	—	354,555	399,837
Interest receivable	198,763	31,908	—	49,791	32,545	313,007
County goods and services receivable, net	775,226	74,907	5,316	12,546	2,592,659	3,460,654
Due from other funds	1,310,475	395,454	195,050	169,267	1,201,872	3,272,118
Prepaid items	302,188	1,950	—	985,200	25,098	1,314,436
Inventory	126,927	103,502	—	—	—	230,429
Total assets	\$ 147,339,887	\$ 12,715,030	\$ 12,999,283	\$ 19,271,499	\$ 45,289,322	\$ 237,615,021
Liabilities and Fund Balances						
Liabilities:						
Accounts payable	\$ 3,507,507	\$ 618,382	\$ 436,776	\$ 318,432	\$ 3,781,511	\$ 8,662,608
Due to other funds	1,051,790	227,398	1,819,965	158,633	387,615	3,645,401
Deferred revenue	104,073,580	1,114,736	5,886,551	2,341,340	17,837,690	131,253,897
Accrued liabilities	1,236,984	67,064	317,008	17,051	96,368	1,734,475
Escrows payable	8,229	—	—	—	—	8,229
Other liabilities	236,883	—	300,035	625	1,221,402	1,758,945
Total liabilities	110,114,973	2,027,580	8,760,335	2,836,081	23,324,586	147,063,555
Fund balances:						
Reserved for:						
Emergencies	447,597	—	—	—	3,316,247	3,763,844
Prepaid items and inventory	429,115	105,452	—	985,200	25,098	1,544,865
Escrow fees	68,397	—	—	—	—	68,397
Advances receivable	136,903	—	—	—	—	136,903
Unreserved, reported in:						
General Fund	36,142,902	—	—	—	—	36,142,902
Special revenue funds	—	10,581,998	4,238,948	—	12,543,743	27,364,689
Capital projects funds	—	—	—	15,450,218	6,079,648	21,529,866
Total fund balances	37,224,914	10,687,450	4,238,948	16,435,418	21,964,736	90,551,466
Total liabilities and fund balances	\$ 147,339,887	\$ 12,715,030	\$ 12,999,283	\$ 19,271,499	\$ 45,289,322	\$ 237,615,021

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

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, 2007

Total governmental fund balances	\$	90,551,466
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.		555,346,410
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		(185,965,000)
Loans payable		(1,617,812)
Certificates of participation		(7,875,000)
Premium on bond issuance		(3,326,972)
Compensated absences (excluding internal service of \$93,324)		(8,340,188)
Accrued interest payable		(2,897,158)
Other long-term assets are not available to pay current expenditures and therefore are deferred in the funds.		
Long-term receivables		393,396
Deferred charges – issuance costs		1,393,242
Deferred loss on bond refunding		2,189,381
Internal service funds are used by management to charge the costs of insurance, fleet management, 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 (\$54,950 gain is allocated to business-type activities).		<u>6,382,934</u>
Net assets of governmental activities	\$	<u><u>446,234,699</u></u>

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

BOULDER COUNTY, COLORADO

Statement of Revenues, Expenditures,
and Changes in Fund Balances

Governmental Funds

Year ended December 31, 2007

	<u>General Fund</u>	<u>Road and Bridge Fund</u>	<u>Social Services Fund</u>	<u>Open Space Capital Improvement Fund I</u>	<u>Other governmental funds</u>	<u>Total governmental funds</u>
Revenues:						
Taxes	\$ 88,827,199	\$ 9,152,796	\$ 4,239,342	\$ 17,956,139	\$ 26,475,850	\$ 146,651,326
Licenses, fees, and permits	1,087,946	34,931	—	—	—	1,122,877
Interest on investments	4,390,786	539,067	—	1,463,015	888,076	7,280,944
Intergovernmental	6,042,923	5,095,566	17,586,177	730,252	14,891,969	44,346,887
Charges for services	11,118,502	217,202	95,437	—	364,294	11,795,435
Fines and forfeitures	709,403	—	—	—	—	709,403
Other revenue	3,060,749	6,775	8,190	12,438	1,291,829	4,379,981
Total revenues	<u>115,237,508</u>	<u>15,046,337</u>	<u>21,929,146</u>	<u>20,161,844</u>	<u>43,912,018</u>	<u>216,286,853</u>
Expenditures:						
Current:						
General government	46,243,889	—	—	—	14,541,931	60,785,820
Conservation	7,917,084	—	—	25,184,111	2,102,153	35,203,348
Public safety	30,278,472	—	—	—	13,201,509	43,479,981
Health and welfare	7,490,952	—	23,875,913	—	14,880,462	46,247,327
Economic opportunity	4,222,459	—	—	—	5,956,517	10,178,976
Highways and streets	1,476,266	12,627,375	—	—	215	14,103,856
Sanitation	832,928	—	—	—	114,869	947,797
Urban redevelopment/housing	290,729	—	—	—	—	290,729
Debt service:						
Principal	—	502,500	—	1,135,000	10,521,496	12,158,996
Interest and fiscal charges	—	194,791	—	7,399,038	1,966,301	9,560,130
Total expenditures	<u>98,752,779</u>	<u>13,324,666</u>	<u>23,875,913</u>	<u>33,718,149</u>	<u>63,285,453</u>	<u>232,956,960</u>
Excess (deficiency) of revenues over expenditures	<u>16,484,729</u>	<u>1,721,671</u>	<u>(1,946,767)</u>	<u>(13,556,305)</u>	<u>(19,373,435)</u>	<u>(16,670,107)</u>
Other financing sources (uses):						
Proceeds from sale of capital assets	633,692	—	—	5,194,490	—	5,828,182
Transfers in	94,269	333,746	1,284,879	—	16,315,388	18,028,282
Transfers out	<u>(8,532,380)</u>	<u>—</u>	<u>—</u>	<u>(8,008,850)</u>	<u>(8,863,060)</u>	<u>(25,404,290)</u>
Total other financing sources (uses)	<u>(7,804,419)</u>	<u>333,746</u>	<u>1,284,879</u>	<u>(2,814,360)</u>	<u>7,452,328</u>	<u>(1,547,826)</u>
Net change in fund balances	8,680,310	2,055,417	(661,888)	(16,370,665)	(11,921,107)	(18,217,933)
Fund balance, January 1	<u>28,544,604</u>	<u>8,632,033</u>	<u>4,900,836</u>	<u>32,806,083</u>	<u>33,885,843</u>	<u>108,769,399</u>
Fund balance, December 31	<u>\$ 37,224,914</u>	<u>\$ 10,687,450</u>	<u>\$ 4,238,948</u>	<u>\$ 16,435,418</u>	<u>\$ 21,964,736</u>	<u>\$ 90,551,466</u>

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

BOULDER COUNTY, COLORADO

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

Year ended December 31, 2007

Net change in fund balances – total governmental funds		\$ (18,217,933)
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	\$ 37,797,763	
Depreciation expense	<u>(10,525,938)</u>	
Excess of capital outlay over depreciation		27,271,825
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net assets:		
Donations of capital assets	1,026,230	
Proceeds from sale of capital assets	(1,101,193)	
Loss on sale of capital assets, retirements, scrappings, change in threshold	<u>(2,673,806)</u>	
		(2,748,769)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:		
Earned but unavailable revenue	<u>88,146</u>	
		88,146
Revenues in fund financials related to prior years are not reported as revenues in the statement of activities:		
Property taxes related to prior years	(1,318,744)	
Revenue related to prior years	<u>(3,000,000)</u>	
		(4,318,744)
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	<u>12,128,996</u>	
		12,128,996
Some expenses reported in the Statement of Activities do not require the use of current financial resources, and therefore are not reported as expenditures in governmental funds:		
Compensated absences (excluding internal service of \$83,252)	181,538	
Amortization of issuance costs	(119,859)	
Amortization of loss on early retirement	(244,421)	
Amortization of bond premium	322,286	
Accrued interest payable	<u>34,192</u>	
		173,736
The internal service funds are used by management to charge the costs of insurance, fleet management, and other services to individual funds. The net revenue (expense) of the internal service funds are reported with governmental activities:		
Internal service funds surplus allocation, including activities relating to consolidation of enterprise funds of \$32,824		<u>1,984,868</u>
Change in net assets of governmental funds		\$ <u><u>16,362,125</u></u>

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

BOULDER COUNTY, COLORADO

Statement of Fund Net Assets

Proprietary Funds

December 31, 2007

Assets	Business-type activities			Governmental activities
	Recycling Center	Housing Authority	Totals	Internal Service Funds
Current assets:				
Equity in Treasurer's cash and investments	\$ 3,843,590	\$ 596,882	\$ 4,440,472	\$ 8,720,879
Restricted cash and cash equivalents	—	4,266,289	4,266,289	—
Interest receivable	13,012	—	13,012	29,306
County goods and services receivable	759,610	—	759,610	223,194
Accounts receivable	—	26,880	26,880	—
Due from component unit	—	—	—	81,698
Due from other governments	359,063	119,327	478,390	338
Due from other funds	67,689	—	67,689	519,847
Prepaid and other items	234,556	30,911	265,467	5,918
Inventory	—	—	—	184,285
Total current assets	<u>5,277,520</u>	<u>5,040,289</u>	<u>10,317,809</u>	<u>9,765,465</u>
Noncurrent assets:				
Notes receivable	—	1,145,990	1,145,990	—
Deferred debt financing costs	—	837,372	837,372	—
Other assets	—	261,819	261,819	—
Capital assets:				
Land	882,782	4,415,417	5,298,199	—
Construction in progress	4,987,209	79,797	5,067,006	—
Buildings and improvements	11,072,791	23,002,624	34,075,415	5,802,221
Less accumulated depreciation	(1,799,329)	(5,778,356)	(7,577,685)	(157,143)
Equipment	2,795,388	320,851	3,116,239	723,670
Less accumulated depreciation	(1,936,350)	(179,638)	(2,115,988)	(634,561)
Total capital assets (net of accumulated depreciation)	<u>16,002,491</u>	<u>21,860,695</u>	<u>37,863,186</u>	<u>5,734,187</u>
Total noncurrent assets	<u>16,002,491</u>	<u>24,105,876</u>	<u>40,108,367</u>	<u>5,734,187</u>
Total assets	<u>21,280,011</u>	<u>29,146,165</u>	<u>50,426,176</u>	<u>15,499,652</u>
Liabilities				
Current liabilities payable from current assets:				
Accounts payable	1,064,520	136,423	1,200,943	561,398
Deferred Revenue	49,294	59,000	108,294	385
Due to other funds	57,711	146,702	204,413	9,840
Compensated absences	—	15,911	15,911	13,081
Accrued liabilities	2,922	63,004	65,926	14,384
Interest payable	—	66,885	66,885	—
Estimated claims payable	—	—	—	2,242,625
Notes payable	—	114,775	114,775	—
Bonds payable	—	300,000	300,000	—
Total current liabilities payable from current assets	<u>1,174,447</u>	<u>902,700</u>	<u>2,077,147</u>	<u>2,841,713</u>
Current liabilities payable from restricted assets:				
Customer deposits payable	—	132,971	132,971	—
Escrows payable	—	85,926	85,926	—
Total current liabilities payable from restricted assets	<u>—</u>	<u>218,897</u>	<u>218,897</u>	<u>—</u>
Total current liabilities	<u>1,174,447</u>	<u>1,121,597</u>	<u>2,296,044</u>	<u>2,841,713</u>
Noncurrent liabilities:				
Compensated absences	16,639	36,345	52,984	80,243
Estimated claims payable	—	—	—	405,627
Notes payable	—	3,187,440	3,187,440	—
Bonds payable	—	13,865,000	13,865,000	—
Total noncurrent liabilities	<u>16,639</u>	<u>17,088,785</u>	<u>17,105,424</u>	<u>485,870</u>
Total liabilities	<u>1,191,086</u>	<u>18,210,382</u>	<u>19,401,468</u>	<u>3,327,583</u>
Net Assets				
Invested in capital assets, net of related debt	16,002,491	6,187,956	22,190,447	5,734,187
Restricted	—	3,090,289	3,090,289	—
Unrestricted	4,086,434	1,657,538	5,743,972	6,437,882
Total net assets	<u>\$ 20,088,925</u>	<u>\$ 10,935,783</u>	<u>31,024,708</u>	<u>\$ 12,172,069</u>
Adjustment to reflect the consolidation of internal service funds activities related to enterprise funds			<u>54,950</u>	
Net assets of business-type activities			<u>\$ 31,079,658</u>	

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

BOULDER COUNTY, COLORADO

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

Proprietary Funds

Year ended December 31, 2007

	Business-type activities			Governmental activities
	Recycling Center	Housing Authority	Total	Internal Service Funds
Operating revenue:				
Sales of recyclable materials	\$ 5,275,067	\$ —	\$ 5,275,067	\$ —
Charges for services	—	2,376,676	2,376,676	—
Charges for services – other funds	—	—	—	3,974,389
Operating grants	—	1,255,997	1,255,997	—
Contributions – employee	—	—	—	2,816,437
Contributions – County	—	—	—	8,959,225
Contributions – miscellaneous	—	—	—	141,402
Land use claims recovery	—	—	—	238,714
Miscellaneous	—	—	—	88,585
Total operating revenue	<u>5,275,067</u>	<u>3,632,673</u>	<u>8,907,740</u>	<u>16,218,752</u>
Operating expenses:				
Cost of sales	1,857,996	—	1,857,996	642,376
General administration	316,567	2,953,617	3,270,184	1,490,990
General professional services	2,418,402	—	2,418,402	5,304
Insurance premiums	7,607	—	7,607	7,112
Depreciation	540,675	584,988	1,125,663	182,092
Property and casualty claims	—	—	—	277,536
Property and casualty insurance, professional services	—	—	—	568,712
Health and dental claims	—	—	—	9,794,871
Health and dental insurance, professional services	—	—	—	1,328,595
Workers' compensation claims	—	—	—	141,568
Workers' compensation insurance, professional services	—	—	—	92,970
Land use insurance, professional services, miscellaneous	—	—	—	248,699
Total operating expenses	<u>5,141,247</u>	<u>3,538,605</u>	<u>8,679,852</u>	<u>14,780,825</u>
Operating income	<u>133,820</u>	<u>94,068</u>	<u>227,888</u>	<u>1,437,927</u>
Nonoperating revenues (expenses):				
Interest on investments	115,680	239,220	354,900	393,517
HUD and RD income	—	5,493,257	5,493,257	—
Housing assistance	—	(5,152,228)	(5,152,228)	—
Interest expense and amortization	—	(856,023)	(856,023)	—
Gain on sale of capital assets	—	—	—	3,764
Management and maintenance fees	—	280,975	280,975	—
Donations & intergovernmental	—	—	—	391
Income before capital contributions and transfers	<u>249,500</u>	<u>99,269</u>	<u>348,769</u>	<u>1,835,599</u>
Capital Contributions	—	86,400	86,400	5,916,278
Capital Grant Repayment, Rural Development	—	(123,639)	(123,639)	—
Capital Fund grants, HUD	—	100,118	100,118	—
Transfers in	6,495,000	881,007	7,376,007	—
Change in net assets	6,744,500	1,043,155	7,787,655	7,751,877
Total net assets, January 1	<u>13,344,425</u>	<u>9,892,628</u>		<u>4,420,192</u>
Total net assets, December 31	\$ <u>20,088,925</u>	\$ <u>10,935,783</u>		\$ <u>12,172,069</u>
Adjustment to reflect the consolidation of internal service funds activities related to enterprise funds			<u>32,824</u>	
Change in net assets of business-type activities			\$ <u>7,820,479</u>	

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

BOULDER COUNTY, COLORADO

Statement of Cash Flows

Proprietary Funds

Year ended December 31, 2007

	Business-type activities			Governmental
	Recycling Center	Housing Authority	Total	Internal Service Funds
Cash flows from operating activities:				
Cash received from employer	\$ —	\$ —	\$ —	\$ 8,959,225
Cash received from employees	—	—	—	2,816,437
Cash received from charges for services	4,813,326	—	4,813,326	3,489,927
Cash received from miscellaneous sources	—	3,525,146	3,525,146	229,987
Cash paid to suppliers	(4,289,540)	(1,386,336)	(5,675,876)	(965,975)
Cash paid to employees	(199,365)	(1,463,963)	(1,663,328)	(1,199,137)
Cash paid for general claims	—	—	—	(982,710)
Cash paid for worker compensation claims	—	—	—	(485,473)
Cash paid for health and dental claims	—	—	—	(10,854,903)
Net cash provided by operating activities	<u>324,421</u>	<u>674,847</u>	<u>999,268</u>	<u>1,007,378</u>
Cash flows from noncapital financing activities:				
Transfers in	—	881,007	881,007	—
HUD housing assistance payment income	—	5,493,257	5,493,257	—
Management and maintenance fees	—	280,975	280,975	—
Housing assistance payments	—	(5,152,228)	(5,152,228)	—
Intergovernmental	—	—	—	391
Net cash provided by noncapital financing activities	<u>—</u>	<u>1,503,011</u>	<u>1,503,011</u>	<u>391</u>
Cash flows from capital and related financing activities:				
Transfer in for capital purchases	6,495,000	—	6,495,000	—
Purchase of capital assets	(4,950,625)	(306,878)	(5,257,503)	—
Proceeds from disposal of capital assets	—	3,212	3,212	3,764
Capital Fund grant, HUD	—	100,118	100,118	—
Proceeds from debt activities	—	14,000	14,000	—
Repayment of capital grant, Rural Development	—	(123,639)	(123,639)	—
Principal payments on notes, bonds, and mortgages	—	(374,029)	(374,029)	—
Interest payments on notes, bonds, and mortgages	—	(819,579)	(819,579)	—
Net cash provided by (used in) capital and related financing activities	<u>1,544,375</u>	<u>(1,506,795)</u>	<u>37,580</u>	<u>3,764</u>
Cash flows from investing activities:				
Investment earnings	116,014	167,820	283,834	416,576
Net cash provided by investing activities	<u>116,014</u>	<u>167,820</u>	<u>283,834</u>	<u>416,576</u>
Net increase in cash and cash equivalents	1,984,810	838,883	2,823,693	1,428,109
Cash and cash equivalents, January 1	1,858,780	4,024,288	5,883,068	7,292,770
Cash and cash equivalents, December 31	\$ 3,843,590	\$ 4,863,171	\$ 8,706,761	\$ 8,720,879
Net operating income	\$ 133,820	\$ 94,068	\$ 227,888	\$ 1,437,927
Adjustments to reconcile net operating income (loss) to net cash provided by operating activities				
Depreciation and amortization	540,675	584,988	1,125,663	182,092
(Increase) decrease of assets:				
County goods and services receivable	(463,957)	—	(463,957)	(174,359)
Due from other funds	(47,162)	—	(47,162)	(310,102)
Due from other governments	—	(77,206)	(77,206)	—
Notes receivable	—	—	—	—
Accounts receivable	—	(13,273)	(13,273)	—
Prepaid items	(234,556)	67,187	(167,369)	(4,258)
Other assets	—	(26,176)	(26,176)	(184,285)
Increase (decrease) of liabilities:				
Accounts payable	329,042	34,279	363,321	66,362
Accounts payable - health and dental claims	—	—	—	282,565
Due to other governments	—	—	—	—
Due to other funds	16,574	8,028	24,602	8,493
Unearned revenue	49,294	(18,000)	31,294	—
Accrued liabilities	835	30,716	31,551	94,182
Estimated health and dental claims	—	—	—	(14,000)
Estimated insurance claims	—	—	—	(126,478)
Estimated workers compensation claims	—	—	—	(250,935)
Other liabilities	(144)	(9,764)	(9,908)	174
Total adjustments	<u>190,601</u>	<u>580,779</u>	<u>771,380</u>	<u>(430,549)</u>
Net cash provided by operating activities	\$ <u>324,421</u>	\$ <u>674,847</u>	\$ <u>999,268</u>	\$ <u>1,007,378</u>

Noncash capital financing activities:
Capital assets of \$5,916,278 (buildings and equipment) were contributed to the Fleet Services Fund
Capital assets of \$86,400 (land) were contributed to the Housing Authority

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

BOULDER COUNTY, COLORADO

Statement of Fiduciary Net Assets

Fiduciary Funds

December 31, 2007

	Total Agency Funds
Assets	
Equity in Treasurer's cash and investments	\$ 7,219,543
Restricted cash	510,222
Receivables	83,376
Property tax receivable	289,350,212
Due from other governmental units	<u>2,672</u>
Total assets	<u>\$ 297,166,025</u>
Liabilities	
Liabilities:	
Other liabilities	\$ 593,519
Escrow payable	79
Undistributed taxes and other collections	7,227,929
Due to other taxing units	<u>289,344,498</u>
Total liabilities	<u>\$ 297,166,025</u>

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

BOULDER COUNTY, COLORADO
Notes to the Basic Financial Statements
December 31, 2007

Index for Notes to the Financial Statements

<u>Note</u>	<u>Page</u>
1) Summary of Significant Accounting Policies	35
2) Related Party Transactions	42
3) Cash: deposits and investments	43
a) Deposits	43
b) Investments	44
4) Receivables	47
5) Changes in Capital Assets	48
6) Deferred and Unearned Revenue	50
7) Lease Revenue	
a) Governmental activities.....	52
b) Business-type activities	53
8) Lease Expense.....	54
9) Changes in Long-term Obligations.....	55
10) Debt Service Forward Delivery Agreement	56
11) Long-term Debt.....	57
a) Governmental Activities	
i. Revenue Bonds.....	58
ii. Certificates of Participation.....	62
iii. Loans Payable.....	62
b) Business-Type Activities	63
12) Interfund transactions	
a) Due to/Due From.....	65
b) Interfund Transfers.....	67
c) Due from Component Unit.....	67
d) Due from Other Governmental Units	67
13) Fund Balances - Reserved	68
14) Conduit Debt.....	68
15) Pension Plan	
a) Defined Benefit Pension Plan	69
b) Post-employment Healthcare Benefits.....	69
c) Defined Contribution Pension Plan	70
16) Risk Management	70
17) Commitments and Contingent Liabilities	
a) Risk Management.....	71
b) Litigation.....	71
c) Purchase Options.....	72
d) Legal Debt Margin	73
e) Construction Contracts.....	73
f) Grants	73
18) Revenue and Expenditure Limitations (TABOR)	73
19) Social Services' schedule of EBT Authorizations, warrant expenditures, and total expenditures.....	75

BOULDER COUNTY, COLORADO

Notes to the Basic Financial Statements

December 31, 2007

(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 (US 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, parks and open space, conservation and recycling, health and social services, public improvements, planning, zoning, 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*, as amended by Statement No. 39, *Determining Whether Certain Organizations Are Component Units*, 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 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

BOULDER COUNTY, COLORADO

Notes to the Basic Financial Statements

December 31, 2007

blending. The component unit columns in the government-wide financial statements include the financial data of the County's discrete component unit. It is 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 (the District) – 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, and there are no separately published financial statements.

Boulder County Housing Authority Fund (the Authority) – The Authority was established in 1975 to promote and provide quality, affordable housing for lower-income families, disabled people, and the elderly. Prior to 2003, the Authority was a governmental entity independent of the County, governed by a seven-member board. In Resolution 2003-16, adopted by the Board of County Commissioners (the Board) on January 14, 2003, the Board constituted itself as the governing body of the Authority. Effective January 1, 2003, the 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) – Public Health was organized by authority of state statute on March 25, 1952. In 1973, Public Health was further segregated as a component unit of the County by resolution of the Boulder County Board of Commissioners. According to state statute, the Commissioners appoint the Public Health governing board. In addition, the County appropriates significant operating funds to Public Health. Public Health provides services to the residents of the County.

Complete financial statements for certain individual component units may be obtained at their respective administrative offices.

Boulder County Public Health
3450 North Broadway
Boulder, CO 80304

Boulder County Housing Authority
3482 North Broadway
Boulder, CO 80304

Related Organization

The Boulder County Parks and Open Space Foundation (the Foundation) was created in December 2004. The Foundation is a nonprofit, 501(c)(3) organization incorporated in the State of Colorado, and is legally separate from Boulder County. However, it is considered a related organization since at least two-thirds of the Foundation's Board of Directors are approved or appointed by the Board of County Commissioners. Based on the criteria specified in GASB Statement No. 14, as amended by GASB Statement No. 39, there is no financial relationship that would justify the Foundation's inclusion as a component unit of the County.

BOULDER COUNTY, COLORADO

Notes to the Basic Financial Statements

December 31, 2007

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

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; they 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 statements. The fiduciary agency funds use the accrual basis of accounting, but have no measurement focus.

Certain eliminations have been made in regard to interfund activities, payables, and receivables. 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. As a general rule, in the statement of activities, the internal service fund transactions are eliminated; however, those transactions between governmental and business-type activities and the interfund services provided and used between functions are not 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-like 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 financial transactions of the County are organized and presented 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 is 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.

Governmental funds are used to account for the County's general government activities. Governmental fund financial statements are presented using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when susceptible to accrual (i.e., when they are measurable and available). Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues available if they are collected within 60 days after year-end. Expenditures are recorded when a 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

BOULDER COUNTY, COLORADO

Notes to the Basic Financial Statements

December 31, 2007

collection in the subsequent year. An allowance for estimated uncollectible taxes has not been recorded since these amounts are not considered significant 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 **Road and Bridge Fund** accounts for costs related to County road and bridge construction and maintenance, except for engineering costs that are recorded in the General Fund. Colorado counties are required to maintain a Road and Bridge 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 Fund** accounts for financial resources to be used for the acquisition of interest in open space real property and access thereto, water rights, maintenance and improvement upon open space real property.

Proprietary Funds are presented using the economic resources measurement focus and use the accrual basis of accounting. Under this method, revenue is recognized when earned and expenses are recognized 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 expenses for the enterprise and internal service funds include administrative expenses, cost of sales and services, and depreciation on capital assets. All other revenues and expenses are reported as nonoperating.

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

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

BOULDER COUNTY, COLORADO

Notes to the Basic Financial Statements

December 31, 2007

The **Housing Authority Fund** accounts for the County's affordable rental housing programs and Housing Choice Voucher Program, which is funded through the U.S. Department of Housing and Urban Development (HUD).

Additionally, the County reports the following fund types:

The **Internal Service Funds** accounts for operations that provide services to other departments or agencies of the County on a cost-reimbursement basis. The County uses these funds to account for risk management and fleet vehicle operations activities.

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 (e.g., taxes collected by the Clerk and Recorder for the benefit of other governments and Public Trustee activities).

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

County investments are carried at fair market value.

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, for the purpose of increasing interest earnings. 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.

Restricted cash in the General Fund is composed of escrow funds that 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, Eldorado Springs, Offender Management, Open Space Capital Improvement, and Capital Projects Funds consists of debt proceeds restricted for capital outlay purposes and future 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.

BOULDER COUNTY, COLORADO

Notes to the Basic Financial Statements

December 31, 2007

(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, bridges, drainage systems, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of \$5,000 or more for equipment, \$50,000 or more for buildings, improvements, and infrastructure, and an estimated useful life of one year or more. Such assets are recorded at historical cost or estimated historical cost. Donated capital assets are reported at estimated fair market value at the date of donation.

Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized over the remaining useful lives of the related assets. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation expense is reported as an operating expense in the government-wide statement of activities. Depreciation on capital assets is calculated on the straight-line basis over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	40
Equipment	3 – 11
Improvements	15
Infrastructure	50

BOULDER COUNTY, COLORADO

Notes to the Basic Financial Statements

December 31, 2007

Infrastructure assets are long-lived capital assets that normally are stationary in nature and can be preserved for a significantly greater number of years than most capital assets.

(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 who 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 who have not worked for the County for 20 years and are not eligible for retirement at age 62, are paid 50% 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 and become due under the County's policies, e.g., as a result of 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 in the 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 effective interest method. However, deferred refunding gains (losses), if 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 and other debt premiums, 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 that were collected by the County. These amounts consist of state and federal dollars related to asset forfeitures, school district fees, Land Use revegetation fees, special use road fees, plus 20th Judicial District and City of Boulder Telecommunication funds.

(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 reserved fund balance represent amounts set aside by the Board of County Commissioners and are subject to change.

BOULDER COUNTY, COLORADO

Notes to the Basic Financial Statements

December 31, 2007

(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) Change in Accounting Policy

For fiscal year 2007, the County implemented prospectively the provisions of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. This Statement establishes standards for the measurement, recognition, and display of *other postemployment benefits* (OPEB) expense/expenditures and related liabilities and assets. The County contributes to the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer post employment healthcare plan administered by the Colorado Public Employee Retirement Association (PERA). The HCTF provides a health care premium subsidy to participating PERA beneficiaries. As the County does not provide health care (or any other) coverage to its retired employees, the County has no OPEB liabilities to disclose. In their publicly available financial reports, PERA includes required disclosures regarding the HCTF in accordance with GASB Statements 43 and 26. As such, no additional presentation is necessary on the part of the County (please see note 15(b) for additional information).

For fiscal year 2007, the County implemented the provisions of GASB Statement No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues*. This Statement establishes consistent measurement, recognition, and disclosure requirements for certain governmental and business-type activities, when there are multiple sources from which generally accepted accounting principles requirements may derive. The only portion of this Statement relevant to current County activity is that related to intra-entity transfers of assets. GASB Statement No. 48 did not have any material impact on the way these transactions are recorded by the County.

(2) Related Party Transactions

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 of Stromquist Farms. 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 agreed to lease back one-third of the acquired real estate to Stromquist for agricultural purposes with a 10-year option to renew annually, beginning in 2004.

BOULDER COUNTY, COLORADO

Notes to the Basic Financial Statements

December 31, 2007

(3) Cash: Deposits, and Investments

Cash, deposits and investments as of December 31, 2007, are classified in the accompanying financial statements 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	\$ 104,613,524	\$ 2,145,771	\$ 106,759,295
Restricted cash and cash equivalents	<u>5,541,235</u>	<u>241,537</u>	<u>5,782,772</u>
Total governmental and business-type activities	<u>110,154,759</u>	<u>2,387,308</u>	<u>112,542,067</u>
Fiduciary:			
Cash and cash equivalents	7,219,543	—	7,219,543
Restricted cash and cash equivalents	<u>510,222</u>	<u>—</u>	<u>510,222</u>
Total fiduciary	<u>7,729,765</u>	<u>—</u>	<u>7,729,765</u>
Total	<u>117,884,524</u>	<u>2,387,308</u>	<u>120,271,832</u>
Less cash and deposit balance	<u>(83,062,820)</u>	<u>(1,449,761)</u>	<u>(84,512,581)</u>
Total investments	\$ <u><u>34,821,704</u></u>	\$ <u><u>937,547</u></u>	\$ <u><u>35,759,251</u></u>

(a) Deposits

As of December 31, 2007, the carrying amount of the County's deposits was \$83,062,820. The carrying amount of deposits for the Public Health component unit was \$1,449,761.

Custodial Credit Risk

The custodial credit risk for deposits is the risk that the County will not be able to recover deposits or collateral securities that are in the possession of an outside party. This risk is mitigated in that the County's and component unit's deposits are subject to and in accordance with the State of Colorado's Public Deposit Protection Act (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

BOULDER COUNTY, COLORADO

Notes to the Basic Financial Statements

December 31, 2007

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

Authorized Investments

Investments authorized by the State of Colorado's Revised Statutes and the Boulder County Treasurer's investment policy are shown below. The table identifies certain provisions of the Colorado Revised Statutes (or the Boulder County Treasurer's policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk. This table does not address investments of debt proceeds held by the bond trustee that are governed by the provisions of debt agreements of the County, rather than general provisions of the Colorado Revised Statutes or the County's investment policy.

<u>Authorized investment type</u>	<u>Maximum maturity</u>	<u>Maximum percentage of portfolio (*)</u>	<u>Maximum investment in one issuer</u>
U.S. Treasury Obligations	5 years	50%	25%
U.S. Agency Securities	5 years	50%	25%
Repurchase Agreements	5 years	70%	50%
Pooled Investment Trusts	5 years	50%	10%
Money Market Mutual Funds	5 years	50%	10%

* Excluding amounts held by bond trustee that are not subject to C.R.S. 24-75-601

Provisions of the debt agreements, rather than the general provisions of the Colorado Revised Statutes or the County's investment policy, govern investment of debt proceeds held by the bond trustee. The debt agreement funds and accounts are under the control of the Board and shall be invested by the County Treasurer in investments that mature no later than the date on which proceeds are required for the purpose of such funds or accounts, and which are otherwise in accordance with the applicable provisions of laws concerning the investment of County funds.

Local government investment pools include: Colorado Liquid Asset Trust (COLOTRUST), the Colorado Surplus Asset Fund Trust (CSAFE), and the Colorado Diversified Trust (CDT), all of which are 2a7-like investment pools.

Local government investment pools are valued at amortized cost, with each share valued at \$1.00. The investment pools are routinely monitored by the Colorado Division of Securities with regard to operations and investments. Investments consist of U.S. Treasury bills, notes and note strips, and repurchase agreements collateralized by U.S. Treasury Notes. The designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions of each pooled investment. All securities owned by each pooled investment are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by each pool investor.

BOULDER COUNTY, COLORADO

Notes to the Basic Financial Statements

December 31, 2007

Boulder County Public Health, a component unit, does not have an investment policy, but is subject to the general provisions of the Colorado Revised Statutes (C.R.S. 24-75-601).

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways the County manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments, and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide cash flow and liquidity needed for operations.

The County monitors the interest rate risk inherent in its portfolio by measuring the weighted average maturity of its portfolio. In accordance with its investment policy, the County manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to less than 120 days or 4 months. There are no such policies for investments held by bond trustees and the component unit. County policy includes certificates of deposits (CDs) as part of the authorized investment portfolio. For GAAP reporting purposes, CDs are considered to be deposit accounts and are excluded from this schedule.

<u>Investment Type</u>	<u>Boulder County</u>		<u>Component Unit</u>	
	<u>Amount</u>	<u>Weighted average maturity (months)</u>	<u>Amount</u>	<u>Weighted average maturity (months)</u>
U.S. Treasury Notes	\$ —	—	\$ 201,082	6.08
Federal Agency Securities	10,037,692	3.11	307,032	22.68
U.S. Treasury Obligation Money Market	2,317,811	0.03	158,236	0.03
Repurchase agreements	80,069	0.07	—	—
Local Government Investment Pools	<u>22,386,132</u>	0.03	<u>271,197</u>	0.03
Total Investments	\$ <u>34,821,704</u>		\$ <u>937,547</u>	
Portfolio weighted average maturity		0.92		8.75

BOULDER COUNTY, COLORADO

Notes to the Basic Financial Statements

December 31, 2007

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below are the minimum ratings required by (where applicable) the Colorado Revised Statutes, the County's investment policy, or debt agreements, and the actual rating as of year-end for each investment type.

<u>Investment type</u>	<u>Boulder County</u>	<u>Component Unit</u>	<u>Total investments by type</u>	<u>Minimum legal rating</u>
U.S. Treasury Notes	\$ —	\$ 201,082	\$ 201,082	\$ N/A
Federal Agency Securities	10,037,692	307,032	10,344,724	N/A
U.S. Treasury Obligation Money Market	2,317,811	158,236	2,476,047	N/A
Repurchase Agreements	80,069	—	80,069	N/A
Local Government Investment Pools	<u>22,386,132</u>	<u>271,197</u>	<u>22,657,329</u>	AA-
Total Investments	\$ <u>34,821,704</u>	\$ <u>937,547</u>	\$ <u>35,759,251</u>	

<u>Investment type</u>	<u>Exempt from disclosure</u>	<u>AAA Rating as of year end</u>	<u>Not rated</u>	<u>Total investments by type</u>
U.S. Treasury Notes	\$ 201,082	\$ —	\$ —	\$ 201,082
Federal Agency Securities	—	5,245,532	5,099,192	10,344,724
U.S. Treasury Obligation Money Market	—	2,317,811	158,236	2,476,047
Repurchase Agreements	—	—	80,069	80,069
Local Government Investment Pools	—	<u>22,657,329</u>	—	<u>22,657,329</u>
Total Investments	\$ <u>201,082</u>	\$ <u>30,220,671</u>	\$ <u>5,337,498</u>	\$ <u>35,759,251</u>

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. As mentioned previously, under authorized investments, the policy of the County contains limitations on the amount that can be invested in any one issuer and the maximum percentage of portfolio. Investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of **total County investments** are as follows:

<u>Issuer</u>	<u>Investment Type</u>	<u>Total County</u>	<u>Percentage</u>
FHLB	Federal Agency Securities	\$ 5,014,250	14.02%
FNMA	Federal Agency Securities	\$ 3,807,638	10.65%

BOULDER COUNTY, COLORADO

Notes to the Basic Financial Statements

December 31, 2007

Investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total investments **by reporting unit** (primary government, discretely presented component unit, governmental activities, major fund, nonmajor funds in the aggregate, etc.) are as follows:

<u>Issuer</u>	<u>Investment Type</u>	<u>Primary Government</u>	<u>Percentage</u>	<u>Component Unit</u>	<u>Percentage</u>
FHLB	Federal Agency Securities	\$ 4,938,500	14.18%	\$ 75,750	8.08%
FHLMC	Federal Agency Securities	N/A	N/A	\$ 154,891	16.52%
FNMA	Federal Agency Securities	\$ 3,756,419	10.79%	\$ 51,219	5.46%

(4) Receivables

As of year-end 2007, the Social Services Fund maintains a cumulative allowance for doubtful accounts of \$1,685,730 for County goods and services receivable. This represents amounts not expected to be recovered from clients who received overpayments. The Housing Authority maintains a cumulative allowance for doubtful accounts of \$8,462, against total tenant receivables of \$15,181 included within general accounts receivable.

BOULDER COUNTY, COLORADO

Notes to the Basic Financial Statements

December 31, 2007

(5) Changes in Capital Assets

	Capital asset activity				
	Year ended December 31, 2007				
	Beginning balance January 1, 2007	Increases	Decreases	Transfers	Ending balance December 31, 2007
Governmental activities:					
Capital assets not being depreciated:					
Land	\$ 364,681,365	\$ 19,231,419	\$ (3,031,837)	\$ (48,634)	\$ 380,832,313
Land development rights and other	2,657,577	418,207	(660,000)	—	2,415,784
Construction in progress	18,380,574	10,492,546	—	(16,368,795)	12,504,325
Total capital assets not being depreciated	<u>385,719,516</u>	<u>30,142,171</u>	<u>(3,691,837)</u>	<u>(16,417,428)</u>	<u>395,752,422</u>
Capital assets being depreciated:					
Buildings and improvements	96,393,359	5,300,782	—	6,056,630	107,750,771
Equipment	28,142,599	2,928,122	(1,451,256)	—	29,619,465
Improvements other than buildings	5,570,294	452,920	—	1,132,611	7,155,825
Infrastructure	134,725,626	—	—	9,228,187	143,953,813
Total capital assets being depreciated	<u>264,831,878</u>	<u>8,681,824</u>	<u>(1,451,256)</u>	<u>16,417,428</u>	<u>288,479,874</u>
Less accumulated depreciation for:					
Buildings and improvements	(32,870,434)	(2,390,888)	—	—	(35,261,322)
Equipment	(19,431,586)	(2,889,501)	1,368,093	—	(20,952,995)
Improvements other than buildings	(430,130)	(310,610)	—	(4,767)	(745,506)
Infrastructure	(66,995,890)	(4,934,939)	—	4,767	(71,926,063)
Total accumulated depreciation	<u>(119,728,040)</u>	<u>(10,525,938)</u>	<u>1,368,093</u>	<u>—</u>	<u>(128,885,886)</u>
Total capital assets being depreciated, net	<u>145,103,838</u>	<u>(1,844,114)</u>	<u>(83,163)</u>	<u>16,417,428</u>	<u>159,593,988</u>
Governmental activities capital assets, net	<u>\$ 530,823,354</u>	<u>\$ 28,298,057</u>	<u>\$ (3,775,001)</u>	<u>\$ —</u>	<u>\$ 555,346,410</u>
Depreciation expense was charged to functions as follows:					
Governmental activities:					
General government	\$	2,732,747			
Conservation		413,352			
Public safety		1,649,351			
Health and welfare		67,646			
Economic opportunity		9,266			
Highway and street		5,653,575			
Total governmental activities depreciation expense		<u>\$ 10,525,938</u>			

BOULDER COUNTY, COLORADO

Notes to the Basic Financial Statements

December 31, 2007

	Capital asset activity				Ending balance December 31, 2007
	Year ended December 31, 2007				
	Beginning balance January 1, 2007	Increases	Decreases	Transfers	
Business-type activities (Recycling Center/Housing Authority)					
Capital assets not being depreciated:					
Land	\$ 5,211,799	\$ 86,400	\$ —	\$ —	\$ 5,298,199
Construction in progress	36,583	5,030,423	—	—	5,067,006
Total capital assets not being depreciated	<u>5,248,382</u>	<u>5,116,823</u>	<u>—</u>	<u>—</u>	<u>10,365,205</u>
Capital assets being depreciated:					
Buildings and improvements	33,865,495	227,081	(17,161)	—	34,075,415
Equipment	3,123,753	—	(7,514)	—	3,116,239
Total capital assets being depreciated	<u>36,989,248</u>	<u>227,081</u>	<u>(24,675)</u>	<u>—</u>	<u>37,191,654</u>
Less accumulated depreciation for:					
Buildings and improvements	(6,754,769)	(836,866)	13,950	—	(7,577,685)
Equipment	(1,834,703)	(288,798)	7,512	—	(2,115,988)
Total accumulated depreciation	<u>(8,589,472)</u>	<u>(1,125,663)</u>	<u>21,462</u>	<u>—</u>	<u>(9,693,673)</u>
Total capital assets being depreciated, net	<u>28,399,776</u>	<u>(898,582)</u>	<u>(3,213)</u>	<u>—</u>	<u>27,497,981</u>
Business-type activities capital assets, net	<u>\$ 33,648,158</u>	<u>\$ 4,218,241</u>	<u>\$ (3,213)</u>	<u>\$ —</u>	<u>\$ 37,863,186</u>
Depreciation expense was charged to functions as follows:					
Business-type activities:					
Recycling Center	\$ 540,675				
Housing Authority	584,988				
Total business-type activities depreciation expense	<u>\$ 1,125,663</u>				

BOULDER COUNTY, COLORADO

Notes to the Basic Financial Statements

December 31, 2007

	Capital asset activity				Ending balance December 31, 2007
	Beginning balance January 1, 2007	Increases	Decreases	Transfers	
Discretely presented component unit (Public Health)					
Other capital assets:					
Equipment	\$ 235,405	\$ 18,390	\$ (5,595)	\$ —	\$ 248,200
Total other capital assets at historical cost	<u>235,405</u>	<u>18,390</u>	<u>(5,595)</u>	<u>—</u>	<u>248,200</u>
Less accumulated depreciation for:					
Equipment	<u>(123,562)</u>	<u>(29,542)</u>	<u>5,595</u>	<u>—</u>	<u>(147,509)</u>
Total accumulated depreciation	<u>(123,562)</u>	<u>(29,542)</u>	<u>5,595</u>	<u>—</u>	<u>(147,509)</u>
Other capital assets, net	<u>\$ 111,843</u>	<u>\$ (11,152)</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 100,691</u>
Depreciation expense was charged to functions as follows:					
Component unit activities:					
Public Health	<u>\$ 29,542</u>				

(6) Deferred and Unearned Revenue

Under both the accrual and modified accrual basis of accounting, revenue may be recognized only when earned. Therefore, the government-wide statement of net assets as well as governmental and enterprise funds defer revenue recognition in connection with resources that have been received as of year-end, but not yet earned. Assets recognized in connection with a transaction before the earnings process is complete are offset by a corresponding liability for unearned revenue.

Under the modified accrual basis of accounting, it is not enough that revenue has been earned if it is to be recognized in the current period. Revenue must also be susceptible to accrual (i.e. measurable and available to finance expenditures of the current period). Governmental funds report deferred revenues in connection with receivables for revenues not considered available to liquidate liabilities of the current period.

BOULDER COUNTY, COLORADO

Notes to the Basic Financial Statements

December 31, 2007

At December 31, 2007, the various components of deferred and unearned revenue reported in the governmental funds are as follows:

	<u>Year ended December 31, 2007</u>		
	<u>Unearned</u>	<u>Deferred (unavailable)</u>	<u>Total</u>
Governmental Funds:			
General Fund			
Property taxes	\$ 103,827,159	\$ —	\$ 103,827,159
Delinquent property taxes	—	232,366	232,366
Miscellaneous	—	14,055	14,055
Total General Fund	<u>103,827,159</u>	<u>246,421</u>	<u>104,073,580</u>
Road and Bridge Fund			
Property taxes	1,033,323	—	1,033,323
Delinquent property taxes	—	4,287	4,287
Conduit debt LID special assessments	64,715	12,410	77,126
Total Road and Bridge Fund	<u>1,098,038</u>	<u>16,698</u>	<u>1,114,736</u>
Social Services Fund			
Property taxes	4,666,312	—	4,666,312
Delinquent property taxes	—	12,995	12,995
Performance-based Collaborative Mgmt. Program	1,094,457	—	1,094,457
Integrated Care Management	112,787	—	112,787
Total Social Services Fund	<u>5,873,556</u>	<u>12,995</u>	<u>5,886,551</u>
Open Space Capital Improvement Fund			
Interest revenue - 12/31/02 debt service forward delivery agreement	2,341,340	—	2,341,340
Total Open Space Fund	<u>2,341,340</u>	<u>—</u>	<u>2,341,340</u>
Nonmajor governmental funds:			
Property taxes	15,277,370	—	15,277,370
Delinquent property taxes	—	55,602	55,602
Longs Peak Division of Housing grant loan program outstanding balances	182,012	—	182,012
Eldorado Springs LID special assessments	2,261,410	61,296	2,322,706
Total nonmajor governmental funds	<u>17,720,792</u>	<u>116,898</u>	<u>17,837,690</u>
Total Governmental Funds	<u>\$ 130,860,886</u>	<u>\$ 393,011</u>	<u>\$ 131,253,897</u>

BOULDER COUNTY, COLORADO

Notes to the Basic Financial Statements

December 31, 2007

(7) Lease Revenue

(a) Governmental Activities - Operating Leases

As of December 31, 2007, the County maintains approximately 143 agricultural leases on open space property. Approximately 42% of the leases are crop share and grazing share leases. Rental income from these leases 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. Therefore, revenues to the County will fluctuate with crop production. The remaining leases are for land, home and building rentals, and other miscellaneous sites. Where practical, leases are being consolidated to improve management efficiency, resulting in a gradual decrease in the overall number of leases.

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.

As of 2007, the County also maintained other leases for buildings and sites not related to open space property. Future minimum lease payments, by year and in the aggregate, under non-cancelable operating leases with initial or remaining terms of one year or more at December 31, 2007 are as follows:

Years:	Expected Lease Revenue - Operating Leases					
	Open Space Agricultural Leases			Other Leases		Total
	Land	House	Misc.			
2008	\$ 5,457	\$ 33,525	\$ 24,720	\$ 104,836	\$ 168,538	
2009	5,457	1,200	25,462	2,301	34,420	
2010	2,977	1,200	26,225	1,251	31,653	
2011	2,065	1,200	27,012	1,011	31,288	
2012	2,065	1,200	27,823	1,011	32,099	
2013-2017	9,205	—	28,657	5,054	42,916	
2018-2022	5,000	—	—	5,054	10,054	
2023-2027	2,000	—	—	5,054	7,054	

The County has entered into a lease agreement with Correctional Management, Inc. The contract term is from 1/01/08 through 12/31/08 and includes payments of \$7,500 per month for rental of the “Copper Door” residential halfway house building. Under this agreement, the expected minimum lease payment for 2008 is \$90,000, which is included in the other leases total above. The building has a cost of \$770,568, with accumulated depreciation of \$435,050 as of 12/31/07.

The County is also the lessor in several operating leases for office and other space. Costs and related accumulated depreciation of property under these leases are not practically determinable as the leases relate only to portions of buildings. Additionally, the annual amounts charged by the County to these tenants are based on actual costs and expenditures, which cannot be determined at the inception of the lease. Consequently, these leases are considered contingent rentals in their entirety, and are excluded from the minimum lease payment schedule.

BOULDER COUNTY, COLORADO

Notes to the Basic Financial Statements

December 31, 2007

(b) Business-type Activities - Direct Financing Leases

In 2007, the County entered into a lease purchase agreement with the City of Lafayette for 5,500 single-stream recycling carts. The purpose of the lease is to allow the City to participate in the County's single-stream recycling program, and the City has agreed to send all materials collected from the equipment exclusively to the County's Recycling Center during the lease term. The lease term is for 73 months, beginning December 2007 through December 2013. Payments are to be \$5,000 per month, which includes 5% interest on the unpaid balance. Total payments for the lease term are expected to be \$364,063 (\$313,463 principal and \$50,600 interest). The following is a schedule of future minimum lease payments as of 12/31/07:

<u>Expected Lease Revenue - Direct Financing Leases</u>	
	<u>2007</u>
Total minimum lease payments to be received	\$ 359,063
Less: unearned income	<u>(49,294)</u>
Net investment in direct financing lease	<u>\$ 309,769</u>
As of 12/31/07, future minimum lease payments are as follows:	
<u>Year</u>	<u>Amount</u>
2008	\$ 60,000
2009	60,000
2010	60,000
2011	60,000
2012	60,000
2013	<u>59,063</u>
	<u>\$ 359,063</u>

BOULDER COUNTY, COLORADO

Notes to the Basic Financial Statements

December 31, 2007

(8) Lease Expense – Governmental Activities

(a) Operating Leases

The County has entered into leases for items necessary for County operations, including office space and office equipment. Lease terms are month-to-month or have a non-cancelable period of less than a year and may or may not have an extension option. For 2007, lease payments in governmental activities totaled \$782,546; lease payments in business activities totaled \$0.

In the fund financial statements, 2007 lease payments by major funds are as follows:

General Fund	\$	281,555
Road and Bridge Fund		205,963
Social Services Fund		1,450
Open Space Capital Improvement Fund		127,743
Nonmajor Funds		<u>165,835</u>
	\$	<u><u>782,546</u></u>

BOULDER COUNTY, COLORADO

Notes to the Basic Financial Statements

December 31, 2007

(9) Changes in Long-Term Obligations

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

	<u>Balance at January 1, 2007</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at December 31, 2007</u>	<u>Due in one year</u>
Governmental activities:					
Claims payable	\$ 3,039,665	\$ 10,213,975	\$ 10,605,388	\$ 2,648,252	\$ 2,242,625
Bonds payable	197,310,000	—	11,345,000	185,965,000	12,630,000
Deferred loss on 2006 bond refunding	(2,433,802)	—	(244,422)	(2,189,380)	(244,422)
Certificates of participation	8,625,000	—	750,000	7,875,000	765,000
Loan payable	1,651,808	—	33,996	1,617,812	66,034
Compensated absences	<u>8,531,799</u>	<u>8,369,339</u>	<u>8,433,061</u>	<u>8,468,077</u>	<u>897,568</u>
Total long-term obligations	216,724,470	18,583,314	30,923,023	204,384,761	16,356,805
Bond and certificates of participation premium	<u>3,649,258</u>	—	<u>322,286</u>	<u>3,326,972</u>	<u>321,582</u>
Total governmental activities	<u>220,373,728</u>	<u>18,583,314</u>	<u>31,245,309</u>	<u>207,711,733</u>	<u>16,678,387</u>
Business-type activities:					
Recycling Center:					
Compensated absences	15,713	21,904	20,978	16,639	—
Housing Authority:					
Bonds payable	14,460,000	—	295,000	14,165,000	300,000
Notes payable	3,367,244	14,000	79,029	3,302,215	114,775
Compensated absences	<u>71,046</u>	<u>78,285</u>	<u>97,075</u>	<u>52,256</u>	<u>15,911</u>
Total business-type activities	<u>17,914,003</u>	<u>114,189</u>	<u>492,082</u>	<u>17,536,110</u>	<u>430,686</u>
Total primary government	<u>238,287,731</u>	<u>18,697,503</u>	<u>31,737,391</u>	<u>225,247,843</u>	<u>17,109,073</u>
Component units:					
Public Health:					
Compensated absences	<u>635,526</u>	<u>681,853</u>	<u>711,721</u>	<u>605,658</u>	<u>67,765</u>
Total reporting entity	\$ <u>238,923,257</u>	\$ <u>19,379,356</u>	\$ <u>32,449,112</u>	\$ <u>225,853,501</u>	\$ <u>17,176,838</u>

BOULDER COUNTY, COLORADO

Notes to the Basic Financial Statements

December 31, 2007

(10) 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 increasing the predictability of cash flows from earnings on its investments, and not for purposes of speculation. Under this agreement, the County makes monthly payments to the financial institution in amounts sufficient to make the County's semi-annual 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 1998, 2000A, 2000B, 2001, and 2002 are included in this agreement. In 2006, the 2000A series bonds were refunded and removed from this agreement. The resulting 2006 series Open Space Sales and Use Tax Refunding Bonds have been rolled into the agreement. A breakage fee of \$27,000 was paid at closing. At December 31, 2007, the outstanding balance was \$2,341,339.

BOULDER COUNTY, COLORADO
Notes to the Basic Financial Statements
December 31, 2007

(11) Long-Term Debt

(a) Governmental Activities

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

<u>Description of bond issue</u>	<u>Beginning balance January 1, 2007</u>	<u>New issues 2007</u>	<u>Principal retired 2007</u>	<u>Ending balance December 31, 2007</u>	<u>Interest paid 2007</u>	<u>Due in one year</u>
Open Space Capital Improvement Trust Bonds, Series 1996	\$ 13,350,000	\$ —	\$ 3,085,000	\$ 10,265,000	\$ 610,231	\$ 3,245,000
Open Space Capital Improvement Trust Bonds, Series 1998	21,750,000	—	6,800,000	14,950,000	1,094,200	7,250,000
Open Space Sales and Use Tax Revenue Bonds, Series 2000B	2,300,000	—	750,000	1,550,000	126,500	775,000
Open Space Capital Improvement Trust Bonds, Series 2001	49,125,000	—	355,000	48,770,000	2,387,525	905,000
Open Space Capital Improvement Trust Bonds, Series 2002	29,275,000	—	30,000	29,245,000	1,323,288	120,000
Offender Management Capital Improvement Trust Bonds, Series 2004	3,740,000	—	325,000	3,415,000	109,008	335,000
Open Space Capital Improvement Trust Bonds, Series 2005A	39,405,000	—	—	39,405,000	1,970,250	—
Open Space Sales and Use Tax Revenue Refunding Bonds, Series 2006	<u>38,365,000</u>	<u>—</u>	<u>—</u>	<u>38,365,000</u>	<u>1,590,575</u>	<u>—</u>
Total revenue bonds	<u>197,310,000</u>	<u>—</u>	<u>11,345,000</u>	<u>185,965,000</u>	<u>9,211,576</u>	<u>12,630,000</u>
Certificates of Participation						
County Maintenance Facility COP Series 2004	8,625,000	—	750,000	7,875,000	297,994	765,000
Loan Payable						
Water Pollution Control Revolving Fund Loan (2006) Eldorado Springs LID	<u>1,651,808</u>	<u>—</u>	<u>33,996</u>	<u>1,617,812</u>	<u>31,362</u>	<u>66,034</u>
Total long-term debt	<u>\$ 207,586,808</u>	<u>\$ —</u>	<u>\$ 12,128,996</u>	<u>\$ 195,457,812</u>	<u>\$ 9,540,932</u>	<u>\$ 13,461,034</u>

BOULDER COUNTY, COLORADO

Notes to the Basic Financial Statements

December 31, 2007

i) Revenue Bonds

A summary of annual debt service requirements to maturity for revenue bonds is as follows:

Year ending December 31:	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2008	\$ 12,630,000	\$ 8,646,383	\$ 21,276,383
2009	14,045,000	7,964,890	22,009,890
2010	9,660,000	7,318,770	16,978,770
2011	10,375,000	6,998,045	17,373,045
2012	10,795,000	6,574,353	17,369,353
2013-2017	70,915,000	24,259,696	95,174,696
2018-2022	45,105,000	7,313,450	52,418,450
2023-2026	12,440,000	952,250	13,392,250
Totals	\$ <u>185,965,000</u>	\$ <u>70,027,837</u>	\$ <u>255,992,837</u>

The County has issued \$35,000,000 in Open Space Capital Improvement Fund Bonds, Series 1996. The bonds are payable from revenues 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 5.10% to 5.25% is payable semi-annually. Debt service to maturity is as follows:

Year ending December 31:	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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>10,265,000</u>	\$ <u>822,008</u>	\$ <u>11,087,008</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 .25% open space sales and use tax held in the County's Open Space 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 semi-annually. Debt service to maturity is as follows:

Year ending December 31:	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2008	\$ 7,250,000	\$ 754,200	\$ 8,004,200
2009	7,700,000	336,600	8,036,600
Totals	\$ <u>14,950,000</u>	\$ <u>1,090,800</u>	\$ <u>16,040,800</u>

BOULDER COUNTY, COLORADO

Notes to the Basic Financial Statements

December 31, 2007

The County has issued \$3,000,000 in Open Space Sales and Use Tax Revenue Bonds, Series 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 2009. Interest at a rate of 5.50% is payable semi-annually. Debt service to maturity is as follows:

Year ending December 31:	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2008	\$ 775,000	\$ 85,250	\$ 860,250
2009	<u>775,000</u>	<u>42,625</u>	<u>817,625</u>
Totals	<u>\$ 1,550,000</u>	<u>\$ 127,875</u>	<u>\$ 1,677,875</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 semi-annually. Debt service to maturity is as follows:

Year ending December 31:	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2008	\$ 905,000	\$ 2,372,438	\$ 3,277,438
2009	1,600,000	2,333,975	3,933,975
2010	495,000	2,265,975	2,760,975
2011	4,215,000	2,244,938	6,459,938
2012	4,400,000	2,055,263	6,455,263
2013-2017	25,240,000	6,870,013	32,110,013
2018-2019	<u>11,915,000</u>	<u>901,000</u>	<u>12,816,000</u>
Totals	<u>\$ 48,770,000</u>	<u>\$ 19,043,602</u>	<u>\$ 67,813,602</u>

BOULDER COUNTY, COLORADO

Notes to the Basic Financial Statements

December 31, 2007

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 0.10% 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 semi-annually. Debt service to maturity is as follows:

Year ending December 31:	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2008	\$ 120,000	\$ 1,322,388	\$ 1,442,388
2009	100,000	1,318,788	1,418,788
2010	2,395,000	1,315,663	3,710,663
2011	2,485,000	1,225,850	3,710,850
2012	2,585,000	1,126,450	3,711,450
2013-2017	14,690,000	3,902,000	18,592,000
2018-2019	<u>6,870,000</u>	<u>519,250</u>	<u>7,389,250</u>
Totals	\$ <u>29,245,000</u>	\$ <u>10,730,389</u>	\$ <u>39,975,389</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 Addiction 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 semi-annually. Debt service to maturity is as follows:

Year ending December 31:	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2008	\$ 335,000	\$ 101,695	\$ 436,695
2009	340,000	94,158	434,158
2010	350,000	85,658	435,658
2011	365,000	76,033	441,033
2012	375,000	65,539	440,539
2013-2016	<u>1,650,000</u>	<u>142,155</u>	<u>1,792,155</u>
Totals	\$ <u>3,415,000</u>	\$ <u>565,238</u>	\$ <u>3,980,238</u>

BOULDER COUNTY, COLORADO

Notes to the Basic Financial Statements

December 31, 2007

In November 2004, voters approved \$60,000,000 in Open Space Capital Improvement Fund Bonds to acquire and improve open space. The County has issued \$39,405,000 in Open Space Capital Improvement Trust Fund Bonds, Series 2005A. The bonds are payable from revenue generated by the pledged 0.10% sales and use tax dedicated to open space. The bonds mature annually beginning in 2014, with final payment in 2025. Interest at 5.00% is payable semi-annually. Debt service to maturity is as follows:

Year ending December 31:	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2008	\$ —	\$ 1,970,250	\$ 1,970,250
2009	—	1,970,250	1,970,250
2010	—	1,970,250	1,970,250
2011	—	1,970,250	1,970,250
2012	—	1,970,250	1,970,250
2013-2017	9,675,000	9,039,125	18,714,125
2018-2022	17,290,000	5,348,000	22,638,000
2023-2025	<u>12,440,000</u>	<u>952,250</u>	<u>13,392,250</u>
Totals	\$ <u>39,405,000</u>	\$ <u>25,190,625</u>	\$ <u>64,595,625</u>

In February 2006, the County entered into a refunding transaction whereby the Open Space Sales and Use Tax Revenue Refunding Bonds Series 2006 were issued to facilitate the retirement of the County's Open Space Sales and Use Tax Revenue Bonds, Series 2000A (for additional information see note #9 - Defeased Debt). The Series 2006 bonds were issued in the amount of \$38,365,000. They are payable from revenue generated by the pledged 0.25% sales and use tax imposed in 1994. The bonds mature annually beginning in 2009, with final payment in 2019. Interest at rates from 3.50% to 5.00% is payable semi-annually. Debt service to maturity is as follows:

Year ending December 31:	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2008	\$ —	\$ 1,590,575	\$ 1,590,575
2009	110,000	1,590,575	1,700,575
2010	2,820,000	1,586,725	4,406,725
2011	3,310,000	1,480,975	4,790,975
2012	3,435,000	1,356,850	4,791,850
2013-2017	19,660,000	4,306,400	23,966,400
2018-2019	<u>9,030,000</u>	<u>545,200</u>	<u>9,575,200</u>
Totals	\$ <u>38,365,000</u>	\$ <u>12,457,300</u>	\$ <u>50,822,300</u>

BOULDER COUNTY, COLORADO

Notes to the Basic Financial Statements

December 31, 2007

ii) Certificates of Participation

The County has issued \$9,355,000 in Certificates of Participation for the purpose of 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% of the payments being budgeted in the Road Fund, and 37% 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 semi-annually. Debt service to maturity is as follows:

Year ending December 31:	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2008	\$ 765,000	\$ 275,494	\$ 1,040,494
2009	785,000	252,544	1,037,544
2010	810,000	227,031	1,037,031
2011	840,000	199,694	1,039,694
2012	865,000	171,344	1,036,344
2013-2017	<u>3,810,000</u>	<u>368,050</u>	<u>4,178,050</u>
Totals	\$ <u>7,875,000</u>	\$ <u>1,494,157</u>	\$ <u>9,369,157</u>

iii) Loans Payable

The County entered into a loan agreement with the Colorado Water Resources & Power Development Authority in July 2006. The Water Pollution Control Revolving Fund Loan was issued for the planning, design, and construction of a new wastewater collection and treatment system serving the Eldorado Springs area. Special assessments were imposed upon the benefiting properties to fund the loan repayment. The loan matures annually in 2007 with final payment in 2025. Interest at 3.50% is payable annually. Debt service to maturity is as follows:

Year ending December 31:	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2008	\$ 66,034	\$ 56,623	\$ 122,657
2009	68,345	54,312	122,657
2010	70,737	51,920	122,657
2011	73,213	49,444	122,657
2012	75,775	46,882	122,657
2013-2017	420,565	192,721	613,286
2018-2022	499,500	113,787	613,287
2023-2025	<u>343,643</u>	<u>24,331</u>	<u>367,974</u>
Totals	\$ <u>1,617,812</u>	\$ <u>590,020</u>	\$ <u>2,207,832</u>

BOULDER COUNTY, COLORADO

Notes to the Basic Financial Statements

December 31, 2007

(b) Business-Type Activities

A summary of the Boulder County Housing Authority's long-term debt for notes and bonds payable for the year ended December 31, 2007 is as follows:

	Beginning balance January 1, 2007	Issued 2007	Principal retired 2007	Ending balance December 31, 2007	Due in one year	Interest Rate (%)
Notes payable (property and lender):						
Prime Haven - Rural Development	\$ 224,774	\$ —	\$ 1,330	\$ 223,444	\$ 1,455	9.00
Walter Self - Rural Development	898,898	—	2,319	896,579	2,480	6.75
Walter Self - Rural Development	149,700	—	624	149,076	658	5.38
Walter Self - CHFA	694,257	—	11,658	682,599	11,894	2.00
Casa Vista - Rural Development	25,667	—	25,667	—	—	1.00
Casa Vista - CHFA	40,264	—	3,699	36,565	3,725	1.00
Casa Esperanza - Rural Development	292,846	—	13,417	279,429	13,552	1.00
Casa Esperanza - Rural Development	64,148	—	2,939	61,209	2,968	1.00
Longmont Affordable - FHLB Forgivable	20,000	—	—	20,000	—	—
Mariposa - FHLB Forgivable Loan	50,000	—	—	50,000	—	—
Mercy - FHLB Forgivable Loan	58,500	—	—	58,500	58,500	—
Lafayette Affordable - FHLB Forgivable	20,000	—	—	20,000	—	—
Sumner - Heritage	472,476	—	14,251	458,225	16,418	5.20
Eagle Place - FHLB Forgivable Loan	60,000	—	—	60,000	—	—
Cottonwood - City of Longmont Forgivable	—	14,000	1,400	12,600	1,400	—
Wedgewood - City of Longmont	128,464	—	—	128,464	—	2.00
Wedgewood - City of Longmont Forgivable	4,330	—	433	3,897	433	—
Wedgewood - City of Longmont Forgivable	12,920	—	1,292	11,628	1,292	—
Regal Ct I - FHLB Forgivable Loan	150,000	—	—	150,000	—	—
Total notes payable	\$ 3,367,244	\$ 14,000	\$ 79,029	\$ 3,302,215	\$ 114,775	
Bonds payable:						
Housing revenue bonds 1998	4,450,000	—	120,000	4,330,000	125,000	variable, 4.15% current
Housing revenue bonds 2004	10,010,000	—	175,000	9,835,000	175,000	variable, 2.7% current
Total Bonds Payable	14,460,000	—	295,000	14,165,000	300,000	
Totals	\$ 17,827,244	\$ 14,000	\$ 374,029	\$ 17,467,215	\$ 414,775	

Forgivable loans issued and monitored by the Federal Home Loan Bank of Topeka (FHLB) are loans that are issued under the Affordable Housing Program. These loans require the Authority to rent these project units to households with incomes at or below 50% of the area median income. Yearly compliance monitoring is done by FHLB to ensure these projects meet these requirements. The retention period of the loans are 15 years and the total amount will be forgiven upon completion.

Forgivable loans issued and monitored by the City of Longmont require the Authority to rent these project units to households with incomes at or below 50% of the area median income. Yearly compliance monitoring is done by the City of Longmont to ensure these projects meet these requirements. The yearly principal due will be excused if the requirements are met.

BOULDER COUNTY, COLORADO

Notes to the Basic Financial Statements

December 31, 2007

Future principal and interest payments and maturities for the Authority's notes payable subsequent to December 31, 2007 are as follows:

Year ending December 31:	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2008	\$ 114,775	\$ 131,688	\$ 246,463
2009	57,939	130,024	187,963
2010	188,147	126,996	315,143
2011	61,512	123,883	185,395
2012	123,530	121,964	245,494
2013-2017	832,494	563,868	1,396,362
2018-2022	224,543	467,381	691,924
2023-2027	239,193	430,511	669,704
2028-2032	210,575	382,031	592,606
2033-2037	1,040,493	266,297	1,306,790
2038-2042	123,257	14,696	137,953
2043-2047	85,757	3,273	89,030
Totals	\$ <u>3,302,215</u>	\$ <u>2,762,612</u>	\$ <u>6,064,827</u>

The Boulder County Housing Authority 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 at rates from 3.4% to 4.75% is payable semi-annually. Debt service to maturity is as follows:

Year ending December 31:	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2008	\$ 125,000	\$ 202,614	\$ 327,614
2009	130,000	197,364	327,364
2010	140,000	191,774	331,774
2011	145,000	185,649	330,649
2012	150,000	179,196	329,196
2013-2017	865,000	785,853	1,650,853
2018-2022	1,090,000	560,602	1,650,602
2023-2027	1,370,000	275,977	1,645,977
2028	315,000	14,963	329,963
Totals	\$ <u>4,330,000</u>	\$ <u>2,593,992</u>	\$ <u>6,923,992</u>

BOULDER COUNTY, COLORADO

Notes to the Basic Financial Statements

December 31, 2007

The Boulder County Housing Authority 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 semi-annually. Debt service to maturity is as follows:

Year ending December 31:	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2008	\$ 175,000	\$ 475,717	\$ 650,717
2009	185,000	470,467	655,467
2010	190,000	464,455	654,455
2011	195,000	457,805	652,805
2012	200,000	450,590	650,590
2013-2017	1,155,000	2,123,120	3,278,120
2018-2022	1,475,000	1,837,273	3,312,273
2023-2027	1,905,000	1,438,938	3,343,938
2028-2032	2,480,000	895,001	3,375,001
2033-2034	1,875,000	166,426	2,041,426
Totals	\$ <u>9,835,000</u>	\$ <u>8,779,792</u>	\$ <u>18,614,792</u>

(12) 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 agrees 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, with the exception of a long-term receivable of \$136,903 due to the General Fund from the Eldorado Springs Fund (a nonmajor fund).

BOULDER COUNTY, COLORADO

Notes to the Basic Financial Statements

December 31, 2007

Interfund balances at December 31, 2007 consisted of the following:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Open Space Capital Improvement	\$ 12,200
	Road and Bridge Fund	135,375
	Social Services Fund	790,453
	Nonmajor Governmental Funds	163,775
	Internal Service Funds	7,167
	Recycling Center Fund	57,711
	Housing Authority	143,794
		<u>1,310,475</u>
Open Space Capital Improvement	General Fund	157,583
	Nonmajor Governmental Funds	11,684
		<u>169,267</u>
Road and Bridge Fund	General Fund	134,795
	Open Space Capital Improvement	48,575
	Nonmajor Governmental Funds	212,064
	Housing Authority	20
		<u>395,454</u>
Social Services Fund	General Fund	192,623
	Internal Service Funds	2,335
	Housing Authority	92
		<u>195,050</u>
Nonmajor Governmental Funds	General Fund	396,990
	Open Space Capital Improvement	97,858
	Social Services Fund	703,807
	Internal Service Funds	338
	Nonmajor Governmental Funds	83
	Housing Authority	2,796
		<u>1,201,872</u>
Internal Service Funds	General Fund	102,119
	Road and Bridge Fund	92,023
	Social Services Fund	325,705
		<u>519,847</u>
Recycling Center Fund	General Fund	67,680
	Nonmajor Governmental Funds	9
		<u>67,689</u>
Total \$		<u><u>3,859,654</u></u>

BOULDER COUNTY, COLORADO

Notes to the Basic Financial Statements

December 31, 2007

(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 County interfund transfers:

<u>Payable Fund (Transfers Out)</u>	<u>Receivable Fund (Transfers In)</u>	<u>Amount</u>
General Fund	Nonmajor Governmental Funds	\$ 8,093,408
	Housing Authority	438,972
		<u>8,532,380</u>
Open Space Capital Improvement Fund	General Fund	20,000
	Nonmajor Governmental Funds	7,988,850
		<u>8,008,850</u>
Nonmajor Governmental Funds	General Fund	74,269
	Road and Bridge Fund	333,746
	Social Services Fund	1,284,879
	Nonmajor Governmental Funds	233,130
	Recycling Center Fund	6,495,000
	Housing Authority	442,035
		<u>8,863,060</u>
	Total \$	<u><u>25,404,290</u></u>

(c) Due from Component Unit

The amount due from Public Health, the discretely presented component unit, totals \$481,535 on the County's government-wide statement of net assets, while Public Health reports \$244,352 due to Boulder County. The variance of \$237,183 represents payments in transit from Public Health to the County at year-end.

(d) 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 before meeting eligibility requirements are deferred.

	<u>Governmental activities</u>	<u>Business - type activities</u>	<u>Total primary government</u>	<u>Component Unit</u>
Grants	\$ 3,836,626	\$ 104,975	\$ 3,941,601	\$ 1,097,953
Intergovernmental agreements & others	<u>6,917,316</u>	<u>373,415</u>	<u>7,290,730</u>	<u>8,127</u>
Total	<u><u>\$ 10,753,941</u></u>	<u><u>\$ 478,390</u></u>	<u><u>\$ 11,232,331</u></u>	<u><u>\$ 1,106,080</u></u>

BOULDER COUNTY, COLORADO

Notes to the Basic Financial Statements

December 31, 2007

(13) 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 either the General or Contingency Funds. At December 31, 2007, the balance in the emergency reserve in the special revenue Contingency Fund was \$3,316,247 and \$447,597 in the General Fund, totaling \$3,763,844 for the primary government. The emergency reserve for Public Health, component unit, was \$55,611. Additional amounts will be added as required.

A reservation for escrow accounts has been created in the General Fund. As of 2007, there is only one escrow account that is classified as County funds. This account represents funds in excess of operational expenses and a reserve requirement for the Public Trustee. Colorado Revised Statute C.R.S. 38-37-104 (3) requires that these excess funds be deposited with the County Treasurer’s office, and that they be placed in an account to be known as the Public Trustee Salary Fund. The Public Trustee may petition for use of these funds from the Board of County Commissioners. At the end of each year, any unused funds are transferred to the General Fund of the County.

(14) 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 thirteen series of Industrial Revenue Bonds (IRB) outstanding, and eight series of Single Family Mortgage Revenue Bonds outstanding. The aggregate principal amount payable for IRB series issued is \$126,390,000. The aggregate principal amount payable for the Mortgage Revenue Bonds series issued is \$39,485,648.

The County has issued two 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:

North Cedar Brook Local Improvement District Bonds were issued in April 2000, for \$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 semi-annually. The County has called in \$85,000 in bonds. Principal debt service to maturity is \$25,000.

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

BOULDER COUNTY, COLORADO

Notes to the Basic Financial Statements

December 31, 2007

6.00% is payable semi-annually. The County has called in \$160,000 in bonds. Principal debt service to maturity is \$35,000.

(15) Pension Plan

(a) Defined Benefit Pension Plan

The County contributes to the Local Government Division Trust Fund (LGDTF), a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees' Retirement Association of Colorado (PERA). Prior to January 1, 2006, the LGDTF was known as the Municipal Division Trust Fund (MDTF). The LGDTF provides retirement and disability, post-retirement annual increases, and death benefits for members or their beneficiaries. All employees of the County are members of the LGDTF. 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 LGDTF. That report may be obtained online at www.copera.org, or 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 LGDTF 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. For 2007, the contribution rate for members is 8.00% and for the County it is 10.00% of covered salary. A portion of the County's contribution (1.02% of covered salary for 2007) is allocated to the Health Care Trust Fund (See Note b below). If the County rehires a PERA retiree as an employee or under any other work arrangement, it is required to report and pay employer contributions on the amounts paid for the retiree, however, no member contributions are required. The County is also required to pay an amortization equalization disbursement equal to 1.0% of the total payroll for the calendar year 2007, (0.5% of total payroll for the calendar year 2006). For the years ending December 31, 2005, 2006, and 2007, the County's employer contributions to LGDTF were \$7,793,167, \$8,824,060, and \$9,733,251 respectively, equal to their required contributions for each year. Contributions from plan members for the same three years were \$6,223,153, \$6,703,933, and \$7,053,659, respectively.

(b) Post employment Healthcare Benefits

The County contributes to the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer healthcare trust administered by PERA. The HCTF provides a health care 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 online at www.copera.org, or 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).

For 2007, the County is required to contribute at a rate of 1.02% of covered salary 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 contributions to the

BOULDER COUNTY, COLORADO

Notes to the Basic Financial Statements

December 31, 2007

HCTF are included in the contributions to the LGDTF, noted above, and are equal to their required contributions for each year.

(c) Defined Contribution Pension Plan

Employees of the County who are members of the LGDTF (see Note "a" above) 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 (\$15,500 in 2007; \$20,500 for employees age 50 and older). The contribution requirements for the County are established under Title 24, Article 51, Section 1402 of the Colorado Revised Statutes, as amended. For the years ended December 31, 2005, 2006, and 2007, the 401(k) Plan member contributions from the County were \$1,981,646, \$1,793,351, and \$2,049,708, respectively.

(16) Risk Management

The County, including its component units, is self-insured for risks associated with worker's compensation. The County and its component units, except the Housing Authority, have excess insurance with a high retention for risks associated with property/casualty claims and, therefore, are 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 disasters. 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, thefts of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters.

The County assumes risk for the first \$400,000 for each worker's compensation occurrence, the first \$100,000 for each property occurrence, and the first \$250,000 for each liability occurrence except for employment liability claims, which have a \$500,000 retention. The County also maintains a self-funded health and dental plan, in which the County assumes risk for the first \$250,000 for each medical claim. Third-party insurance is purchased to protect the County above these amounts. Additionally, the County carries a crime policy with a \$25,000 deductible, and an equipment breakdown policy with a \$5,000 deductible.

The County has implemented GASB Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, and 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, 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.

BOULDER COUNTY, COLORADO

Notes to the Basic Financial Statements

December 31, 2007

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

	<u>2007</u>	<u>2006</u>
Unpaid claims, beginning of year	\$ 3,039,665	3,316,325
Incurred claims (including IBNRs)	10,213,975	10,019,233
Claim payments	<u>(10,605,388)</u>	<u>(10,295,893)</u>
Unpaid claims, end of year	<u>\$ 2,648,252</u>	<u>3,039,665</u>

(17) Commitments and Contingent Liabilities

(a) Risk Management

All funds of the County participate in the program, and make payments to the Risk Management internal service fund based on estimates of the amounts needed to pay prior and current year claims and to establish a reserve for catastrophe 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 operations.

In December 2000, the County acquired property for open space purposes that is possibly contaminated with hazardous substances related to historic mining activities. Disposal or placement of hazardous substances would have occurred before the County's acquisition. The 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.

BOULDER COUNTY, COLORADO

Notes to the Basic Financial Statements

December 31, 2007

(c) Purchase Options

The County has entered into option agreements to purchase open space properties at a future date. The continuance of each option is contingent upon the annual exercise of each available option in succession. If annual payments are made until the end of the option, the County will then have the right to purchase the property and associated water rights. In the table below, "total options" represents the best estimate as of the report date of the maximum amount anticipated to be paid, and includes amounts for options, land, water, and other costs. "Options exercised" represents the amount paid to date for these same costs. Total options amounts can vary from year to year as circumstances change (completion of mining, accelerated purchases, sales contingent upon death of seller, etc.). Further details of each property are as follows:

	<u>Billings Property</u>	<u>Cemex Dowe Flats Property</u>	<u>Farm in Boulder Valley Property</u>	<u>Golden Fredstrom Property</u>
Total acreage	326.32	1,609.63	40.61	147.00
Number of parcels	8	2	10	1
Total options	\$ 1,123,019	\$ 8,901,863	\$ 1,766,594	\$ 2,097,568
Options exercised through December 31, 2007	<u>1,123,019</u>	<u>2,050,000</u>	<u>318,409</u>	<u>300,100</u>
Remaining options	\$ <u><u>—</u></u>	\$ <u><u>6,851,863</u></u>	\$ <u><u>1,448,185</u></u>	\$ <u><u>1,797,468</u></u>

	<u>Parrish 2 Property</u>	<u>Trevarton, Lillian Property</u>	<u>Williams Family Farm LLC Property</u>	<u>Zimdahl Property</u>
Total acreage	250.08	2,006.43	261.72	77.22
Number of parcels	2	1	19	1
Total options	\$ 4,096,250	\$ 3,021,573	\$ 1,488,000	\$ 1,257,252
Options exercised through December 31, 2007	<u>4,046,250</u>	<u>1,349,532</u>	<u>682,650</u>	<u>110,984</u>
Remaining options	\$ <u><u>50,000</u></u>	\$ <u><u>1,672,041</u></u>	\$ <u><u>805,350</u></u>	\$ <u><u>1,146,268</u></u>

	<u>Zweck Property</u>
Total acreage	221.71
Number of parcels	1
Total options	\$ 10,500,000
Options exercised through December 31, 2007	<u>525,000</u>
Remaining options	\$ <u><u>9,975,000</u></u>

BOULDER COUNTY, COLORADO

Notes to the Basic Financial Statements

December 31, 2007

(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, 2007, the debt capacity of the County was \$1,407,257,115. The County does not currently have debt subject to this limitation.

(e) Construction Contracts

As of December 31, 2007, the County has construction commitments outstanding with various contractors of approximately \$1,593,370.

(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.

(18) Revenue and Expenditure Limitations (TABOR)

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 mill levy without a vote of the citizens, requires any revenue collected in excess of the fiscal year spending limit to be refunded in the following year, and requires the establishment of an "emergency reserve" equal to 3% of fiscal year expenditures. See note 13, Fund Balances – 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.

In 2004, the County voters approved a conditional exemption to property tax collections for only the 2004 fiscal year. Regardless of the amount of the 2004 property tax and all other revenue collections, and the relationship to the 2004 TABOR property tax, revenue and expenditure limits, the County was authorized to retain all property tax and other revenues up to \$4,700,000 that would otherwise be a liability to refund in 2006. The 2005 TABOR property tax and other revenue bases, established for the purposes of measuring TABOR compliance for 2005, were reset to the amount of actual collections in 2004, up to \$4,700,000 above the TABOR limit.

BOULDER COUNTY, COLORADO

Notes to the Basic Financial Statements

December 31, 2007

In 2005, the County voters approved an ongoing exemption to all revenues and expenditures as had previously been applied to the TABOR revenue limit, the TABOR property tax limit, and the TABOR expenditure limit. The ballot issue requires the County to limit property tax levies for the 2006 fiscal year and beyond, to a maximum of an additional 0.6 mills up to the County's mill levy limit of 23.745 mills. Any additional property tax revenues that are levied, compared with the actual collections from the prior year, are to be allocated as follows for a period of 5 years commencing with the 2006 year:

- 20% to be utilized in funding health and human services, of which 1/3 will be directed to non-profit agencies serving this purpose;
- 30% to be utilized in funding public safety programs;
- 6 2/3 % to be utilized in sustainability (including renewable energy and energy efficiency) programs.

Based upon its interpretation of the TABOR Amendment and subsequent locally approved exemptions for property tax and all other revenues collected in the 2007 fiscal year, the County is in compliance with the TABOR Amendment limits. The County continues to be subject to the maximum mill levy of 23.745, and the requirement to maintain a TABOR reserve equal to 3% of the 2007 Fiscal Year Spending Limit.

BOULDER COUNTY, COLORADO

Notes to the Basic Financial Statements

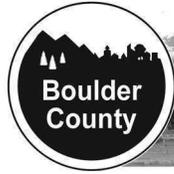
December 31, 2007

(19) Schedule of EBT Authorizations, Warrant Expenditures, and Total Expenditures

<u>Program</u>	<u>(A) County EBT Authorizations</u>	<u>(B) County Share of EBT 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>
Old Age Pension	\$ 4,080,969	\$ 10,385	\$ 126,902	\$ 4,207,871	\$ 137,287
Low-Income Energy Assistance Program	968,032	—	243,654	1,211,686	243,654
Temporary Assistance for Needy Families	1,516,762	305,903	2,191,431	3,708,193	2,497,334
Adoption Family Initiative	—	—	33,716	33,716	33,716
County administration	2,572	39,377	3,941,018	3,943,590	3,980,395
Child Welfare: includes CHRP, RTC, Res MH, SB80, 94	6,505,355	888,106	11,091,667	17,597,022	11,979,773
Safe and Stable Family	—	—	105,943	105,943	105,943
Integrated Care Management	—	—	116,879	116,879	116,879
Chaffee Independent Living	—	—	131,624	131,624	131,624
Core services	1,501,330	210,578	1,156,816	2,658,146	1,367,394
Aid to the Needy Disabled	834,359	90,835	—	834,359	90,835
IV-D Administration	—	—	2,149,954	2,149,954	2,149,954
CHATS/Child care	3,646,963	325,819	387,702	4,034,665	713,521
Aid to the Blind	—	—	—	—	—
County only 1A Human Services	—	202,460	125,144	125,144	327,604
HB 1414 TANF MOE Elig	50,054	—	—	50,054	—
Subtotal	<u>19,106,396</u>	<u>2,073,463</u>	<u>21,802,450</u>	<u>40,908,846</u>	<u>23,875,913</u>
Food Assistance	<u>9,131,858</u>	<u>—</u>	<u>—</u>	<u>9,131,858</u>	<u>—</u>
Grand Total	<u>\$ 28,238,254</u>	<u>\$ 2,073,463</u>	<u>\$ 21,802,450</u>	<u>\$ 50,040,704</u>	<u>\$ 23,875,913</u>

- A. County EBT Authorizations – welfare payments authorized by the Boulder County Department of Social Services, net of refunds. These County authorizations are paid by the Colorado Department of Human Services by QUEST debit card or by electronic funds transfer (EBT).
- B. County Share of EBT Authorizations – these amounts are settled monthly by a reduction of State cash advances to the County, and are net of any refunds.
- 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 in the Social Services Fund column on the Governmental Funds - Statement of Revenues, Expenditures, and Changes in Fund Balance.

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REQUIRED SUPPLEMENTARY INFORMATION

BOULDER COUNTY, COLORADO

Budgetary Comparison Schedule

General Fund

Year ended December 31, 2007

	Budgeted		Actual	Variance with final budget
	Original	Final		
Revenues:				
Taxes:				
Property	\$ 85,715,659	\$ 85,715,659	\$ 86,472,672	\$ 757,013
Specific ownership	1,264,872	1,264,872	1,756,245	491,373
Sales & Use	—	556,431	598,282	41,851
Total	86,980,531	87,536,962	88,827,199	1,290,237
Intergovernmental:				
Federal shared revenue	558,000	558,000	535,687	(22,313)
State grants	2,400	2,400	2,400	—
State shared revenue	164,040	164,040	187,343	23,303
Other governmental units	2,090,550	2,103,050	5,317,493	3,214,443
Total	2,814,990	2,827,490	6,042,923	3,215,433
Licenses, fees, and permits:				
Business	8,500	8,500	7,018	(1,482)
Nonbusiness	995,509	995,509	1,080,928	85,419
Total	1,004,009	1,004,009	1,087,946	83,937
Charges for services:				
Motor vehicle fees – Clerk	1,969,819	1,969,819	2,187,555	217,736
Recording fees – Clerk	2,490,717	2,490,717	2,009,445	(481,272)
Treasurer fees	1,400,000	1,400,000	1,445,888	45,888
Other fees	2,166,759	2,166,759	2,450,724	283,965
Telecommunications	507,800	507,800	337,877	(169,923)
Parks charges	133,000	133,000	219,467	86,467
Sheriff charges	1,743,016	1,743,016	1,891,341	148,325
Miscellaneous	475,004	475,004	576,205	101,201
Total	10,886,115	10,886,115	11,118,502	232,387
Fines and forfeitures	697,066	697,066	709,403	12,337
Interest on investments	2,800,000	2,800,000	4,390,786	1,590,786
Other revenue:				
Building rental	400,248	400,248	439,461	39,213
Open Space rental	810,000	810,000	1,808,623	998,623
Miscellaneous	721,180	733,680	812,665	78,985
Total	1,931,428	1,943,928	3,060,749	1,116,821
Proceeds from sale of capital assets	85,000	85,000	633,692	548,692
Transfers in	214,903	214,903	94,269	(120,634)
Total revenues	107,414,042	107,995,473	115,965,469	7,969,996

BOULDER COUNTY, COLORADO

Budgetary Comparison Schedule

General Fund

Year ended December 31, 2007

	Budgeted		Actual (includes transfers out)	Variance with final budget
	Original	Final		
Expenditures (by Agency appropriation):				
Administrative Services:				
Personal services	\$ 8,185,434	\$ 8,164,782	\$ 7,997,631	\$ 167,151
Operating	2,953,506	2,973,570	2,931,096	42,474
Countywide Services & Benefits:				
Combined	13,249,281	13,255,901	11,533,294	1,722,607
General administration:				
Operating	13,962,229	18,834,810	16,924,448	1,910,362
TABOR Refund:				
Operating	5,000	5,000	—	5,000
Public Health, Mental Health and nonprofits:				
Operating	3,614,849	3,614,849	3,597,397	17,452
Building utilities:				
Operating	2,070,955	2,070,955	1,706,271	364,684
Telecommunications:				
Personal services	371,876	371,876	334,502	37,374
Operating	760,316	760,316	445,298	315,018
Assessor:				
Personal services	2,666,164	2,676,268	2,675,672	596
Operating	251,826	241,722	241,484	238
County Attorney:				
Personal services	1,436,185	1,439,868	1,439,335	533
Operating	211,131	256,448	256,279	169
Coroner:				
Personal services	395,978	407,678	407,036	642
Operating	282,697	282,697	279,256	3,441
Commissioners:				
Personal services	1,394,045	1,393,231	1,380,135	13,096
Operating	267,911	267,911	252,652	15,259
Clerk and Recorder:				
Personal services	3,227,409	3,217,459	3,068,319	149,140
Operating	1,003,367	1,323,406	926,938	396,468
Community Services:				
Personal services	4,333,935	4,303,964	4,227,417	76,547
Operating	883,555	953,555	895,245	58,310
District Attorney:				
Personal services	3,949,363	3,914,984	3,913,884	1,100
Operating	219,945	253,945	252,028	1,917
Land Use:				
Personal services	2,645,128	2,643,542	2,602,022	41,520
Operating	843,489	995,078	789,064	206,014
Parks and Open Space:				
Personal services	4,512,930	4,511,928	4,499,697	12,231
Operating	6,224,858	8,259,561	6,752,823	1,506,738
Sheriff:				
Personal services	18,515,051	18,574,350	18,572,570	1,780
Operating	3,728,907	3,776,137	3,639,666	136,471
Sheriff - Communications Center:				
Personal services	1,936,140	1,936,140	1,934,936	1,204
Operating	270,001	348,687	314,682	34,005

BOULDER COUNTY, COLORADO

Budgetary Comparison Schedule

General Fund

Year ended December 31, 2007

	Budgeted		Actual (includes transfers out)	Variance with final budget
	Original	Final		
Expenditures (continued):				
Surveyor:				
Personal services	—	5,500	5,301	199
Operating	1,500	1,500	1,500	—
Transportation:				
Personal services	1,320,854	1,320,854	1,286,731	34,123
Operating	109,486	248,613	159,519	89,094
Coal Creek/Rock Creek operating	—	107,780	61,185	46,595
Transportation Sales Tax 2001				
Personal services	—	—	2,013	(2,013)
Operating	—	556,431	122,275	434,156
Treasurer:				
Personal services	661,805	661,805	660,898	907
Operating	197,492	197,492	194,660	2,832
Total expenditures	<u>106,664,598</u>	<u>115,130,593</u>	<u>107,285,159</u>	<u>7,845,434</u>
Excess (deficiency) of revenues over expenditures	749,444	(7,135,120)	8,680,310	15,815,430
Fund balance, beginning of year	<u>21,691,770</u>	<u>28,544,604</u>	<u>28,544,604</u>	<u>—</u>
Fund balance, end of year	<u>\$ 22,441,214</u>	<u>\$ 21,409,484</u>	<u>\$ 37,224,914</u>	<u>\$ 15,815,430</u>

See notes to Required Supplementary Information.

BOULDER COUNTY, COLORADO

Budgetary Comparison Schedule

Special Revenue – Road and Bridge Fund

Year ended December 31, 2007

	Budgeted		Actual	Variance with final budget
	Original	Final		
Revenues:				
Taxes:				
Property	\$ 1,063,044	\$ 1,063,044	\$ 1,073,182	\$ 10,138
Specific ownership	4,614,547	4,614,547	4,623,737	9,190
Sales and use	3,759,540	3,203,109	3,455,877	252,768
Total	9,437,131	8,880,700	9,152,796	272,096
Intergovernmental	30,000	30,000	34,931	4,931
Charges for services	150,000	150,000	539,067	389,067
Licenses and permits	4,825,000	4,825,000	5,095,566	270,566
Interest on investments	214,000	214,000	217,202	3,202
Other revenue	—	—	6,775	6,775
Total revenues	14,656,131	14,099,700	15,046,337	946,637
Expenditures:				
Projects and maintenance:				
Local improvement districts	35,700	35,700	35,700	—
Payments to cities	421,589	421,589	421,409	180
Roads and bridges	10,345,302	16,258,248	9,937,428	6,320,820
Road sales tax	3,709,540	4,553,906	2,268,459	2,285,447
Total projects and maintenance	14,512,131	21,269,443	12,662,996	8,606,447
Transportation Complex	661,591	662,965	661,670	1,295
Total expenditures	15,173,722	21,932,408	13,324,666	8,607,742
Excess (deficiency) of revenues over expenditures	(517,591)	(7,832,708)	1,721,671	9,554,379
Other financing sources (uses):				
Proceeds from sale of capital assets	—	—	—	—
Transfers in	—	—	333,746	333,746
Transfers out	—	—	—	—
Total other financing sources (uses)	—	—	333,746	333,746
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(517,591)	(7,832,708)	2,055,417	9,888,125
Fund balance, beginning of year	1,292,706	8,632,033	8,632,033	—
Fund balance, end of year	\$ 775,115	\$ 799,325	\$ 10,687,450	\$ 9,888,125

BOULDER COUNTY, COLORADO

Budgetary Comparison Schedule

Special Revenue – Social Services Fund

Year ended December 31, 2007

	Budgeted		Actual	Variance with final budget
	Original	Final		
Revenues:				
Taxes:				
Property	\$ 3,929,347	\$ 3,929,347	\$ 3,964,805	\$ 35,458
Specific ownership	246,370	246,370	274,537	28,167
Total	4,175,717	4,175,717	4,239,342	63,625
Intergovernmental	15,528,334	15,528,334	17,586,177	2,057,843
Charges for services and other	—	155,600	103,627	(51,973)
Total revenues	19,704,051	19,859,651	21,929,146	2,069,495
Expenditures:				
Health and welfare:				
Administration salaries, supplies, and other	5,358,905	6,686,567	4,307,999	2,378,568
Direct assistance:				
Aid to the blind	552	552	—	552
Aid to the needy disabled	93,404	93,405	90,835	2,570
Core services	1,390,489	1,390,489	1,367,394	23,095
Child welfare	10,422,883	10,333,100	11,979,773	(1,646,673)
Day care payments	828,767	828,767	713,521	115,246
General assistance	490,220	490,220	631,816	(141,596)
Old age pensions	108,808	108,808	137,287	(28,479)
Child support enforcement	1,782,932	1,782,932	2,149,954	(367,022)
TANF/Colorado Works	2,895,527	2,895,527	2,497,334	398,193
Total direct assistance	18,013,582	17,923,800	19,567,914	(1,644,114)
Total expenditures	23,372,487	24,610,367	23,875,913	734,454
Excess (deficiency) of revenues over expenditures	(3,668,436)	(4,750,716)	(1,946,767)	2,803,949
Other financing sources (uses):				
Transfers in	1,284,878	1,284,878	1,284,879	1
Transfers out	—	—	—	—
Total other financing sources (uses)	1,284,878	1,284,878	1,284,879	1
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(2,383,558)	(3,465,838)	(661,888)	2,803,950
Fund balance, beginning of year	4,472,345	4,900,836	4,900,836	—
Fund balance, end of year	\$ 2,088,787	\$ 1,434,998	\$ 4,238,948	\$ 2,803,950

BOULDER COUNTY, COLORADO

Notes to Required Supplementary Information

December 31, 2007

(1) **Budgets and Budgetary Accounting**

Budgets for all governmental funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America (US GAAP). Budgets of proprietary funds are based on the flow of funds basis, excluding depreciation and amortization and including debt service principal payments and capital outlay. The County adopts a legal budget for all funds except the grants funds and the Contingency Fund. The budgets for the grants funds are advisory and the Contingency Fund has no legally adopted budget. For grants, there is a perspective difference between the annual adopted budget and the annual financial statement. The annual budget includes two grant funds - one for Workforce Boulder County and one for all the other grants - while the information in the financial statement combines the two funds into one Grant Fund. All appropriations lapse at year-end.

The level on which expenditures may not legally exceed appropriations is the activity level. Within an appropriation, there are three activity classifications: personal services, operating expenditures, and combined. The operating and combined appropriation activities include debt service and transfers. Control of each appropriation activity classification is maintained at the agency level. The agency level is defined as an office, department, division or other governmental unit having ultimate budgetary responsibility for a unit, program or fund budget.

Expenditures may not exceed the appropriation levels for legally adopted budgets. Revisions to an appropriation require approval by the Commissioners at a public meeting, with prior published notice of the proposed change. Departmental administrators may reallocate budget amounts within an appropriation activity classification without the approval of the Commissioners.

The following procedures are used by the County in establishing the budgetary data reflected in the financial statements:

- (a) On or before August 1, all elected officers and department directors submit preliminary budget data to the Budget Officer.
- (b) On or before August 25, the County Assessor submits preliminary assessed valuations and other factors required to compute statutory property tax revenue limits.
- (c) On or before October 15, the Budget Officer submits a balanced budget to the Board of County Commissioners.
- (d) A notice is published and a public hearing is held to obtain taxpayer comments, usually in early October.
- (e) In the event a mill levy is required in excess of the mill 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.
- (f) On or before December 10, the County Assessor submits final assessed valuations to all taxing entities.
- (g) The Board of County Commissioners enacts resolutions approving and appropriating the budget on or before December 15, and setting the mill levies on or before December 22, per Statute 39-1-111, CRS.

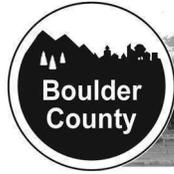
BOULDER COUNTY, COLORADO

Notes to Required Supplementary Information

December 31, 2007

(2) **Explanation of differences between Budgetary and GAAP revenues and expenditures in the General Fund Budgetary Comparison Schedule**

	<u>General Fund</u>
Total 2007 revenue actual amounts (budgetary basis) from the budgetary comparison schedule	\$ 115,965,469
Adjustments:	
The proceeds from the sale of capital assets are budgetary resources, but are regarded as an <i>other financing source</i> for GAAP reporting	(633,692)
Transfers from other funds are inflows of budgetary resources, but are not revenues for financial reporting purposes	<u>(94,269)</u>
Total 2007 General Fund revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds	<u>\$ 115,237,508</u>
Total 2007 expenditures actual amounts (budgetary basis) from the budgetary comparison schedule	\$ 107,285,159
Adjustments:	
Transfers to other funds are outflows of budgetary resources, but are not expenditures for financial reporting purposes	<u>(8,532,380)</u>
Total 2007 General Fund expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds	<u>\$ 98,752,779</u>



SUPPLEMENTARY INFORMATION

BOULDER COUNTY, COLORADO

Combining Balance Sheet

Nonmajor Governmental Funds

December 31, 2007

Assets	<u>Special revenue</u>	<u>Capital projects</u>	<u>Total</u>
Equity in Treasurer's cash and investments	\$ 15,715,409	\$ 6,364,726	\$ 22,080,135
Restricted cash and cash equivalents	1,103,614	659	1,104,273
Property taxes receivable	9,445,579	5,893,394	15,338,973
Due from other governmental units	2,556,700	2,512	2,559,212
Due from component unit	350,545	4,010	354,555
Interest receivable	32,491	54	32,545
County goods and services receivable, net	2,557,305	35,354	2,592,659
Due from other funds	950,002	251,870	1,201,872
Prepaid items	23,598	1,500	25,098
	<u>\$ 32,735,243</u>	<u>\$ 12,554,079</u>	<u>\$ 45,289,322</u>
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ 3,249,910	\$ 531,601	\$ 3,781,511
Due to other funds	385,209	2,406	387,615
Deferred revenue	11,946,412	5,891,278	17,837,690
Due to other governmental units	—	—	—
Accrued liabilities	48,722	47,646	96,368
Other liabilities	1,221,402	—	1,221,402
	<u>\$ 16,851,655</u>	<u>\$ 6,472,931</u>	<u>\$ 23,324,586</u>
Fund balances:			
Reserved for:			
Emergencies	3,316,247	—	3,316,247
Prepaid items	23,598	1,500	25,098
Unreserved, reported in:			
General Fund	—	—	—
Special revenue funds	12,543,743	—	12,543,743
Capital projects funds	—	6,079,648	6,079,648
	<u>15,883,588</u>	<u>6,081,148</u>	<u>21,964,736</u>
Total fund balances	<u>15,883,588</u>	<u>6,081,148</u>	<u>21,964,736</u>
Total liabilities and fund balances	<u>\$ 32,735,243</u>	<u>\$ 12,554,079</u>	<u>\$ 45,289,322</u>

BOULDER COUNTY, COLORADO

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

Nonmajor Governmental Funds

Year ended December 31, 2007

	<u>Special revenue</u>	<u>Capital projects</u>	<u>Total</u>
Revenues:			
Taxes	\$ 19,547,390	\$ 6,928,460	\$ 26,475,850
Licenses, fees, and permits	—	—	—
Interest on investments	875,564	12,512	888,076
Intergovernmental	14,280,675	611,294	14,891,969
Charges for services	339,915	24,379	364,294
Other revenue	699,705	592,124	1,291,829
	<u>35,743,249</u>	<u>8,168,769</u>	<u>43,912,018</u>
Total revenues			
Expenditures:			
Current:			
General government	6,986,573	7,555,358	14,541,931
Conservation	1,570,296	531,857	2,102,153
Public safety	9,102,171	4,099,338	13,201,509
Health and welfare	14,842,735	37,727	14,880,462
Economic opportunity	5,956,517	—	5,956,517
Highways and streets	—	215	215
Sanitation	114,869	—	114,869
Debt service:			
Principal	358,996	10,162,500	10,521,496
Interest and fiscal charges	140,520	1,825,781	1,966,301
Debt issuance costs	—	—	—
	<u>39,072,677</u>	<u>24,212,776</u>	<u>63,285,453</u>
Total expenditures			
Excess (deficiency) of revenues over expenditures	<u>(3,329,428)</u>	<u>(16,044,007)</u>	<u>(19,373,435)</u>
Other financing sources (uses):			
Transfers in	626,124	15,689,264	16,315,388
Transfers out	<u>(8,863,060)</u>	<u>—</u>	<u>(8,863,060)</u>
Total other financing sources (uses)	<u>(8,236,936)</u>	<u>15,689,264</u>	<u>7,452,328</u>
Net change to fund balance	(11,566,364)	(354,743)	(11,921,107)
Fund balance, January 1	<u>27,449,952</u>	<u>6,435,891</u>	<u>33,885,843</u>
Fund balance, December 31	<u>\$ 15,883,588</u>	<u>\$ 6,081,148</u>	<u>\$ 21,964,736</u>

BOULDER COUNTY, COLORADO

Nonmajor Governmental Funds Special Revenue Funds

December 31, 2007

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.

Recycling Capital Improvement Fund

This fund is restricted to the purchase of capital assets and to fund construction and operations of the County's Recycling Center, which now operates as a separate enterprise fund. Current revenue into this fund consists of interest on investments. The equity in the fund came primarily from a .01% sales and use tax authorized by voters in 1992 for 10 years, and continued as a portion of the Open Space Acquisition fund by voters in 2003. There are budgeted expenditures in 2007 for the single-stream recycling facility, and the remaining equity will be appropriated in future years as required.

Contingency Fund

The amendment to the Colorado Constitution (Article 10, Section 20) known as the Taxpayer's Bill of Rights (TABOR), requires Colorado counties to maintain a fund for emergencies. This fund accounts for monies the County would use to cover contingencies or emergencies as defined in State statutes. The amount of equity in the fund is required to be 3% of current fiscal year spending, and contingency equity may also be located in the General Fund as reserved fund balance. There are no expenditures appropriated in the fund for 2007.

Developmental Disabilities Fund

Approved in the November 2002 election and in accordance with State statute, this fund was established to account for monies used for the specific purpose of providing services to developmentally disabled residents of Boulder County. Revenues for this fund are obtained solely from property tax.

Grants Fund

This fund is used to account for all revenue and expenditures of programs funded by federal, state, and/or local grant awards. Activity of the Workforce Boulder County Fund is included in the Grants Fund for reporting purposes.

Fire Training Fund

Established in 2002, this fund accounts for financial resources used by the Boulder Fire Training Board in the establishment of training facilities. In 2007, remaining proceeds from the 3-year sales and use tax (expired 12/31/04) and interest earnings were disbursed to the City of Boulder and the Boulder Regional Fire Training Center, in accordance with the ballot issue that authorized the collection of the sales and use tax. This fund was closed in 2007, and there is no adopted budget for this fund in 2008.

Health and Human Services 2002 Fund

Approved by voters in November 2002, this fund accounts for those financial resources received by human services agencies in Boulder County that are a specific result of reductions in funding arising from State budgetary limitations. Revenues for this fund are primarily from property tax, with a small amount of specific ownership tax.

Eldorado Springs Local Improvement District Fund

Approved by voters within the district in November 2004, this fund accounts for financial resources used for construction and other capital costs for a wastewater treatment facility in the unincorporated town of Eldorado Springs. Revenues for this fund are primarily from special assessments on residents of the district.

BOULDER COUNTY, COLORADO

Nonmajor Governmental Funds

Special Revenue Funds

December 31, 2007

Retirement Fund

Through 2007, this fund accounted for property tax revenue used for County contributions to the Colorado Public Employees Retirement Association (PERA). For 2008, County payments to PERA and other employee benefits are budgeted in the General Fund. The Retirement Fund will be closed after the remaining fund balance is transferred to the General Fund.

Conservation Trust Fund

This fund accounts for revenue received from State lottery proceeds to be used for the acquisition, development, and maintenance of parks and trails systems within the County. Lottery funds are disbursed to counties on a per capita basis. Equity in this fund also comes from the sale of open space land purchased in prior years, and interest on investments.

Offender Management Fund

Established in January 2005, this fund accounts for financial resources used to provide for offender management programs and services, including an expansion of the Boulder County jail, a new Alcohol Recovery Center (ARC), and alternative programs to incarceration. Fund revenue is from a voter-approved extension in perpetuity of the Fire Training Centers sales and use tax of .05%.

Worthy Cause Tax Fund

Approved by voters in November 2002, this fund accounts for financial resources used to provide funding for capital facilities and equipment for various nonprofit human services agencies within Boulder County. In addition to interest on investments, this fund receives revenue from the voter-approved extension of the .05% Emergency Rescue Services sales and use tax, which expires December 31, 2008.

BOULDER COUNTY, COLORADO

Combining Balance Sheet

Nonmajor Governmental Funds – Special Revenue Funds

December 31, 2007

Assets	Recycling Capital Improvement	Contingency	Developmental Disabilities	Emergency Rescue Services	Grants
Equity in Treasurer's cash and investments	\$ 2,838,088	\$ 3,316,247	\$ 257,127	\$ —	\$ 2,281,758
Restricted cash and cash equivalents	—	—	—	—	—
Property taxes receivable	—	—	5,569,685	—	—
Due from other governmental units	—	—	24	—	1,904,381
Due from component unit	—	—	—	—	8,126
Interest receivable	9,561	—	—	—	8,319
County goods and services receivable	—	—	—	—	295,880
Due from other funds	22,395	—	109	—	374,697
Prepaid items	—	—	—	—	23,598
Total assets	<u>\$ 2,870,044</u>	<u>\$ 3,316,247</u>	<u>\$ 5,826,945</u>	<u>\$ —</u>	<u>\$ 4,896,759</u>
Liabilities and Fund Balances					
Liabilities:					
Accounts payable	\$ —	\$ —	\$ —	\$ —	\$ 588,755
Due to other funds	—	—	—	—	248,172
Deferred revenue	—	—	5,568,324	—	182,012
Accrued liabilities	—	—	—	—	34,587
Other liabilities	—	—	—	—	1,221,402
Total liabilities	<u>—</u>	<u>—</u>	<u>5,568,324</u>	<u>—</u>	<u>2,274,928</u>
Fund balances:					
Reserved for:					
Emergencies	—	3,316,247	—	—	—
Prepaid items and inventory	—	—	—	—	23,598
Unreserved, reported in:					
Special revenue funds	<u>2,870,044</u>	<u>—</u>	<u>258,621</u>	<u>—</u>	<u>2,598,233</u>
Total fund balances	<u>2,870,044</u>	<u>3,316,247</u>	<u>258,621</u>	<u>—</u>	<u>2,621,831</u>
Total liabilities and fund balances	<u>\$ 2,870,044</u>	<u>\$ 3,316,247</u>	<u>\$ 5,826,945</u>	<u>\$ —</u>	<u>\$ 4,896,759</u>

	Fire Training	Health and Human Services 2002	Eldorado Springs LID	Retirement	Conservation Trust	Offender Management	Worthy Cause II	Total nonmajor special revenue funds
\$	9,288	\$ 508,442	\$ 347,585	\$ 2,147,646	\$ 1,539,573	\$ 661,552	\$ 1,808,103	\$ 15,715,409
	—	—	1,103,614	—	—	—	—	1,103,614
	—	3,859,491	—	16,403	—	—	—	9,445,579
	—	16	—	—	281	325,999	325,999	2,556,700
	—	199,116	—	143,303	—	—	—	350,545
	—	—	1,171	—	5,187	2,195	6,058	32,491
	—	—	2,261,410	—	5	5	5	2,557,305
	53,732	76	3,000	460,352	11,674	4,942	19,025	950,002
	—	—	—	—	—	—	—	23,598
\$	<u>63,020</u>	<u>\$ 4,567,141</u>	<u>\$ 3,716,780</u>	<u>\$ 2,767,704</u>	<u>\$ 1,556,720</u>	<u>\$ 994,693</u>	<u>\$ 2,159,190</u>	<u>\$ 32,735,243</u>
\$	63,020	\$ 7,625	\$ 35,585	\$ 1,585,850	\$ 4,218	\$ 336,516	\$ 628,341	\$ 3,249,910
	—	—	136,912	—	—	125	—	385,209
	—	3,858,591	2,322,706	14,779	—	—	—	11,946,412
	—	3,763	235	—	—	10,137	—	48,722
	—	—	—	—	—	—	—	1,221,402
	<u>63,020</u>	<u>3,869,979</u>	<u>2,495,438</u>	<u>1,600,629</u>	<u>4,218</u>	<u>346,778</u>	<u>628,341</u>	<u>16,851,655</u>
	—	—	—	—	—	—	—	3,316,247
	—	—	—	—	—	—	—	23,598
	—	697,162	1,221,342	1,167,075	1,552,502	647,915	1,530,849	12,543,743
	—	697,162	1,221,342	1,167,075	1,552,502	647,915	1,530,849	15,883,588
\$	<u>63,020</u>	<u>\$ 4,567,141</u>	<u>\$ 3,716,780</u>	<u>\$ 2,767,704</u>	<u>\$ 1,556,720</u>	<u>\$ 994,693</u>	<u>\$ 2,159,190</u>	<u>\$ 32,735,243</u>

BOULDER COUNTY, COLORADO

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

Nonmajor Governmental Funds – Special Revenue Funds

Year ended December 31, 2007

	Recycling Capital Improvement	Contingency	Developmental Disabilities	Emergency Rescue Services	Grants
Revenues:					
Taxes	\$ —	\$ —	\$ 5,033,252	\$ —	\$ —
Licenses, fees, and permits	—	—	—	—	—
Interest on investments	332,360	—	—	—	89,906
Intergovernmental	56,000	—	4,054	—	13,570,331
Charges for services	—	—	—	—	339,915
Other revenue	—	—	—	—	699,705
Total revenues	<u>388,360</u>	<u>—</u>	<u>5,037,306</u>	<u>—</u>	<u>14,699,857</u>
Expenditures:					
Current:					
General government	\$ —	\$ —	\$ —	\$ —	\$ 808,066
Conservation	—	—	—	—	379,935
Public safety	—	—	—	—	3,512,997
Health and welfare	—	—	4,990,367	—	3,646,237
Economic opportunity	—	—	—	—	5,956,518
Sanitation	—	—	—	—	—
Debt service:					
Principal	—	—	—	—	—
Interest and fiscal charges	—	—	—	—	—
Debt issuance costs	—	—	—	—	—
Total expenditures	<u>—</u>	<u>—</u>	<u>4,990,367</u>	<u>—</u>	<u>14,303,753</u>
Excess (deficiency) of revenues over expenditures	<u>388,360</u>	<u>—</u>	<u>46,939</u>	<u>—</u>	<u>396,104</u>
Other financing sources (uses):					
Transfers in	55,000	—	—	—	571,124
Transfers out	<u>(6,495,000)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(611,146)</u>
Total other financing sources (uses)	<u>(6,440,000)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(40,022)</u>
Net change in fund balance	<u>(6,051,640)</u>	<u>—</u>	<u>46,939</u>	<u>—</u>	<u>356,082</u>
Fund balance, January 1	<u>8,921,684</u>	<u>3,316,247</u>	<u>211,682</u>	<u>—</u>	<u>2,265,749</u>
Fund balance, December 31	<u>\$ 2,870,044</u>	<u>\$ 3,316,247</u>	<u>\$ 258,621</u>	<u>\$ —</u>	<u>\$ 2,621,831</u>

<u>Fire Training</u>	<u>Health and Human Services 2002</u>	<u>Eldorado Springs LID</u>	<u>Retirement</u>	<u>Conservation Trust</u>	<u>Offender Management</u>	<u>Worthy Cause II</u>	<u>Total nonmajor special revenue funds</u>
\$ —	\$ 3,712,961	\$ 221,550	\$ 6,591,077	\$ —	\$ 1,994,275	\$ 1,994,275	\$ 19,547,390
—	—	—	—	—	—	—	—
169,138	—	15,436	—	107,812	38,446	122,466	875,564
—	201,925	—	4,186	444,179	—	—	14,280,675
—	—	—	—	—	—	—	339,915
—	—	—	—	—	—	—	699,705
<u>169,138</u>	<u>3,914,886</u>	<u>236,986</u>	<u>6,595,263</u>	<u>551,991</u>	<u>2,032,721</u>	<u>2,116,741</u>	<u>35,743,249</u>
\$ —	\$ —	\$ —	\$ 6,178,506	\$ —	\$ —	\$ —	\$ 6,986,572
—	—	—	—	1,190,361	—	—	1,570,296
4,301,073	—	—	—	—	1,288,101	—	9,102,171
—	2,350,859	—	—	—	1,607,282	2,247,990	14,842,735
—	—	—	—	—	—	—	5,956,518
—	—	114,869	—	—	—	—	114,869
—	—	33,996	—	—	325,000	—	358,996
—	—	31,362	—	—	109,158	—	140,520
—	—	—	—	—	—	—	—
<u>4,301,073</u>	<u>2,350,859</u>	<u>180,227</u>	<u>6,178,506</u>	<u>1,190,361</u>	<u>3,329,541</u>	<u>2,247,990</u>	<u>39,072,677</u>
<u>(4,131,935)</u>	<u>1,564,027</u>	<u>56,759</u>	<u>416,757</u>	<u>(638,370)</u>	<u>(1,296,820)</u>	<u>(131,249)</u>	<u>(3,329,428)</u>
—	—	—	—	—	—	—	626,124
—	(1,314,879)	—	—	—	—	(442,035)	(8,863,060)
—	(1,314,879)	—	—	—	—	(442,035)	(8,236,936)
(4,131,935)	249,148	56,759	416,757	(638,370)	(1,296,820)	(573,284)	(11,566,364)
<u>4,131,935</u>	<u>448,014</u>	<u>1,164,583</u>	<u>750,318</u>	<u>2,190,872</u>	<u>1,944,735</u>	<u>2,104,133</u>	<u>27,449,952</u>
<u>\$ —</u>	<u>\$ 697,162</u>	<u>\$ 1,221,342</u>	<u>\$ 1,167,075</u>	<u>\$ 1,552,502</u>	<u>\$ 647,915</u>	<u>\$ 1,530,849</u>	<u>\$ 15,883,588</u>

BOULDER COUNTY, COLORADO

Nonmajor Governmental Funds

Capital Projects Funds

December 31, 2007

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

Capital Projects Fund

This fund accounts for financial resources used for the acquisition, renovation, or construction of major capital facilities, projects, and equipment. Revenues into this fund are primarily property and specific ownership taxes, along with some rental revenues from human service agencies that lease space in buildings previously purchased through this fund.

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 purpose of constructing certain public improvements to be located within the district. Current revenues into this fund consist primarily of interest on investments. It is anticipated that the fund will be closed by 2009.

Open Space Capital Improvement Trust Fund II (Bond Series 1996 & 1998)

This is a pass-through fund used to account for debt service for Open Space bonds, series 1996 & 1998, as specified by bond documents. These bonds were used for the acquisition of interests in open space real property and access thereto, water rights, and improvement upon open space real property. Transfers are made into this fund from the Open Space Capital Improvement Fund and the General Fund, and all transfers are budgeted to be expended.

BOULDER COUNTY, COLORADO

Combining Balance Sheet

Nonmajor Governmental Funds – Capital Projects Funds

December 31, 2007

Assets	Capital Projects	Gunbarrel General Improvement District	Open Space Capital Improvement Trust Fund II	Total nonmajor capital projects funds
Equity in Treasurer's cash and investments	\$ 6,348,277	\$ 16,449	\$ —	\$ 6,364,726
Restricted cash	659	—	—	659
Property taxes receivable	5,893,394	—	—	5,893,394
Due from other governmental units	2,512	—	—	2,512
Due from component unit	4,010	—	—	4,010
Interest receivable	—	54	—	54
County goods and services receivable	35,354	—	—	35,354
Due from other funds	250,718	1,152	—	251,870
Prepaid items	1,500	—	—	1,500
Total assets	<u>\$ 12,536,424</u>	<u>\$ 17,655</u>	<u>\$ —</u>	<u>\$ 12,554,079</u>
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	\$ 531,601	\$ —	\$ —	\$ 531,601
Due to other funds	2,406	—	—	2,406
Deferred revenue	5,891,278	—	—	5,891,278
Accrued liabilities	47,646	—	—	47,646
Total liabilities	<u>6,472,931</u>	<u>—</u>	<u>—</u>	<u>6,472,931</u>
Fund balances:				
Reserved for:				
Prepaid items	1,500	—	—	1,500
Unreserved, reported in:				
Capital projects funds	6,061,993	17,655	—	6,079,648
Total fund balances	<u>6,063,493</u>	<u>17,655</u>	<u>—</u>	<u>6,081,148</u>
Total liabilities and fund balances	<u>\$ 12,536,424</u>	<u>\$ 17,655</u>	<u>\$ —</u>	<u>\$ 12,554,079</u>

BOULDER COUNTY, COLORADO

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

Nonmajor Governmental Funds – Capital Projects Funds

Year ended December 31, 2007

	<u>Capital Projects</u>	<u>Gunbarrel General Improvement District</u>	<u>Open Space Capital Improvement Trust Fund II</u>	<u>Total nonmajor capital projects funds</u>
Revenues:				
Taxes	\$ 6,928,458	\$ 2	\$ —	\$ 6,928,460
Interest on investments	1,039	11,473	—	12,512
Intergovernmental	611,294	—	—	611,294
Charges for services	24,379	—	—	24,379
Other revenue	<u>592,124</u>	<u>—</u>	<u>—</u>	<u>592,124</u>
Total revenues	<u>8,157,294</u>	<u>11,475</u>	<u>—</u>	<u>8,168,769</u>
Expenditures:				
Current:				
General government	\$ 7,555,358	\$ —	\$ —	\$ 7,555,358
Conservation	272,321	259,536	—	531,857
Public safety	4,099,338	—	—	4,099,338
Health and welfare	37,727	—	—	37,727
Highways and streets	215	—	—	215
Debt service:				
Principal	277,500	—	9,885,000	10,162,500
Interest and fiscal charges	<u>121,100</u>	<u>—</u>	<u>1,704,681</u>	<u>1,825,781</u>
Total expenditures	<u>12,363,559</u>	<u>259,536</u>	<u>11,589,681</u>	<u>24,212,776</u>
Excess (deficiency) of revenues over expenditures	<u>(4,206,265)</u>	<u>(248,061)</u>	<u>(11,589,681)</u>	<u>(16,044,007)</u>
Other financing sources:				
Transfers in	<u>4,099,583</u>	<u>—</u>	<u>11,589,681</u>	<u>15,689,264</u>
Total other financing sources	<u>4,099,583</u>	<u>—</u>	<u>11,589,681</u>	<u>15,689,264</u>
Net change to fund balance	(106,682)	(248,061)	—	(354,743)
Fund balance, January 1	<u>6,170,175</u>	<u>265,716</u>	<u>—</u>	<u>6,435,891</u>
Fund balance, December 31	<u>\$ 6,063,493</u>	<u>\$ 17,655</u>	<u>\$ —</u>	<u>\$ 6,081,148</u>

BOULDER COUNTY, COLORADO

Internal Service Funds

December 31, 2007

Internal Service Funds are a type of proprietary fund used to account for any activity that provides goods and services to other funds, departments, or agencies of the primary government and its component units, or to other governments, on a cost-reimbursement basis.

Risk Management Fund

This fund accounts for activities related to the County's workers' compensation, property casualty, and health and dental insurance plans, all of which are self-funded. Revenues into this fund are from billings to County departments for workers compensation and property casualty insurance; to employee benefits cost centers for the employer's share of relevant costs; and from payroll deductions for the employee's share of health and dental insurance.

Fleet Services Fund

Newly established for 2007, this fund is used to account for the cost of providing maintenance and repairs for the County fleet of vehicles and other equipment, with the exception of those of the Sheriff's Department. Revenues into this fund are from billings to other County departments, and are designed to recover all expenses of the fund.

BOULDER COUNTY, COLORADO
Combining Statement of Fund Net Assets
Internal Service Funds
December 31, 2007

Assets	Risk Management	Fleet Services	Total
Current assets:			
Equity in Treasurer's cash and investments	\$ 8,698,981	\$ 21,898	\$ 8,720,879
Interest receivable	29,306	—	29,306
County goods and services receivable	218,839	4,355	223,194
Due from component unit	81,698	—	81,698
Due from other governments	—	338	338
Due from other funds	397,946	121,901	519,847
Prepaid and other items	5,918	—	5,918
Inventory	—	184,285	184,285
Total current assets	<u>9,432,688</u>	<u>332,777</u>	<u>9,765,465</u>
Noncurrent assets:			
Capital assets:			
Buildings and improvements	—	5,802,221	5,802,221
Less accumulated depreciation	—	(157,143)	(157,143)
Equipment	—	723,670	723,670
Less accumulated depreciation	—	(634,561)	(634,561)
Total capital assets (net of accumulated depreciation)	<u>—</u>	<u>5,734,187</u>	<u>5,734,187</u>
Total noncurrent assets	<u>—</u>	<u>5,734,187</u>	<u>5,734,187</u>
Total assets	<u>9,432,688</u>	<u>6,066,964</u>	<u>15,499,652</u>
Liabilities			
Current liabilities:			
Accounts payable	509,395	52,003	561,398
Deferred Revenue	385	—	385
Due to other funds	8,448	1,392	9,840
Compensated absences	2,232	10,849	13,081
Accrued liabilities	2,966	11,418	14,384
Estimated claims payable	2,242,625	—	2,242,625
Total current liabilities	<u>2,766,051</u>	<u>75,662</u>	<u>2,841,713</u>
Noncurrent liabilities:			
Compensated absences	5,219	75,024	80,243
Estimated claims payable	405,627	—	405,627
Total noncurrent liabilities	<u>410,846</u>	<u>75,024</u>	<u>485,870</u>
Total liabilities	<u>3,176,897</u>	<u>150,686</u>	<u>3,327,583</u>
Net Assets			
Invested in capital assets, net of related debt	—	5,734,187	5,734,187
Unrestricted	6,255,791	182,091	6,437,882
Total net assets	<u>\$ 6,255,791</u>	<u>\$ 5,916,278</u>	<u>\$ 12,172,069</u>

BOULDER COUNTY, COLORADO

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

Internal Service Funds

Year ended December 31, 2007

	<u>Risk Management</u>	<u>Fleet Services</u>	<u>Total</u>
Operating revenue:			
Charges for services – other funds	\$ 1,875,474	\$ 2,098,915	\$ 3,974,389
Contributions – employee	2,816,437	—	2,816,437
Contributions – County	8,959,225	—	8,959,225
Contributions – miscellaneous	141,403	—	141,403
Land use claims recovery	238,714	—	238,714
Miscellaneous	87,163	1,422	88,585
	<u>14,118,416</u>	<u>2,100,337</u>	<u>16,218,753</u>
Total operating revenue			
Operating expenses:			
Cost of sales	—	642,376	642,376
General administration	223,774	1,267,217	1,490,991
General professional services	—	5,304	5,304
Insurance premiums	—	7,112	7,112
Depreciation	—	182,092	182,092
Property and casualty claims	277,536	—	277,536
Property and casualty insurance, professional services	568,712	—	568,712
Health and dental claims	9,794,871	—	9,794,871
Health and dental insurance, professional services	1,328,595	—	1,328,595
Workers' compensation claims	141,568	—	141,568
Workers' compensation insurance, professional services	92,970	—	92,970
Land use insurance, professional services, miscellaneous	248,699	—	248,699
	<u>12,676,725</u>	<u>2,104,101</u>	<u>14,780,826</u>
Total operating expenses			
Operating income (loss)	<u>1,441,691</u>	<u>(3,764)</u>	<u>1,437,927</u>
Nonoperating revenues (expenses):			
Interest on investments	393,517	—	393,517
Gain (loss) on sale of capital assets	—	3,764	3,764
Donations & intergovernmental	391	—	391
Income (loss) before capital contributions and transfers	<u>1,835,599</u>	<u>—</u>	<u>1,835,599</u>
Capital Contributions	<u>—</u>	<u>5,916,278</u>	<u>5,916,278</u>
Change in net assets	1,835,599	5,916,278	7,751,877
Total net assets, January 1	<u>4,420,192</u>	<u>—</u>	<u>4,420,192</u>
Total net assets, December 31	\$ <u><u>6,255,791</u></u>	\$ <u><u>5,916,278</u></u>	\$ <u><u>12,172,069</u></u>

BOULDER COUNTY, COLORADO
Combining Statement of Cash Flows
Internal Service Funds
Year ended December 31, 2007

	<u>Risk Management</u>	<u>Fleet Services</u>	<u>Total</u>
Cash flows from operating activities:			
Cash received from employer	\$ 8,959,225	\$ —	\$ 8,959,225
Cash received from employees	2,816,437	—	2,816,437
Cash received from charges for services	1,517,606	1,972,321	3,489,927
Cash received from miscellaneous sources	228,565	1,422	229,987
Cash paid to suppliers	4,874	(970,849)	(965,975)
Cash paid to employees	(214,378)	(984,759)	(1,199,137)
Cash paid for general claims	(982,710)	—	(982,710)
Cash paid for worker compensation claims	(485,473)	—	(485,473)
Cash paid for health and dental claims	(10,854,903)	—	(10,854,903)
Net cash provided by (used in) operating activities	<u>989,243</u>	<u>18,135</u>	<u>1,007,378</u>
Cash flows from noncapital financing activities:			
Intergovernmental	391	—	391
Net cash provided by (used in) noncapital financing activities	<u>391</u>	<u>—</u>	<u>391</u>
Cash flows from capital and related financing activities:			
Proceeds from disposal of capital assets	—	3,764	3,764
Net cash provided by (used in) capital and related financing activities	<u>—</u>	<u>3,764</u>	<u>3,764</u>
Cash flows from investing activities:			
Investment earnings	416,576	—	416,576
Net cash provided by (used in) investing activities	<u>416,576</u>	<u>—</u>	<u>416,576</u>
Net increase (decrease) in cash and cash equivalents	1,406,210	21,899	1,428,109
Cash and cash equivalents, January 1	7,292,770	—	7,292,770
Cash and cash equivalents, December 31	<u>\$ 8,698,980</u>	<u>\$ 21,899</u>	<u>\$ 8,720,879</u>
Net operating income (loss)	<u>\$ 1,441,690</u>	<u>\$ (3,764)</u>	<u>\$ 1,437,926</u>
Adjustments to reconcile net operating income (loss) to net cash provided by (used in) operating activities			
Depreciation and amortization	—	182,092	182,092
(Increase) decrease of assets:			
County goods and services receivable	(169,668)	(4,693)	(174,360)
Due from other funds	(188,201)	(121,901)	(310,102)
Due from other governments	—	—	—
Prepaid items	(4,258)	—	(4,258)
Other assets and inventory	—	(184,285)	(184,285)
Increase (decrease) of liabilities:			
Accounts payable	14,361	52,001	66,362
Accounts payable - health and dental claims	282,566	—	282,565
Due to other funds	7,101	1,392	8,493
Accrued liabilities	(3,109)	97,291	94,182
Estimated health and dental claims	(14,000)	—	(14,000)
Estimated insurance claims	(126,478)	—	(126,478)
Estimated workers compensation claims	(250,935)	—	(250,935)
Other liabilities	174	—	174
Total adjustments	<u>(452,447)</u>	<u>21,897</u>	<u>(430,550)</u>
Net cash provided by (used in) operating activities	<u>\$ 989,243</u>	<u>\$ 18,133</u>	<u>\$ 1,007,376</u>

Noncash capital financing activities:
Capital assets of \$5,916,278 (buildings and equipment) were contributed to the Fleet Services Fund

BOULDER COUNTY, COLORADO

Schedule of Budgetary Compliance
Budgeted Nonmajor, Major Capital Projects, and Proprietary Funds
Year ended December 31, 2007

	<u>Final budget</u>	<u>Actual (includes transfers out)</u>	<u>Variance</u>
Budgeted nonmajor special revenue funds:			
Recycling Capital Improvement Fund	\$ 6,495,000	\$ 6,495,000	\$ —
Developmental Disabilities Fund	4,990,367	4,990,367	—
Grants Fund	12,000,000	10,663,386	1,336,614
Workforce Boulder County Fund (presented within Grants Fund on combining statements)	5,000,000	4,251,513	748,487
Fire Training Fund	4,303,053	4,301,073	1,980
Health and Human Services 2002 Fund	3,668,267	3,665,738	2,529
Eldorado Springs Local Improvement District Fund	1,661,920	180,227	1,481,693
Retirement Fund	6,611,269	6,178,506	432,763
Conservation Trust Fund	2,295,872	1,190,361	1,105,511
Offender Management Fund			
Construction	1,365,041	1,365,041	—
Debt service	434,158	434,158	—
Jail expansion	866,789	859,338	7,451
Partnership for Active Community Engagement (PACE)	299,818	242,241	57,577
Alternatives	24,163	24,163	—
Integrated Treatment Courts	404,600	404,600	—
Worthy Cause Tax Fund			
Worthy Cause Tax 1 (2001)	150,000	—	150,000
Worthy Cause Tax 2 (2004)	3,711,261	2,690,025	1,021,236
Budgeted major capital projects fund:			
Open Space Capital Improvement Fund			
Bond Series 2000B, 2001, 2002, 2006	16,351,091	15,479,208	871,883
Bond Series 2005A	29,692,273	26,247,792	3,444,481
Budgeted nonmajor capital projects funds:			
Capital Projects Fund:			
Facilities management	435,156	225,122	210,034
Infrastructure	1,682,772	1,181,609	501,163
General reconstruction	15,088,697	10,533,156	4,555,541
Parks general reconstruction	226,252	34,857	191,395
Open Space and Transportation Complex	389,361	388,815	546
Gunbarrel General Improvement District Fund	259,536	259,536	—
Open Space Capital Improvement Fund II			
Bond Series 1996, 1998	11,589,682	11,589,681	1
Budgeted proprietary funds:			
Risk Management Fund	13,408,572	12,676,725	731,847
Fleet Services Fund (*)	1,976,470	1,922,009	54,461
Recycling Center Fund (*,**)	11,651,155	9,551,197	2,099,958

(*) Depreciation expense is not budgeted in the proprietary funds, and is not included in the actual expense totals.
For 2007, depreciation expense was \$182,092 for the Fleet Services Fund and \$540,675 for the Recycling Center Fund.

(**) \$4,950,625 of budgeted capital expenditures related to the single stream waste facility are included in the Recycling Center actual total.

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

Combining Statement of Changes in
Assets and Liabilities – Agency Funds

Fiduciary – Public Trustee Fund and Agency Fund

Year ended December 31, 2007

	<u>Balances at January 1, 2007</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balances at December 31, 2007</u>
Public Trustee Fund:				
Assets:				
Restricted cash	\$ 642,034	\$ —	\$ 131,812	\$ 510,222
Receivables	56,416	26,960	—	83,376
Total	<u>\$ 698,450</u>	<u>\$ 26,960</u>	<u>\$ 131,812</u>	<u>\$ 593,598</u>
Liabilities:				
Accounts payable	\$ —	\$ —	\$ —	\$ —
Escrow payable	79	—	—	79
Other liabilities	698,371	—	104,852	593,519
Total	<u>\$ 698,450</u>	<u>\$ —</u>	<u>\$ 104,852</u>	<u>\$ 593,598</u>
Agency Fund:				
Assets:				
Cash	\$ 7,909,364	\$ 367,843,222	\$ 368,533,043	\$ 7,219,543
Property taxes receivable	269,870,435	289,344,490	269,864,713	289,350,212
Due from other governmental units	36,866	2,673	36,867	2,672
Due from other funds	—	7,244	7,244	—
Total	<u>\$ 277,816,665</u>	<u>\$ 657,197,629</u>	<u>\$ 638,441,867</u>	<u>\$ 296,572,427</u>
Liabilities:				
Undistributed taxes and other collections	\$ 7,951,952	\$ 316,670,673	\$ 317,394,696	\$ 7,227,929
Due to other taxing units	269,864,713	289,344,498	269,864,713	289,344,498
Total for Agency Fund	<u>\$ 277,816,665</u>	<u>\$ 606,015,171</u>	<u>\$ 587,259,409</u>	<u>\$ 296,572,427</u>
Total – all agency funds:				
Total assets	<u>\$ 278,515,115</u>	<u>\$ 657,224,589</u>	<u>\$ 638,573,679</u>	<u>\$ 297,166,025</u>
Total liabilities	<u>\$ 278,515,115</u>	<u>\$ 606,015,171</u>	<u>\$ 587,364,261</u>	<u>\$ 297,166,025</u>

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

LOCAL HIGHWAY FINANCE REPORT		City or County: Boulder County			
		YEAR ENDING : December 2007			
This Information From The Records Of (example - City of _ or County of _): County of Boulder		Prepared By: Mark Schumann			
		Phone: 303-441-3503			
I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE					
ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway-User Taxes	D. Receipts from Federal Highway Administration	
1. Total receipts available					
2. Minus amount used for collection expenses					
3. Minus amount used for nonhighway purposes					
4. Minus amount used for mass transit					
5. Remainder used for highway purposes					
II. RECEIPTS FOR ROAD AND STREET PURPOSES		III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES			
ITEM	AMOUNT	ITEM	AMOUNT		
A. Receipts from local sources:		A. Local highway disbursements:			
1. Local highway-user taxes		1. Capital outlay (from page 2)	4,405,636		
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	4,955,625		
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:			
c. Total (a.+b.)		a. Traffic control operations	158,257		
2. General fund appropriations	—	b. Snow and ice removal	2,045,929		
3. Other local imposts (from page 2)	9,187,727	c. Other	639,732		
4. Miscellaneous local receipts (from page 2)	884,961	d. Total (a. through c.)	2,843,918		
5. Transfers from toll facilities	—	4. General administration & miscellaneous	1,083,787		
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	—		
a. Bonds - Original Issues	—	6. Total (1 through 5)	13,288,966		
b. Bonds - Refunding Issues	—	B. Debt service on local obligations:			
c. Notes	—	1. Bonds:			
d. Total (a. + b. + c.)	—	a. Interest	5,700		
7. Total (1 through 6)	10,072,688	b. Redemption	30,000		
B. Private Contributions	—	c. Total (a. + b.)	35,700		
C. Receipts from State government (from page 2)	5,092,876	2. Notes:			
D. Receipts from Federal Government (from page 2)	214,518	a. Interest	—		
E. Total receipts (A.7 + B + C + D)	15,380,082	b. Redemption	—		
		c. Total (a. + b.)	—		
		3. Total (1.c + 2.c)	35,700		
		C. Payments to State for highways	—		
		D. Payments to toll facilities	—		
		E. Total disbursements (A.6 + B.3 + C + D)	13,324,666		
IV. LOCAL HIGHWAY DEBT STATUS (Show all entries at par)					
	Opening Debt	Amount Issued	Redemptions	Closing Debt	
A. Bonds (Total)	5,523,750	—	502,500	5,021,250	
1. Bonds (Refunding Portion)					
B. Notes (Total)	—	—	—	—	
V. LOCAL ROAD AND STREET FUND BALANCE					
	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	8,632,035	15,380,082	13,324,666	10,687,451	—
Notes and Comments:					

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assesments	1,073,182	a. Interest on investments	539,067
b. Other local imposts:		b. Traffic Fines & Penalties	0
1. Sales Taxes	3,455,877	c. Parking Garage Fees	0
2. Infrastructure & Impact Fees	0	d. Parking Meter Fees	0
3. Liens	0	e. Sale of Surplus Property	0
4. Licenses	34,931	f. Charges for Services	0
5. Other	4,623,737	g. Other Misc. Receipts	345,060
6. Total (1. through 5.)	8,114,545	h. Other	834
c. Total (a. + b.)	9,187,727	i. Total (a. through h.)	884,961
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	4,790,427	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	212,662	d. Federal Transit Admin	0
d. Other (Specify)	89,787	e. U.S. Corps of Engineers	0
e. Other (Specify)	—	f. Other Federal	214,518
f. Total (a. through e.)	302,449	g. Total (a. through f.)	214,518
4. Total (1. + 2. + 3.f)	5,092,876	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)
A.1. Capital outlay:			
a. Right-Of-Way Costs	0	0	0
b. Engineering Costs	0	320,372	320,372
c. Construction:			
(1). New Facilities	0	1,035,269	1,035,269
(2). Capacity Improvements	0	2,340,566	2,340,566
(3). System Preservation	0	516,033	516,033
(4). System Enhancement & Operation	0	193,396	193,396
(5). Total Construction (1) + (2) + (3) + (4)	0	4,085,264	4,085,264
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	4,405,636	4,405,636
			(Carry forward to page 1)

Notes and Comments:

II.C.3.d Receipts from State Government - Other	
5300 - Misc. CDOT	—
5302 - Cigarette Tax	62,817
5308 - Forest Reserve	26,970
Total:	89,787

BOULDER COUNTY, COLORADO

Statistical Section
December 31, 2007

(Unaudited)

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

Financial Trends

Page

These schedules contain trend information to help the reader understand how the County’s financial performance and well-being have changed over time.

Table B-1: Net assets by component	105
Table B-2: Changes in net assets	106
Table B-3: Fund balances, governmental funds.....	107
Table B-4: Statement of Revenues, Expenditures, and Changes in Fund Balance, governmental funds.....	108
Table B-5: Program revenues by function/program	109
Table B-6: Tax revenues by source, governmental funds	110

Revenue Capacity

These schedules contain information to help the reader assess the County’s most significant local revenue source – property taxes.

Table C-1: Assessed value and estimated value of taxable property.....	111
Table C-2: Direct and overlapping property tax rates.....	112
Table C-3: Principal property tax payers.....	114
Table C-4: Property tax levies and collections	115

Debt Capacity

These schedules present information to help the reader assess the affordability of the County’s current levels of outstanding debt, and the County’s ability to issue additional debt in the future.

Table D-1: Ratios of outstanding debt by type	116
Table D-2: Computation of direct and overlapping debt.....	117
Table D-3: Legal debt margin information.....	118
Table D-4: Pledged revenue coverage	119

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the County’s financial activities take place.

Table E-1: Demographic and economic statistics	120
Table E-2: Principal employers	121

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the County’s financial report relates to the services the County provides and the activities it performs.

Table F-1: Full-time equivalent County employees by Function.....	122
Table F-2: Operating indicators by function/program.....	123
Table F-3: Capital asset statistics by function/program.....	125
Table F-4: Expenditures by function/program.....	127

Sources: unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The County implemented GASB Statement No. 34 in 2002; schedules presenting government-wide information include information beginning in that year.

TABLE B-1

BOULDER COUNTY, COLORADO

Net Assets by Component

Last Six Fiscal Years

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Governmental activities:						
Invested in capital assets, net of related debt	\$ 359,572,676	\$ 333,675,656	\$ 256,993,666	\$ 240,241,870	\$ 212,385,705	\$ 190,349,413
Restricted for:						
Emergencies	3,763,844	3,592,622	3,397,331	3,316,242	3,163,042	2,870,372
Debt service	—	—	—	—	90,000	90,000
Escrow fees	68,397	9,594	1,230,246	1,551,338	858,329	1,214,718
Unrestricted	<u>82,829,782</u>	<u>92,594,702</u>	<u>72,000,978</u>	<u>62,699,223</u>	<u>68,765,248</u>	<u>64,295,529</u>
Total net assets	<u>446,234,699</u>	<u>429,872,574</u>	<u>333,622,221</u>	<u>307,808,673</u>	<u>285,262,324</u>	<u>258,820,032</u>
Business-type activities:						
Invested in capital assets, net of related debt	22,190,447	17,861,944	18,936,486	21,243,806	22,131,228	13,935,228
Restricted for bond covenants	3,090,289	1,950,517	1,745,876	4,347,896	1,189,167	—
Unrestricted	<u>5,798,922</u>	<u>3,446,718</u>	<u>1,882,713</u>	<u>(1,385,847)</u>	<u>1,263,852</u>	<u>1,120,174</u>
Total net assets	<u>31,079,658</u>	<u>23,259,179</u>	<u>22,565,075</u>	<u>24,205,855</u>	<u>24,584,247</u>	<u>15,055,402</u>
Primary government:						
Invested in capital assets, net of related debt	381,763,123	351,537,600	275,930,152	261,485,676	234,516,933	204,284,641
Restricted for:						
Emergencies	3,763,844	3,592,622	3,397,331	3,316,242	3,163,042	2,870,372
Debt service	—	—	—	—	90,000	90,000
Escrow fees	68,397	9,594	2,976,122	5,899,234	2,047,496	1,214,718
Bond Covenants	3,090,289	1,950,517	—	—	—	—
Unrestricted	<u>88,628,704</u>	<u>96,041,420</u>	<u>73,883,691</u>	<u>61,313,376</u>	<u>70,029,100</u>	<u>65,415,703</u>
Total net assets	<u>\$ 477,314,357</u>	<u>\$ 453,131,753</u>	<u>\$ 356,187,296</u>	<u>\$ 332,014,528</u>	<u>\$ 309,846,571</u>	<u>\$ 273,875,434</u>
Component unit, Public Health:						
Invested in capital assets, net of related debt	100,691	111,843	140,701	168,656	153,211	98,977
Restricted for:						
Emergencies	55,611	40,987	38,918	35,553	36,555	36,962
Health and Human Services	1,627,593	199,116	168,832	165,019	152,599	200,000
Unrestricted	<u>—</u>	<u>1,350,811</u>	<u>970,608</u>	<u>930,163</u>	<u>970,261</u>	<u>768,327</u>
Total net assets	<u>\$ 1,783,895</u>	<u>\$ 1,702,757</u>	<u>\$ 1,319,059</u>	<u>\$ 1,299,391</u>	<u>\$ 1,312,626</u>	<u>\$ 1,104,266</u>

BOULDER COUNTY, COLORADO

Changes in Net Assets
Last Six Fiscal Years

	2007	2006	2005	2004	2003	2002
Primary government:						
Program expenses:						
Governmental activities:						
General government	\$ 59,465,933	\$ 55,992,512	\$ 54,997,225	\$ 65,147,583	\$ 56,052,530	\$ 60,301,127
Conservation	10,054,731	10,019,933	10,621,331	7,283,919	4,658,215	3,623,533
Public safety	39,793,861	34,440,809	32,078,687	27,347,423	29,454,318	26,876,513
Health and welfare	44,156,770	41,818,868	39,827,900	35,686,505	35,958,810	28,537,484
Economic opportunity	10,016,493	9,101,074	9,745,429	7,783,777	8,138,262	7,105,134
Highways and streets	15,871,767	13,124,693	10,392,095	11,408,018	9,009,069	7,065,748
Sanitation	945,507	1,068,623	577,930	—	—	—
Urban redevelopment/housing	286,831	219,887	192,031	—	21,388	1,535,882
Interest on long-term debt	9,770,360	10,004,567	10,700,076	9,173,369	9,741,299	8,451,982
Intergovernmental payments to cities	—	—	—	386,405	792,744	767,170
Total governmental activities expenses	<u>190,362,253</u>	<u>175,790,966</u>	<u>169,132,704</u>	<u>164,216,999</u>	<u>153,826,635</u>	<u>144,264,573</u>
Business-type activities:						
Recycling Center	5,114,866	4,863,819	4,419,034	4,029,710	3,716,428	3,351,553
Housing Authority	9,540,413	9,354,586	10,309,511	9,442,053	9,535,521	—
Total business-type activities expenses	<u>14,655,279</u>	<u>14,218,405</u>	<u>14,728,545</u>	<u>13,471,763</u>	<u>13,251,949</u>	<u>3,351,553</u>
Total primary government expenses	<u>205,017,532</u>	<u>190,009,371</u>	<u>183,861,249</u>	<u>177,688,762</u>	<u>167,078,584</u>	<u>147,616,126</u>
Program revenues:						
Governmental activities:						
Charges for services:						
General government	10,649,957	10,333,760	10,433,374	11,794,636	12,965,409	11,736,307
Conservation	2,617,946	1,997,180	2,196,852	1,316,724	1,810,328	1,016,127
Public safety	4,741,534	4,773,722	4,462,512	3,840,862	3,924,126	3,677,424
Health and welfare	1,702,368	1,592,751	1,365,486	1,297,986	2,651	436,017
Economic opportunity	52,500	71,832	116,806	59,077	14,727	—
Highways and streets	312,818	1,205,427	417,634	327,682	567,784	587,452
Sanitation	430,254	368,228	431,721	—	—	—
Urban redevelopment/housing	—	—	—	—	—	1,529,673
Total charges for services	<u>20,507,377</u>	<u>20,342,900</u>	<u>19,424,385</u>	<u>18,636,967</u>	<u>19,285,025</u>	<u>18,983,000</u>
Operating grants and contributions	38,624,624	39,375,742	33,662,339	42,504,310	42,624,127	38,396,540
Capital grants and contributions	1,635,291	526,106	243,421	2,246,043	1,362,179	698,381
Total governmental activities program revenues	<u>60,767,292</u>	<u>60,244,748</u>	<u>53,330,145</u>	<u>63,387,320</u>	<u>63,271,331</u>	<u>58,077,921</u>
Business-type activities:						
Recycling Center:						
Charges for services	5,275,067	4,269,778	3,917,901	3,679,817	3,249,170	2,833,879
Housing Authority:						
Charges for services	2,376,676	2,269,779	2,019,275	2,131,817	2,397,234	—
Operating grants and contributions	6,749,254	7,171,942	6,104,767	6,245,671	6,233,665	—
Capital grants and contributions	62,879	178,236	126,231	39,632	—	—
Total business-type activities program revenues	<u>14,463,876</u>	<u>13,889,735</u>	<u>12,168,174</u>	<u>12,096,937</u>	<u>11,880,069</u>	<u>2,833,879</u>
Total primary government program revenues	<u>75,231,168</u>	<u>74,134,483</u>	<u>65,498,319</u>	<u>75,484,257</u>	<u>75,151,400</u>	<u>60,911,800</u>
Net (expense)/revenues:						
Governmental activities	(129,594,961)	(115,546,218)	(115,802,559)	(100,829,679)	(90,555,304)	(86,186,652)
Business-type activities	(191,403)	(328,670)	(2,560,371)	(1,374,826)	(1,371,880)	(517,674)
Total primary government net expense	<u>(129,786,364)</u>	<u>(115,874,888)</u>	<u>(118,362,930)</u>	<u>(102,204,505)</u>	<u>(91,927,184)</u>	<u>(86,704,326)</u>
General revenues and Other Changes in Net Assets						
Governmental activities:						
Taxes:						
Property	111,541,746	108,401,607	101,223,224	94,897,706	88,855,998	78,637,017
Sales	25,998,848	24,406,908	23,698,593	19,798,255	19,124,793	17,808,296
Specific ownership	7,791,988	7,718,149	7,556,938	7,397,103	7,313,192	7,155,651
Interest earnings	7,996,747	7,182,054	5,747,061	1,492,285	2,187,488	3,462,149
Gain on sale of capital assets	3,764	421,992	450,302	486,135	—	—
Transfers	(7,376,007)	(507,397)	(521,564)	(695,456)	(483,875)	(9,244)
Total governmental activities	<u>145,957,086</u>	<u>147,623,313</u>	<u>138,154,554</u>	<u>123,376,028</u>	<u>116,997,596</u>	<u>107,053,869</u>
Business-type activities:						
Interest earnings	354,900	271,398	178,572	56,206	39,175	—
Grants and contributions	280,975	243,979	219,455	239,294	351,703	—
Gain on sale of capital assets	—	—	—	5,478	—	—
Transfers	7,376,007	507,397	521,564	695,456	483,875	9,244
Total business-type activities	<u>8,011,882</u>	<u>1,022,774</u>	<u>919,591</u>	<u>996,434</u>	<u>874,753</u>	<u>9,244</u>
Total primary government	<u>153,968,968</u>	<u>148,646,087</u>	<u>139,074,145</u>	<u>124,372,462</u>	<u>117,872,349</u>	<u>107,063,113</u>
Changes in net assets						
Governmental activities	16,362,125	32,077,095	22,351,995	22,546,349	26,442,292	20,867,217
Business-type activities	7,820,479	694,104	(1,640,780)	(378,392)	(497,127)	(508,430)
Total primary government	<u>\$ 24,182,604</u>	<u>\$ 32,771,199</u>	<u>\$ 20,711,215</u>	<u>\$ 22,167,957</u>	<u>\$ 25,945,165</u>	<u>\$ 20,358,787</u>
Net assets, primary government						
Net assets, January 1, as previously reported	453,131,753	356,187,296	332,014,528	309,846,571	273,875,434	237,952,815
Prior period restatement	—	64,173,258	3,461,553	—	10,025,972	15,563,832
Net assets, January 1, as restated	<u>453,131,753</u> (1)	<u>420,360,554</u>	<u>335,476,081</u>	<u>309,846,571</u> (2)	<u>283,901,406</u>	<u>253,516,647</u>
Net assets, December 31	<u>\$ 477,314,357</u>	<u>\$ 453,131,753</u>	<u>\$ 356,187,296</u>	<u>\$ 332,014,528</u>	<u>\$ 309,846,571</u>	<u>\$ 273,875,434</u>

(1) 2006 & 2005 prior period restatements due to changes in capital assets.

(2) 2003 prior period restatement due to change in entity - Housing Authority became component unit of County

TABLE B-3

BOULDER COUNTY, COLORADO

Fund Balances
Governmental Funds
Last Ten Fiscal Years

	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
General Fund:										
Reserved for:										
Emergencies	\$ 447,597	\$ 276,375	\$ 81,085	\$ 610,157	\$ 456,957	\$ 164,287	\$ 127,961	\$ —	\$ —	\$ 269,744
Prepaid items and inventory	429,115	298,310	480,223	298,496	215,931	147,384	150,513	64,972	63,640	91,683
Debt service	—	—	—	—	—	—	—	—	—	—
Escrow fees	68,397	9,594	916,050	1,259,587	578,166	516,906	541,469	495,722	1,237,006	397,425
Capital transactions	—	—	—	—	—	—	—	—	—	—
Advances receivable	136,903	136,903	—	—	—	—	—	—	—	—
Unreserved	36,142,902	27,823,422	21,897,999	15,801,455	22,070,735	25,798,937	28,653,994	21,513,261	13,797,211	19,835,324
Subtotal General Fund	37,224,914	28,544,604	23,375,357	17,969,695	23,321,789	26,627,514	29,473,937	22,073,955	15,097,857	20,594,176
All other governmental funds:										
Reserved for:										
Emergencies	3,316,247	3,316,247	3,316,246	2,706,085	2,706,085	2,706,085	2,706,085	2,706,085	2,706,085	2,706,244
Prepaid items and inventory	1,115,750	1,397,407	1,626,376	273,818	50,738	31,424	157,475	72,548	140,267	17,421
Debt service	—	—	—	1,551,338	90,000	90,000	90,000	90,000	90,000	90,000
Escrow fees	—	—	314,196	10,747,828	280,163	697,812	768,966	835,734	750,450	679,545
Capital transactions	—	16,691,841	34,443,729	—	1,800,461	27,008,222	—	—	—	—
Advances receivable	—	—	—	—	—	—	—	—	—	—
Unreserved, reported in:										
Special revenue funds	27,364,689	37,050,673	32,538,894	31,274,401	29,933,042	23,830,931	21,579,617	23,559,035	25,143,407	20,379,068
Capital projects funds	21,529,866	21,768,627	16,214,971	16,529,280	21,918,681	17,740,338	40,694,160	18,761,994	10,735,162	28,924,060
Subtotal all other funds	53,326,552	80,224,795	88,454,412	63,082,750	56,779,170	72,104,812	65,996,303	46,025,396	39,565,371	52,796,338
Total governmental funds										
Reserved for:										
Emergencies	3,763,844	3,592,622	3,397,331	3,316,242	3,163,042	2,870,372	2,834,046	2,706,085	2,706,085	2,975,988
Prepaid items and inventory	1,544,865	1,695,717	2,106,599	572,314	266,669	178,808	307,988	137,520	203,907	109,104
Debt service	—	—	—	1,551,338	90,000	90,000	90,000	90,000	90,000	90,000
Escrow fees	68,397	461,098	1,230,246	12,007,415	858,329	1,214,718	1,310,435	1,331,456	1,987,456	1,076,970
Capital transactions	—	16,691,841	34,443,729	—	1,800,461	27,008,222	—	—	—	—
Advances receivable	136,903	136,903	—	—	—	—	—	—	—	—
Unreserved, reported in:										
General fund	36,142,902	27,823,422	21,897,999	15,801,455	22,070,735	25,798,937	28,653,994	21,513,261	13,797,211	19,835,324
Special revenue funds	27,364,689	37,050,673	32,538,894	31,274,401	29,933,042	23,830,931	21,579,617	23,559,035	25,143,407	20,379,068
Capital projects funds	21,529,866	21,768,627	16,214,971	16,529,280	21,918,681	17,740,338	40,694,160	18,761,994	10,735,162	28,924,060
Total fund balances	\$ 90,551,466	\$ 108,769,399	\$ 111,829,769	\$ 81,052,445	\$ 80,100,959	\$ 98,732,326	\$ 95,470,240	\$ 68,099,351	\$ 54,663,228	\$ 73,390,514
All governmental funds										
Percent change	-16.75%	-2.74%	37.97%	1.19%	-18.87%	3.42%	40.19%	24.58%	-25.52%	58.78%

BOULDER COUNTY, COLORADO

Statement of Revenues, Expenditures, and Changes in Fund Balance

Governmental Funds

Last Ten Fiscal Years

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>
Revenues:										
Taxes	\$ 146,651,326	\$ 140,284,739	\$ 132,183,594	\$ 121,787,198	\$ 114,957,668	\$ 103,327,318	\$ 103,580,919	\$ 97,214,983	\$ 89,378,688	\$ 81,835,935
Licenses, fees and permits	1,122,877	1,067,123	916,220	851,487	601,980	643,125	710,470	849,117	756,919	647,344
Interest on investments	7,280,944	6,821,023	5,379,778	1,347,803	2,045,549	3,323,473	6,524,454	7,303,057	4,774,842	5,487,684
Intergovernmental	44,346,887	42,912,377	35,531,895	33,809,579	39,298,300	36,151,143	41,561,076	30,600,414	29,462,110	28,406,393
Charges for services	11,795,435	11,647,017	11,472,247	12,027,578	13,079,811	12,144,358	11,843,431	10,329,119	10,664,234	9,492,240
Fines and forfeitures	709,403	707,847	381,340	306,477	317,210	323,725	348,789	337,849	388,252	376,095
Other revenue	4,379,981	3,376,862	4,378,411	10,695,870	8,611,851	8,106,242	12,060,881	9,849,204	14,456,735	6,073,639
Total revenue	216,286,853	206,816,988	190,243,485	180,825,992	178,912,369	164,019,384	176,630,020	156,483,743	149,881,780	132,319,330
Expenditures:										
Current:										
General government	60,785,820	57,118,349	51,254,895	67,466,653	62,330,458	64,199,251	55,145,816	53,791,828	59,001,819	43,739,611
Conservation	35,203,348	25,851,644	26,902,995	19,066,868	35,997,578	41,359,932	49,007,135	40,280,094	33,076,178	26,664,239
Public safety	43,479,981	36,140,893	32,337,263	31,384,545	29,034,489	27,402,522	26,138,340	24,400,127	21,222,601	19,240,383
Health and welfare	46,247,327	43,926,847	40,056,796	35,246,688	35,967,078	28,187,899	20,763,036	19,964,763	19,476,013	18,647,185
Economic opportunity	10,178,976	9,599,436	9,728,404	7,733,087	8,095,261	7,097,015	6,130,088	5,605,172	5,672,676	5,801,571
Highways and streets	14,103,856	20,714,420	23,714,641	13,221,155	11,186,967	12,513,546	12,138,528	10,868,312	10,819,040	10,610,305
Sanitation	947,797	1,070,077	577,829	—	—	—	—	—	—	—
Urban redevelopment/housing	290,729	222,352	191,202	—	—	1,515,173	1,259,273	1,204,369	934,196	873,965
Intergovernmental	—	—	—	391,951	786,826	779,293	801,799	1,057,813	1,876,257	1,854,169
Debt service:										
Principal	12,158,996	11,220,000	9,935,000	9,015,000	7,680,000	7,285,000	6,715,000	6,360,000	6,230,000	5,405,000
Interest and fiscal charges	9,560,130	9,873,695	9,705,583	9,152,122	9,132,723	8,469,647	7,198,685	6,431,117	4,972,153	5,011,016
Debt issuance costs	—	561,077	421,146	374,852	—	—	—	—	—	—
Total expenditures	232,956,960	216,298,790	204,825,754	193,052,921	200,211,380	198,809,279	185,297,700	169,963,595	163,280,933	137,847,444
Net (expenditures)/revenues	(16,670,107)	(9,481,802)	(14,582,269)	(12,226,929)	(21,299,011)	(34,789,895)	(8,667,680)	(13,479,852)	(13,399,153)	(5,528,114)
Other financing sources/(uses):										
Proceeds from sale of capital assets	5,828,182	4,689,076	4,046,499	1,900,790	3,151,519	6,458,644	—	—	—	—
Debt issuance	—	40,016,808	39,405,000	13,570,000	—	30,800,000	50,000,000	35,575,000	—	36,367,480
Premium on bonds sold	—	682,260	2,429,658	73,081	—	1,066,634	—	—	—	—
Payment to debt refunding escrow agent	—	(38,459,315)	—	—	—	—	—	—	—	—
Child support retainage refund	—	—	—	—	—	435,947	146,628	—	—	—
Transfers in	18,028,282	16,096,879	9,633,326	11,512,630	15,423,728	8,209,722	6,848,160	6,474,066	9,014,949	5,625,912
Transfers out	(25,404,290)	(16,604,276)	(10,154,890)	(13,878,086)	(15,907,603)	(8,918,966)	(7,848,160)	(6,488,513)	(9,014,949)	(5,625,912)
Transfers out to component unit	—	—	—	—	—	—	(13,108,059)	(10,922,142)	(5,328,133)	(3,671,381)
Total other financing sources/(uses)	(1,547,826)	6,421,432	45,359,593	13,178,415	2,667,644	38,051,981	36,038,569	24,638,411	(5,328,133)	32,696,099
Net change to fund balance	(18,217,933)	(3,060,370)	30,777,324	951,486	(18,631,367)	3,262,086	27,370,889	11,158,559	(18,727,286)	27,167,985
Fund balance, January 1, as previously reported	108,769,399	111,829,769	81,052,445	80,100,959	98,732,326	95,470,240	65,821,787	54,663,228	73,390,514	46,222,529
Prior period restatement	—	—	—	—	—	—	2,277,564	—	—	—
Fund balance, January 1, as restated	108,769,399	111,829,769	81,052,445	80,100,959	98,732,326	95,470,240	68,099,351	54,663,228	73,390,514	46,222,529
Fund balance, December 31	\$ <u>90,551,466</u>	\$ <u>108,769,399</u>	\$ <u>111,829,769</u>	\$ <u>81,052,445</u>	\$ <u>80,100,959</u>	\$ <u>98,732,326</u>	\$ <u>95,470,240</u>	\$ <u>65,821,787</u>	\$ <u>54,663,228</u>	\$ <u>73,390,514</u>
Debt service as a percent of noncapital expenditures	11.02%	12.16%	13.33%	12.48%	12.26%	12.10%	13.23%	12.01%	13.46%	11.14%
Capital expenditures	\$ <u>35,922,468</u>	\$ <u>38,227,279</u>	\$ <u>34,269,840</u>	\$ <u>25,962,553</u>	\$ <u>46,290,525</u>	\$ <u>52,805,156</u>	\$ <u>66,179,943</u>	\$ <u>50,654,676</u>	\$ <u>68,827,109</u>	\$ <u>33,892,831</u>

Table B-5

BOULDER COUNTY, COLORADO

Program Revenues by Function/Program

Accrual Basis of Accounting

Last Six Fiscal Years

Function/Program:	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Governmental activities:						
Charges for services:						
General government	\$ 10,649,957	\$ 10,333,760	\$ 10,433,374	\$ 11,794,636	\$ 12,965,409	\$ 11,736,307
Conservation	2,617,946	1,997,180	2,196,852	1,316,724	1,810,328	1,016,127
Public safety	4,741,534	4,773,722	4,462,512	3,840,862	3,924,126	3,677,424
Health and welfare	1,702,368	1,592,751	1,365,486	1,297,986	2,651	436,017
Economic opportunity	52,500	71,832	116,806	59,077	14,727	—
Highway and streets	312,818	1,205,427	417,634	327,682	567,784	587,452
Sanitation	430,254	368,228	431,721	—	—	—
Urban redevelopment/housing	—	—	—	—	—	1,529,673
Operating grants and contributions	38,624,624	39,375,742	33,662,339	42,504,310	42,624,127	38,396,540
Capital grants and contributions	<u>1,635,291</u>	<u>526,106</u>	<u>243,421</u>	<u>2,246,043</u>	<u>1,362,179</u>	<u>698,381</u>
Total governmental activities	<u>60,767,292</u>	<u>60,244,748</u>	<u>53,330,145</u>	<u>63,387,320</u>	<u>63,271,331</u>	<u>58,077,921</u>
Business-type activities:						
Recycling Center:						
Charges for services	5,275,067	4,269,778	3,917,901	3,679,817	3,249,170	2,833,879
Housing Authority:						
Charges for services	2,376,676	2,269,779	2,019,275	2,131,817	2,397,234	—
Operating grants and contributions	6,749,254	7,171,942	6,104,767	6,245,671	6,233,665	—
Capital grants and contributions	<u>62,879</u>	<u>178,236</u>	<u>126,231</u>	<u>39,632</u>	<u>—</u>	<u>—</u>
Total business-type activities	<u>14,463,876</u>	<u>13,889,735</u>	<u>12,168,174</u>	<u>12,096,937</u>	<u>11,880,069</u>	<u>2,833,879</u>
Total primary government	<u>\$ 75,231,168</u>	<u>\$ 74,134,483</u>	<u>\$ 65,498,319</u>	<u>\$ 75,484,257</u>	<u>\$ 75,151,400</u>	<u>\$ 60,911,800</u>

TABLE B-6

BOULDER COUNTY, COLORADO

Tax Revenues by Year and Source, Governmental Funds

(Modified Accrual Accounting)

Last Ten Fiscal Years

<u>Year</u>	<u>Property</u>	<u>Sales & Use</u>	<u>Specific ownership</u>	<u>Total</u>
1998	\$ 64,043,688	\$ 12,213,883	\$ 5,578,364	\$ 81,835,935
1999	68,948,898	14,255,885	6,173,905	89,378,688
2000	72,931,355	17,426,172	6,857,456	97,214,983
2001	78,176,496	18,047,957	7,356,466	103,580,919
2002	78,637,017	17,808,296	7,155,651	103,600,964
2003	88,519,683	19,124,793	7,313,192	114,957,668
2004	94,591,840	19,798,255	7,397,103	121,787,198
2005	101,223,224	23,698,593	7,556,938	132,183,594
2006	108,401,185	24,406,908	7,718,149	140,526,242
2007	111,541,746	25,998,848	7,791,988	145,332,582
<u>Summary</u> 1998-2007	<u>Percent change</u> 74.17%	112.86%	39.68%	77.59%

Notes: Due to the increases in sales tax, comparability between years for sales and use tax is diminished.

Current Year Sales and Use Tax Revenue by Type

<u>Tax</u>	<u>Sales tax</u>	<u>Motor vehicle use tax</u>	<u>Building use tax</u>	<u>Total</u>
Open Space, 0.35%	\$ 12,026,060	\$ 962,126	\$ 979,405	\$ 13,967,591
Transportation	3,434,103	274,740	279,705	3,988,548
Worthy Cause	1,717,052	137,370	139,854	1,994,275
Open Space, 0.10%	3,434,103	274,740	279,705	3,988,548
Jail Improvement	1,717,052	137,370	139,854	1,994,275
Niwot LID	65,611	—	—	65,611
Total	<u>\$ 22,393,980</u>	<u>\$ 1,786,345</u>	<u>\$ 1,818,523</u>	<u>\$ 25,998,848</u>

TABLE C-1

BOULDER COUNTY, COLORADO

Assessed Value and Estimated Value of Taxable Property

Last Ten Years

Year ended December 31,	Residential property	Commercial property	Industrial property	Agricultural	Natural resources oil & gas, & utilities	Personal property	Total taxable assessed value	Tax exempt property	Total direct tax rate (%)	Estimated actual taxable value	Assessed value as a percentage of actual value
1998	\$ 1,377,041,384	\$ 973,202,533	\$ 398,814,672	\$ 23,239,155	\$ 10,260,942	\$ 436,450,684	\$ 3,219,009,370	\$ 995,957,390	21.243	\$ 22,423,699,502	14.36
1999	1,614,867,501	1,170,175,330	473,778,205	25,630,419	8,333,225	473,096,100	3,765,880,780	1,018,411,880	21.762	27,222,919,264	13.83
2000	1,622,931,668	1,334,420,536	470,562,499	26,266,664	8,202,808	557,301,305	4,019,685,480	1,030,375,780	19.682	28,727,261,787	13.99
2001	1,963,626,492	1,469,329,149	492,202,904	23,936,056	9,418,826	486,719,273	4,445,232,700	1,373,612,940	19.835	33,658,655,604	13.21
2002	2,208,697,068	1,262,021,092	588,699,474	28,464,807	11,064,901	433,916,890	4,532,864,232	1,398,031,970	17.621	35,399,131,263	12.81
2003	2,327,979,119	1,353,278,590	606,560,744	30,023,105	8,290,662	381,541,229	4,707,673,449	1,940,933,358	20.088	39,547,029,622	11.90
2004	2,289,074,494	1,370,881,346	573,409,610	7,492,770	11,704,260	502,675,946	4,755,238,426	1,598,850,000	21.267	40,058,316,068	11.87
2005	2,895,477,910	1,231,179,800	449,084,050	7,865,320	14,476,200	377,073,660	4,975,156,940	1,649,039,210	21.867	41,721,175,850	11.92
2006	2,949,065,306	1,112,646,230	448,050,410	8,288,340	22,323,330	490,796,680	5,031,170,296	1,550,997,150	22.467	42,384,256,543	11.87
2007	3,244,107,150	1,269,872,130	497,374,430	9,257,040	20,288,920	524,798,330	5,565,698,000	1,038,804,570	22.467	46,908,570,490	11.86

From 1998 to 2005, commercial real property, undeveloped land, personal property and utilities were assessed at 29% of replacement cost calculated on the base year's appraised value.

Residential real property was assessed as follows:

Years	Assessment percentage	Base Year
1998	9.74	1997 appraised value
1999	9.74	1997 appraised value
2000	9.74	1999 appraised value
2001	9.74	1999 appraised value
2002	9.15	2001 appraised value
2003	9.15	2001 appraised value
2004	7.96	2003 appraised value
2005	7.96	2004 appraised value
2006	7.96	2005 appraised value
2007	7.96	2006 appraised value

Source: Boulder County Assessor's office

Note: All residential and commercial real properties are reappraised every two years in the odd year cycle bringing properties to the current market level of valuation. The residential assessment rate is set by the Legislature and coincides with changes in the level of value. This is constitutionally required and designed to stabilize the tax burden on residential property.

TABLE C-2

BOULDER COUNTY, COLORADO
Direct and Overlapping Property Tax Rates
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)

	<u>98/99</u>	<u>99/00</u>	<u>00/01</u>	<u>01/02</u>	<u>02/03</u>	<u>03/04</u>	<u>04/05</u>	<u>05/06</u>	<u>06/07</u>	<u>07/08</u>
Boulder County	21.243	21.762	19.682	19.835	17.621	18.748	21.267	21.867	22.467	22.467
School districts:										
Boulder Valley (RE-2)	50.356	44.000	42.890	34.807	38.524	26.049	26.049	25.023	39.564	37.865
Park (R-3)	42.518	37.798	36.860	30.681	31.015	22.394	22.115	20.833	32.432	31.784
St. Vrain (RE-1J)	49.635	44.096	42.173	36.256	41.025	25.878	25.680	25.372	38.035	37.798
Thompson (R-2J)	48.074	52.796	53.027	49.168	48.462	25.645	24.804	22.664	43.457	41.657
Cities & towns:										
City of Boulder	11.438	10.502	10.908	9.301	9.640	11.981	10.005	11.981	11.981	11.981
City of Broomfield	13.894	13.894	13.894	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Town of Erie	7.654	7.288	7.288	7.288	7.288	7.288	10.965	7.288	7.288	7.288
Town of Jamestown	12.320	13.289	13.289	12.343	14.843	5.880	21.400	21.400	21.400	21.400
City of Lafayette	13.034	11.352	11.860	11.130	10.994	8.184	10.710	8.184	11.779	10.641
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	5.184	4.643	4.767	5.292	5.184	5.184	6.710	5.184	6.710	6.710
Town of Lyons	17.156	15.205	15.205	13.457	13.796	19.522	12.915	19.522	14.024	13.186
Town of Nederland	16.210	14.982	15.546	15.408	15.455	17.274	14.765	17.274	14.572	14.070
Town of Superior	2.594	2.279	2.144	1.836	1.906	12.127	8.805	12.127	8.805	8.050
Town of Ward	5.481	4.232	4.230	3.662	3.474	2.616	2.709	2.300	2.730	2.699
Water/sanitation:										
Allenspark (W&S)	4.381	3.906	4.058	3.711	3.829	4.077	4.372	4.369	4.628	4.632
Baseline (W)	0.985	0.985	0.985	0.824	0.869	0.874	0.922	0.973	1.060	1.047
Boulder Mountain Fire Water (W)	0.000	0.000	0.000	0.000	0.000	0.000	1.803	1.803	1.803	1.803
East Boulder Co. (W)	0.000	0.000	29.160	19.985	21.510	22.470	22.470	23.950	23.549	21.825
Brownsville (W&S)	8.145	7.846	8.084	6.446	6.576	6.669	6.515	1.692	0.825	0.826
Erie (W&S)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Hoover Hill (W&S)	10.105	9.727	5.979	6.341	4.618	4.613	4.573	4.573	4.573	4.000
Knollwood (W)	4.152	3.786	3.967	2.981	3.144	3.429	3.619	3.565	3.758	3.701
Left Hand (W&S)	18.350	18.050	19.364	16.462	16.795	17.365	17.957	11.986	18.482	17.440
Niwot (S)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Northern Colorado (W)	1.000	1.000	1.000	1.000	0.000	1.000	1.000	1.000	1.000	1.000
Pine Brook (W)	7.699	7.490	7.800	6.110	5.820	5.795	13.365	14.000	14.109	13.090
St. Vrain Left Hand (W)	0.357	0.328	0.303	0.258	0.000	0.243	0.230	0.220	0.214	0.197
Shannon Estates (W)	0.943	0.943	0.917	0.760	0.803	0.804	0.849	0.880	0.929	0.983

Source: Boulder County Assessor Summary of Tax Levies

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

(Continued)

TABLE C-2

BOULDER COUNTY, COLORADO

Direct and Overlapping Property Tax Rates

Last Ten Assessed/Collected Years

	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08
Fire districts:										
Allenspark	6.124	5.257	5.470	4.757	7.507	7.507	7.507	7.507	7.507	7.507
Berthoud	8.128	7.674	8.924	15.024	15.274	15.274	15.274	12.531	12.531	12.531
Boulder Heights	6.001	5.673	7.992	7.992	7.992	7.992	0.000	0.000	0.000	0.000
Boulder Mountain	0.000	0.000	0.000	0.000	0.000	0.000	6.189	1.803	6.189	6.189
Boulder Rural	4.405	4.405	4.405	7.747	7.747	7.747	7.747	7.747	11.747	11.747
Cherryvale	7.055	6.764	6.650	6.325	6.325	6.325	8.325	11.325	0.000	0.000
Clover Basin	31.920	31.920	31.920	16.500	10.640	6.978	7.420	7.110	3.978	3.978
Coal Creek Canyon	8.200	8.200	8.000	8.000	8.000	8.000	8.000	8.000	8.000	8.000
Eldorado Spgs-Marshall	4.110	4.110	4.110	4.110	4.110	4.110	6.110	6.110	0.000	0.000
Four Mile	7.292	7.292	7.292	7.292	7.292	3.555	7.292	7.292	7.292	7.292
Gold Hill	3.863	3.746	3.746	3.555	3.555	3.555	7.561	7.555	7.555	7.550
High Country	6.439	6.439	6.439	6.439	8.439	8.439	8.439	8.439	8.439	8.439
Hygiene	3.004	2.750	2.774	2.137	4.099	4.099	4.099	4.099	4.099	4.099
Indian Peaks	3.603	3.112	3.292	3.000	3.089	2.810	3.060	3.014	3.142	3.116
Lafayette Rural	1.776	1.776	1.776	1.090	2.500	2.500	2.500	2.500	2.500	2.500
Left Hand	13.431	11.967	6.207	11.022	11.022	11.022	11.022	11.022	11.022	11.022
Longmont	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Louisville	3.186	3.186	3.186	3.186	3.186	3.186	3.186	3.186	6.686	6.686
Lyons	5.776	4.991	5.224	6.521	6.763	6.755	6.952	9.148	7.193	7.196
Mountain View	9.573	9.085	8.917	8.657	8.577	8.177	8.107	8.257	7.977	7.877
Nederland	11.690	12.147	12.432	11.023	11.715	11.434	11.433	11.308	11.338	11.120
North Metro	0.000	0.000	8.552	8.227	7.909	7.955	7.955	8.135	11.179	11.301
Pine Brook Hills	4.689	4.689	6.189	6.189	6.189	6.189	0.000	0.000	0.000	0.000
Rocky Mountain	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	11.325	11.325
Sugarloaf	6.915	6.611	6.611	6.805	6.700	6.716	6.738	6.872	7.276	7.276
Sunshine	8.480	8.480	8.480	8.480	8.480	8.480	8.480	8.480	8.480	8.480
West Adams County	8.600	8.551	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Special districts:										
Boulder Central	6.623	6.526	6.575	5.345	5.544	5.744	5.934	5.657	5.956	5.005
Colo Tech Cntr. Metro	30.000	25.000	25.000	25.000	25.000	23.000	23.000	22.000	22.000	19.917
Downtown Boulder	0.000	5.361	5.175	4.689	5.453	5.595	5.739	6.098	4.460	3.700
Estes Valley Rec	2.034	1.691	1.505	1.279	1.349	1.289	1.323	1.331	1.472	1.404
Exempla GID	0.000	0.000	0.000	0.000	25.000	5.000	5.000	5.000	5.000	5.000
Fairways Metro	4.691	4.545	3.651	3.108	3.288	3.428	3.621	3.651	3.651	3.651
Forest Glen Transit	0.000	0.000	1.490	1.037	0.910	0.950	0.661	1.110	1.040	1.012
Gunbarrel Estates	3.861	3.616	3.628	3.091	6.785	6.785	6.785	6.662	6.674	6.644
Gunbarrel General Imp	5.624	5.234	5.234	4.299	3.987	4.161	0.000	0.000	0.000	0.000
Harvest Junction Metro	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	30.000	30.000
Lafayette City Cntr GID	17.000	16.745	17.000	25.000	26.072	29.587	6.769	26.114	26.342	23.098
Lafayette Corporate Campus	0.000	0.000	0.000	0.000	73.963	61.056	46.761	43.582	35.153	24.423
Lafayette Tech Center	0.000	0.000	25.000	43.000	98.746	84.319	89.500	99.000	49.500	49.500
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	0.000	0.000	0.000	0.000	2.500	2.061	1.960	2.500	2.492	2.500
Nederland Downtown Dev.	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	5.000	5.000
Superior Metro #2	25.000	25.000	25.000	25.000	22.000	8.000	7.500	7.400	7.300	6.850
Superior Metro #3	25.000	25.000	25.000	25.000	22.000	8.000	7.500	7.000	7.000	6.550
Superior/McCaslin Interchange	0.000	0.000	0.000	25.970	35.000	35.000	35.000	35.000	35.000	35.000
University Hills	3.424	3.344	3.163	2.504	2.684	2.514	2.729	2.564	2.662	2.038
Urban Drainage & Flood	0.676	0.583	0.594	0.521	0.531	0.533	0.538	0.860	0.542	0.507
Weld Library District	0.000	0.000	0.000	0.000	0.000	0.000	0.000	3.281	3.261	3.253

TABLE C-3

BOULDER COUNTY, COLORADO

Principal Property Tax Payers - Current and 9 Years Ago

December 31, 2007

<u>Taxpayer</u>	<u>Type of business</u>	<u>Taxpayer's 2007 assessed valuation</u>	<u>Taxpayer's percentage of total County assessed valuation (1)</u>
Xcel Energy Inc.	Energy utility	\$ 65,554,900	1.18%
Qwest Corporation	Telecommunications research & development	45,060,100	0.81
Amgen Inc.	Biotechnology	41,485,100	0.74
IBM Corporation	Software development and computer systems	40,863,070	0.73
Roche Colorado Corporation	Pharmaceutical manufacturer	24,711,190	0.44
Seagate Technology LLC	Computer systems design and manufacturer	24,396,630	0.44
Macerich Twenty Ninth Street LLC	Property management and development	23,387,710	0.42
Circle Capital Longmont LLC	Property management and development	20,105,830	0.36
Ball Aerospace & Technologies Corp	Aerospace manufacturer	13,894,510	0.25
Noble Energy Production Inc.	Natural resource production	10,757,850	0.19
	Totals	\$ <u>310,216,890</u>	<u>5.57%</u>

Source: Boulder County Assessor's Office

Notes:

1. Boulder County's Total Assessed Valuation is \$5,573,284,680

December 31, 1998

<u>Taxpayer</u>	<u>Type of business</u>	<u>Taxpayer's 1997 assessed valuation</u>	<u>Taxpayer's percentage of total County assessed valuation (1)</u>
IBM Corporation	Software Development and Computer Systems	\$ 51,966,360	1.61%
Public Service Company	Energy utility	49,524,000	1.54
Storage Technology Corporation	Computer software, hardware and services	45,678,200	1.42
Pratt Land Limited Liability Corporation	Property management and development	17,804,040	0.55
US West	Telecommunications research and development	17,277,110	0.54
Macerich Partnership	Shopping mall management and development	16,192,760	0.50
Roche Colorado Corporation	Pharmaceutical manufacturer	15,877,420	0.49
Southwest Portland Cement Inc.	Pharmaceutical manufacturer	13,806,820	0.43
Ball Aerospace	Aerospace manufacturer	12,642,680	0.39
Valleylab	Medical device Manufacturer	10,323,600	0.32
	Totals	\$ <u>251,092,990</u>	<u>7.79%</u>

Source: Boulder County Assessor's Office

Notes:

1. Boulder County's Total Assessed Valuation is \$3,219,009,370

TABLE C-4

BOULDER COUNTY, COLORADO

Property Tax Levies and Collections

Last Ten Fiscal Years

Tax year/ collected year	Total tax levy (1)	Current year's taxes collected	Percent of current taxes collected	Prior year's taxes collected (2) & (3)	Ratio of total tax collected to total tax levy	Unpaid current year's taxes (4)	Unpaid prior year's taxes (2)	Ratio of all unpaid taxes to total tax levy
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
2004/2005	100,896,978	100,814,851	99.92	34,211	99.95	82,127	215,353	0.21
2005/2006	108,354,720	108,219,881	99.88	63,555	99.93	134,839	245,354	0.35
2006/2007	112,630,364	112,471,170	99.86	11,900	99.87	159,194	276,982	0.39

Sources: Boulder County Treasurer
Abstract of Assessments and Levies

Notes:

- (1) Total tax levy does not include levies for urban renewal districts
- (2) Generally, fluctuations in prior year's taxes amounts from year to year are due to the method of updating data. Prior year's taxes are for the previous six years. The Treasurer's office reports all taxes collected for previous years as "Prior Year's Taxes." The unpaid prior year's balance is updated each year; all unpaid tax balances over six years old are deleted and the previous year's uncollected taxes are added.
- (3) The negative amount in Prior Year's Taxes Collected in 1996/1997 and 1997/1998 results from the refunding of a portion of 1994 - 1997 property taxes.
- (4) Of revenues collected in 2003, \$2,550,947 was reclassified to a liability to be repaid to taxpayers in 2005. Resulting tax revenues in the 2005 financial statements were lower due to this reclassification.

TABLE D-1

BOULDER COUNTY, COLORADO

Ratios of Outstanding Debt by Type

Last Ten Fiscal Years

Year	Governmental activities				Business-type	Total primary government debt	Countywide	
	General obligation bonds	Sales/Use tax revenue bonds	Certificates of participation	Revolving Fund loan	Housing revenue bonds		Debt as a percentage of personal income	Debt per capita
1998	\$ —	\$ 98,235,000	\$ —	\$ —	\$ —	\$ 98,235,000	1.054	\$ 360.23
1999	—	92,005,000	—	—	—	92,005,000	0.883	320.91
2000	—	121,220,000	—	—	—	121,220,000	1.058	416.15
2001	—	164,505,000	—	—	—	164,505,000	1.484	586.96
2002	—	188,020,000	—	—	—	188,020,000	1.746	694.59
2003	—	180,340,000	—	—	4,795,000	185,135,000	1.560	654.09
2004	—	184,895,000	9,355,000	—	15,030,000	209,280,000	1.894	720.19
2005	—	205,010,000	9,355,000	—	14,706,800	229,071,800	1.785	779.04
2006	—	197,310,000	8,625,000	—	14,460,000	220,395,000	1.633	748.86
2007	—	185,965,000	7,875,000	1,617,812	14,165,000	209,622,812	1.455	722.18

Sources: U.S. Department of Commerce, Bureau of Economic Analysis - per capita income information
Metro Denver Economic Development Corporation - population information

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

TABLE D-2

BOULDER COUNTY, COLORADO

Computation of Direct and Overlapping Debt

December 31, 2007

<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	681,524,738	58.92%	401,531,559
Cities and Towns	45,465,722	90.39%	41,098,677
Fire Protection Districts	28,140,000	32.05%	9,017,645
Water and Sanitation Districts	11,037,367	54.01%	5,960,926
Other Special Districts	<u>52,822,634</u>	<u>78.31%</u>	<u>41,364,025</u>
Total overlapping bonded debt	<u>\$ 818,990,461</u>	<u>60.93%</u>	<u>\$ 498,972,832</u>

Source: Boulder County Financial Services Division, Mill Levy Records - Tax Districts

TABLE D-3

BOULDER COUNTY, COLORADO

Computation of Legal Debt Margin

Last Five Fiscal Years

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Total actual value of taxable property, 2007 (1)	\$ 46,908,570,490	\$ 42,384,256,543	\$ 41,721,175,850	\$ 40,058,316,068	\$ 39,547,029,622
Debt limitation @ 3% (2)	1,407,257,115	1,271,527,696	1,251,635,276	1,201,749,482	1,186,410,889
Debt applicable to limitation	—	—	—	—	—
Total general obligation bonded debt	—	—	—	—	—
Total debt applicable to limitation	—	—	—	—	—
Legal debt margin	\$ 1,407,257,115	\$ 1,271,527,696	\$ 1,251,635,276	\$ 1,201,749,482	\$ 1,186,410,889

(1) As established by Section 30-26-301 (3), Colorado Revised Statutes use actual property values as determined by the Assessor.

(2) In prior years, debt limitations were based on assessed values @ 1.5 % per Statute, and are not comparable.

BOULDER COUNTY, COLORADO

Pledged Revenue Coverage

Last Ten Fiscal Years

Open Space Sales & Use Tax Revenue Bonds

Year	Sales/Use (1) Tax Revenue	Revenue pledged to land maintenance	Net Available Revenue	Debt Service (2)		Coverage (3)
				Principal	Interest	
1998	\$ 8,703,740	\$ —	\$ 8,703,740	\$ 3,130,000	\$ 3,132,480	1.39
1999	9,603,174	—	9,603,174	3,439,373	3,194,012	1.45
2000	10,055,709	—	10,055,709	3,755,000	4,756,651	1.18
2001	11,247,451	—	11,247,451	3,985,000	5,659,363	1.17
2002	12,442,974	—	12,442,974	4,410,000	7,068,075	1.08
2003	12,140,814	—	12,140,814	4,670,000	7,869,504	0.97
2004	12,567,313	—	12,567,313	5,990,000	7,970,015	0.90
2005	16,371,897	363,692	16,008,205	6,600,000	8,322,953	1.07
2006	16,865,471	374,651	16,490,820	7,245,000	8,651,146	1.04
2007	17,956,139	398,855	17,557,285	7,935,000	8,492,338	1.07

(1) In 1994, a .25% Open Space sales/use tax was imposed. This tax will expire at year-end 2019.

In 2002, an additional .10% Open Space sales/use tax was imposed. This tax will expire at year-end 2009.

In 2005, an additional .10% Open Spaces sales/use tax was imposed. This tax is in effect through 2024, and at that time will be reduced to .05% in perpetuity. Per ballot language, 10% of the 2005 tax must be used for land maintenance, and may not be used toward debt service.

(2) Sales/Use Tax revenues are pledged to pay debt service on the County's Open Space Bonds Series 1998, 2000B, 2001, 2002, 2005A, and 2006.

(3) Coverage is the net available revenue divided by total debt service requirements. In 2003 and 2004, debt coverage fell below 1.00. Excess revenues from prior years deposited to the Open Space Fund's surplus account were used to cover this shortfall.

Offender Management Revenue Bonds

Year	Sales/Use (4) Tax Revenue	Debt Service		Coverage
		Principal	Interest	
1998	\$ —	\$ —	\$ —	—
1999	—	—	—	—
2000	—	—	—	—
2001	—	—	—	—
2002	—	—	—	—
2003	—	—	—	—
2004	—	—	—	—
2005	1,818,402	155,000	119,695	6.62
2006	1,873,239	320,000	116,208	4.29
2007	1,994,275	325,000	109,008	4.60

(4) In 2005, a .05% Jail Improvement and Operations sales/use tax was imposed, which will continue in perpetuity. Sales/Use Tax revenues are pledged to pay debt service on the County's Offender Management Capital Improvement Trust Fund Bonds Series 2004, as well as other ongoing operational expenses.

TABLE E-1

BOULDER COUNTY, COLORADO
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal year	Population (1) (3)	Annual population change (%)	Total personal income	Total personal income change (%)	Annual per capita income (2)	Per capita income change (%) (2)	Median age	School enrollment (K-12) (4)	Annual school enrollment change (%)	School enrollment to population (%)	Unemployment rate (%)
1998	272,700	2.48	\$ 8,536,223	8.79	\$ 34,181	8.88	34.2	41,800	2.80	15.33	3.3
1999	286,700	5.13	9,346,188	9.49	36,347	6.34	33.2	40,277	(3.64)	14.05	2.5
2000	291,288	1.60	10,304,130	10.25	39,347	8.25	33.4	42,791	6.24	14.69	2.4
2001	280,267	(3.78)	11,825,466	14.76	39,551	0.52	33.7	48,629	13.64	17.35	3.5
2002	270,691	(3.42)	12,085,925	2.20	39,784	0.59	34.0	50,772	4.41	18.76	5.2
2003	283,043	4.56	11,274,957	(6.71)	41,936	5.41	34.3	49,463	(2.58)	17.48	4.7
2004	290,588	2.67	11,384,857	0.97	38,028	(9.32)	34.8	44,186	(10.67)	15.21	5.0
2005	294,045	1.19	12,038,153	5.74	43,640	14.76	35.1	49,434	11.88	16.81	4.9
2006	294,309	0.09	13,311,221	10.58	45,849	5.06	35.4	42,990	13.04	14.61	4.3
2007	290,262	(1.38)	14,199,700	6.67	49,628	8.24	35.5	42,358	(1.47)	14.59	3.8

Sources:

Population	For 1998-1999: Boulder County Land Use Department For 2000: 2000 U.S. Census For 2001-2005: http://www.metrodenver.org/documents/Demo_Population_MDCO1900-2030.xls For 2006: http://www.metrodenver.org/dataCenter/cityCountyProfiles/Boulder_County.icm For 2007: Population Division, U.S. Census Bureau, release date 3/20/08
Total Personal Income	U.S. Department of Commerce, Bureau of Economic Analysis
Annual Per Capita Income	U.S. Department of Commerce, Bureau of Economic Analysis
Median Age	For 1996-1998: Denver Regional Council of Governments For 2000: 2000 U.S. Census For 2001-2005: Colorado Division of Local Affairs (DOLA), Demographic Section For 2006: http://www.metrodenver.org/dataCenter/cityCountyProfiles/Boulder_County.icm For 2007: http://www.metrodenver.org/dataCenter/cityCountyProfiles/Boulder_County.icm
School Enrollment	Boulder Valley School District http://www.bvsd.org St. Vrain Valley School District http://www.stvrain.k12.co.us
Unemployment	Colorado Department of Labor and Employment U.S. Department of Labor, Bureau of Labor Statistics

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 the U.S. Department of Commerce, Bureau of Economic Analysis.
- (3) Population and unemployment figures are subject to change based on updated information from the Colorado Department of Labor and Employment, Colorado DOLA, Metro Denver EDC, U.S. Census data, and other sources.
- (4) Beginning with 2004, this number excludes St. Vrain and Boulder Valley School District students enrolled outside Boulder County.

TABLE E-2

BOULDER COUNTY, COLORADO
Principal Employers - Private Industry
Current Year and 9 Years Ago

Taxpayer	Type of business	2007	
		Number of employees	Percentage of total county employment
IBM Corporation	Computer systems and services	4,000	2.31%
Sun Microsystems, Inc.	Computer systems and services	3,387	1.96%
Ball Aerospace & Technologies Corp.	Aerospace manufacturing	3,000	1.73%
Boulder Community Hospital	Health care	2,380	1.38%
Level 3 Communications, Inc.	Digital communication services	2,000	1.16%
Seagate Technology	Computer storage products and services	1,500	0.87%
Exempla Good Samaritan Medical Center	Health care	1,310	0.76%
Valleylab	Medical equipment manufacturing	1,300	0.75%
Longmont United Hospital	Health care	1,262	0.73%
Safeway, Inc.	Retail grocery	1,250	0.72%
	Totals	21,389	12.36%
	Total county workforce	173,079	

Sources:

Boulder County Business Report, 2008 Book of Lists
Metro Denver Economic Development Corporation

Taxpayer	Type of Business	1998	
		Number of employees	Percentage of total county employment
IBM Corporation	Computer software, hardware and services	4,000	2.52%
Storage Tek	Computer storage products and services	3,300	2.08%
Cencorp	Marketing, database marketing	3,000	1.89%
Ball Corporation	Aerospace manufacturing	2,400	1.51%
Longmont Foods	Commercial food processing	1,300	0.82%
Exabyte Corporation	Computer storage products and services	937	0.59%
Geneva Pharmaceuticals	Pharmaceutical manufacturing	855	0.54%
Hunter Douglas Window Fashions, Inc	Window covering manufacturing	840	0.53%
Maxtor Corporation	Disk drive manufacturing	800	0.50%
Valleylab, Inc.	Medical equipment manufacturing	785	0.49%
	Totals	18,217	11.47%
	Total county workforce	158,793	

Source:

Boulder County Business Report, 1999 Book of Lists

TABLE F-1

BOULDER COUNTY, COLORADO

Full-time Equivalent County Government Employees by Function

Last Ten Fiscal Years

<u>Year</u>	<u>General government</u>	<u>Conservation</u>	<u>Public safety</u>	<u>Health & welfare</u>	<u>Highways & streets</u>	<u>Total</u>
1998	264.03	93.50	369.27	326.33	148.70	1201.83
1999	316.62	92.50	382.15	317.07	117.60	1225.94
2000	319.84	105.50	442.47	316.48	124.60	1308.89
2001	311.54	107.50	431.07	316.48	146.60	1313.19
2002	317.23	124.70	431.40	312.60	146.60	1332.53
2003	318.62	134.75	436.30	313.23	147.60	1350.50
2004	323.68	134.75	438.00	313.00	148.60	1358.03
2005	332.88	142.00	453.90	321.51	150.60	1400.89
2006	371.00	101.50	461.43	361.26	150.60	1445.79
2007	391.90	106.50	464.67	367.51	136.60	1467.18

Source: 2007 Boulder County Budget

BOULDER COUNTY, COLORADO

Operating Indicators by Function/Program

Year Ending December 31, 2007

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: 3-Member Board of County Commissioners; Assessor; Clerk & Recorder; Coroner; District Attorney; Sheriff; Surveyor

Parks and Open Space

County parks and open space (acres)	57,568
County trails maintained (miles)	98.4
County environment programs (people served)	4,069
County outreach/special events (people served)	5,495
County cultural/ historical events (people served)	4,510
Volunteer work projects (people served)	1,374

Community Services (Clients Served)

Community Services website hits	979,072
Aging Services:	
Aging Services (SAMS)	154,955
Long-Term Care Ombudsman (OmbudsManager)	2,413
Community Action Programs (clients served)	308
Community Justice Services:	
Justice System Volunteer Program (volunteers)	122
Justice System Volunteer Program (hrs of service)	11,175
Community Service	4,333
Pre-Trial Supervision	1,875
Bond Commissioners	4,401
Juvenile Assessment Center	1,400
Juvenile Supervision (B.E.S.T)	187
Head Start (children)	189
Housing:	
Project Self Sufficiency (single parents & their families)	137
Housing Counseling	998
LPEC (Weatherization)	1,350
Section 8	760
Housing Management	554
WorkForce Boulder County:	
Number of employment seekers	11,795
Number of employer job orders	7,561

TABLE F-2

BOULDER COUNTY, COLORADO

Operating Indicators by Function/Program

Year Ending December 31, 2007

Land Use/Planning/Zoning/Building

Number of permits issued	1,965
Number of building inspections	16,311
Number of zoning and subdivision dockets processed including:	
Non-urban planned unit developments	0
Special uses	15
Subdivision exemptions	15
Oil and gas development reviews	19
Site plan application reviews	146

Sheriff Protection

Number of commissioned staff	212
Number of non-commissioned staff	140
Uniform non-traffic crime reports	3,617
Uniform incident reports	2,940
Average daily jail population	438
Number of vehicles in fleet	110
Detective Division cases assigned	1,219
Detective Division cases cleared	1,185
Number of beds in jail	528
Number of people booked in jail	10,062
Number of people released	10,102
Ratio of operational deputies to inmates	1 to 5

Transportation

Miles of county-maintained road - paved	390
Miles of county-maintained road - gravel	253
Miles of county-maintained road - total	643
Mileage of roads within subdivisions	206
Mileage of roads outside of subdivisions	437
County-maintained bridges over 20 feet in length	76
Lane miles of county-maintained bikeways (County owned)	129
Maintenance equipment/vehicle fleet (in units)	159

Sources

Boulder County Government Offices:
Parks and Open Space
Land Use - Planning/Zoning/Building
Transportation - HUTF
Community Services

BOULDER COUNTY, COLORADO

Capital Asset Statistics by Function/Program (excluding accumulated depreciation)

Last Ten Fiscal Years

Function/Program	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
Governmental activities										
General government										
Land	\$ 16,251,382	\$ 16,325,297	\$ 15,696,313	\$ 14,543,895	\$ 14,536,941	\$ 14,186,941	\$ 14,191,111	\$ 14,833,715	\$ 14,843,799	\$ 3,542,537
Construction in progress	458,596	288,294	42,090	8,899,110	5,724,168	1,635,527	1,404,007	3,952,332	1,555,703	1,836,690
Buildings and improvements	62,593,260	57,467,581	47,567,454	46,383,108	46,324,397	46,296,749	43,773,341	33,445,427	33,444,339	29,552,310
Improvements other than buildings	3,598,767	3,389,861	1,858,242	2,106,686	1,905,707	—	—	—	—	—
Equipment	8,446,329	7,441,054	5,841,224	9,204,904	8,323,221	7,048,842	9,314,638	9,152,590	8,601,162	8,383,334
Infrastructure	—	58,374	58,518	58,374	58,374	58,374	—	—	—	—
Total general government	<u>91,348,334</u>	<u>84,970,462</u>	<u>71,063,840</u>	<u>81,196,077</u>	<u>76,872,808</u>	<u>69,226,433</u>	<u>68,683,097</u>	<u>61,384,064</u>	<u>58,445,003</u>	<u>43,314,871</u>
Public safety										
Land	811,770	811,770	810,422	2,042,263	2,042,263	2,042,263	1,917,687	821,770	811,770	—
Construction in progress	5,225,261	2,706,110	917,468	256,503	2,555,501	2,442,168	107,944	—	—	—
Buildings and improvements	34,174,861	32,383,643	34,845,796	23,238,184	18,226,277	18,764,277	17,633,599	17,678,758	17,678,758	—
Improvements other than buildings	1,603,353	1,603,353	1,103,687	18,431	18,431	—	—	—	—	—
Equipment	4,979,740	4,637,459	4,705,595	5,463,050	5,338,814	4,811,897	5,879,782	6,804,522	6,690,290	6,992,711
Total public safety	<u>46,794,985</u>	<u>42,142,336</u>	<u>42,382,968</u>	<u>31,018,431</u>	<u>28,181,286</u>	<u>28,060,605</u>	<u>25,539,012</u>	<u>25,305,050</u>	<u>25,180,818</u>	<u>6,992,711</u>
Highways and streets										
Land	15,826,023	15,826,023	3,050,228	3,055,302	2,980,743	2,961,473	913,195	894,639	894,639	894,639
Construction in progress	1,707,216	8,000,436	12,895,743	451,572	578,408	—	—	—	—	—
Buildings and improvements	864,356	864,356	736,135	908,761	908,761	908,761	912,761	871,182	871,182	871,183
Improvements other than buildings	927,357	231,434	—	—	—	—	—	—	—	—
Equipment	11,574,531	11,828,232	11,968,792	11,781,347	11,442,243	11,371,160	11,268,918	10,816,680	10,909,092	10,517,434
Infrastructure	143,812,688	134,667,252	7,843,947	6,332,800	5,868,161	4,192,162	—	—	—	—
Total highways and streets	<u>174,712,171</u>	<u>171,417,732</u>	<u>36,494,845</u>	<u>22,529,783</u>	<u>21,778,316</u>	<u>19,433,556</u>	<u>13,094,874</u>	<u>12,582,501</u>	<u>12,674,913</u>	<u>12,283,256</u>
Conservation										
Land	346,689,280	330,464,418	319,386,097	311,753,888	299,427,554	268,846,966	243,919,028	204,248,434	168,537,586	142,536,266
Held for Resale	2,415,784	2,657,577	3,894,443	4,474,182	4,474,182	—	—	—	—	—
Construction in progress	715,450	4,920,291	5,458,908	63,584	53,486	63,584	—	—	—	—
Buildings and improvements	5,140,947	781,828	713,197	975,963	731,932	701,982	1,241,475	103,232	103,232	103,232
Improvements other than buildings	805,384	124,682	85,827	698,743	206,127	16,736	—	—	—	—
Equipment	3,764,984	3,505,626	3,441,216	2,709,737	2,809,595	2,766,251	2,928,647	2,693,157	2,125,644	1,874,176
Infrastructure	—	—	—	99,780	99,780	116,530	—	—	—	—
Total conservation	<u>359,531,828</u>	<u>342,454,423</u>	<u>332,979,687</u>	<u>320,775,876</u>	<u>307,802,655</u>	<u>272,512,049</u>	<u>248,089,150</u>	<u>207,044,823</u>	<u>170,766,462</u>	<u>144,513,674</u>
Urban redevelopment										
Equipment	—	—	—	—	—	—	55,573	63,118	52,983	56,005
Total urban redevelopment	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>55,573</u>	<u>63,118</u>	<u>52,983</u>	<u>56,005</u>

(Continued)

TABLE F-3

BOULDER COUNTY, COLORADO

Capital Asset Statistics by Function/Program

Last Ten Fiscal Years

Function/Program	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
Culture and recreation										
Land	\$ 1,084,580	\$ 1,084,580	\$ 1,082,779	\$ 1,084,580	\$ 1,084,580	\$ 1,084,580	\$ 1,218,694	\$ 944,168	\$ 944,169	\$ 944,169
Construction in progress	2,332	—	—	—	—	79,036	62,828	—	—	—
Buildings and improvements	4,977,347	4,895,951	5,268,194	5,098,397	5,098,397	5,083,076	5,234,863	5,047,405	5,047,405	5,046,693
Improvements other than buildings	220,963	220,963	116,384	171,496	171,496	107,781	—	—	—	—
Equipment	35,150	35,150	36,102	35,150	—	—	—	—	—	—
Infrastructure	141,125	141,125	141,472	188,523	188,523	188,523	—	—	—	—
Total culture and recreation	6,461,497	6,377,769	6,644,932	6,578,146	6,542,996	6,542,996	6,516,385	5,991,573	5,991,574	5,990,862
Economic opportunity										
Land	169,276	169,276	—	—	—	—	—	—	—	811,770
Construction in progress	409,553	295,270	—	—	—	—	—	—	—	—
Buildings and improvements	—	—	—	—	—	—	—	—	—	16,757,622
Equipment	151,127	151,127	178,461	156,284	172,965	168,546	427,980	380,963	404,135	—
Infrastructure	—	—	—	—	—	—	—	—	—	—
Total economic opportunity	729,956	615,673	178,461	156,284	172,965	168,546	427,980	380,963	404,135	17,569,392
Health and welfare										
Land	—	—	—	—	—	—	—	—	—	—
Construction in progress	3,985,918	2,170,173	236,719	34,144	—	—	—	—	—	—
Improvements other than buildings	—	—	—	167,984	—	—	—	—	—	—
Equipment	667,603	543,950	494,446	410,185	410,185	407,929	1,011,270	874,017	1,019,320	1,011,317
Total health and welfare	4,653,521	2,714,123	731,165	612,313	410,185	407,929	1,011,270	874,017	1,019,320	1,011,317
Total governmental activities	\$ 684,232,292	\$ 650,692,518	\$ 490,475,899	\$ 462,866,909	\$ 441,761,211	\$ 396,352,114	\$ 363,417,341	\$ 313,626,109	\$ 274,535,208	\$ 231,732,088
Business-type activities										
Recycling Center										
Land	882,782	882,782	882,782	882,782	882,782	882,782	882,782	850,153	849,903	87,029
Construction in progress	4,987,209	36,583	—	—	—	—	—	7,942,836	1,070,401	158,545
Buildings and improvements	11,072,791	11,072,791	11,072,791	11,090,161	11,090,161	11,076,469	11,077,004	—	—	—
Equipment	2,795,388	2,795,398	2,795,388	2,867,851	2,867,851	2,845,587	2,952,290	11,802	11,802	11,802
Total Recycling Center	19,738,169	14,787,554	14,750,961	14,840,794	14,840,794	14,804,838	14,912,076	8,804,791	1,932,106	257,376
Housing Authority (*)										
Land	4,415,417	4,329,017	4,329,017	4,484,789	4,484,789	—	—	—	—	—
Construction in progress	79,797	—	1,413,456	—	—	—	—	—	—	—
Buildings and improvements	23,002,624	22,792,704	20,675,593	23,074,539	22,963,127	—	—	—	—	—
Equipment	320,851	328,365	197,165	447,421	430,558	—	—	—	—	—
Total Housing Authority	27,818,689	27,450,086	26,615,231	28,006,749	27,878,474	—	—	—	—	—
Total business-type activities	\$ 47,556,858	\$ 42,237,640	\$ 41,366,192	\$ 42,847,543	\$ 42,719,268	\$ 14,804,838	\$ 14,912,076	\$ 8,804,791	\$ 1,932,106	\$ 257,376

Source: Boulder County Finance Division

(*) The Housing Authority became a blended component unit of the County as of fiscal year 2003.

TABLE F-4

BOULDER COUNTY, COLORADO

Expenditures by Function/Program

Accrual Basis of Accounting

Last Six Fiscal Years

Function/Program:	2007	2006	2005	2004	2003	2002
Governmental activities:						
General government	\$ 59,465,933	\$ 55,992,512	\$ 54,997,225	\$ 65,147,583	\$ 56,052,530	\$ 60,301,127
Conservation	10,054,731	10,019,933	10,621,331	7,283,919	4,658,215	3,623,533
Public safety	39,793,861	34,440,809	32,078,687	27,347,423	29,454,318	26,876,513
Health & welfare	44,156,770	41,818,868	39,827,900	35,686,505	35,958,810	28,537,484
Economic opportunity	10,016,493	9,101,074	9,745,429	7,783,777	8,138,262	7,105,134
Highway and streets	15,871,767	13,124,693	10,392,095	11,408,018	9,009,069	7,065,748
Sanitation	945,507	1,068,623	577,930	—	—	—
Urban redevelopment/housing	286,831	219,887	192,031	—	21,388	1,535,882
Interest on debt	9,770,360	10,004,567	10,700,076	9,173,369	9,741,299	8,451,982
Intergovernmental	—	—	—	386,405	792,744	767,170
Total governmental activities	<u>190,362,253</u>	<u>175,790,966</u>	<u>169,132,704</u>	<u>164,216,999</u>	<u>153,826,635</u>	<u>144,264,573</u>
Business-type activities:						
Recycling Center	5,114,866	4,863,819	4,419,034	4,029,710	3,716,428	3,351,553
Housing Authority	9,540,413	9,354,586	10,309,511	9,442,053	9,535,521	—
Total primary government	<u>\$ 205,017,532</u>	<u>\$ 190,009,371</u>	<u>\$ 183,861,249</u>	<u>\$ 177,688,762</u>	<u>\$ 167,078,584</u>	<u>\$ 147,616,126</u>

BOULDER COUNTY, COLORADO

S.E.C. Disclosure Subsection

December 31, 2007

(Unaudited)

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 – Taxes Effective 1994 and 2002

Table E: Open Space Sales/Use Tax Collection History – Additional .10% Tax, Effective 2005

Table F: 2004-2006 Open Space Sales/Use Tax Collections – Additional .10% Tax Monthly Comparisons

Table G: Jail Improvement & Operation Sales/Use Tax Collection History

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

Letter of Transmittal

Management Discussion & Analysis

Basic Financial Statements:

Government-wide Statement of Net Assets

Government-wide Statement of Activities

Fund Financial Statements

Notes to the Basic Financial Statements

Required Supplementary Information

Statistical Section Tables:

C-1: Assessed Value and Estimated Value of Taxable Property

C-2: Direct and Overlapping Property Tax Rates

C-3: Principal Property Tax Payers

C-4: Property Tax Levies and Collections

D-1: Ratios of Outstanding Debt by Type

D-2: Computation of Direct and Overlapping Debt

D-3: Computation of Legal Debt Margin

D-4: Pledged Revenue Coverage

E-1: Demographic and Economic Statistics

E-2: Principal Employers

Table A

BOULDER COUNTY, COLORADO

S.E.C. Disclosure Subsection

Boulder County History of Funding Sources for Open Space Land Acquisition

December 31, 2007

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

Year	General Fund (1)	Conservation Trust Fund (2)	Grants (3)	Sales and use tax (4)	Bond proceeds (5)	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	3,282,313	392,010	575,000	7,003,101	35,000,000	46,252,424
1997	2,849,674	440,542	—	7,609,932	—	10,900,148
1998	1,051,396	406,988	—	8,703,742	36,358,000	46,520,126
1999	4,986,465	363,422	25,000	9,603,174	—	14,978,061
2000	5,813,375	391,513	550,000	10,055,707	34,868,358	51,678,953
2001	7,551,925	392,785	287,379	11,247,451	49,536,177	69,015,717
2002	4,688,632	437,414	375,000	12,442,974	30,324,434	48,268,454
2003	5,980,897	462,275	3,467,499	12,140,813	—	22,051,484
2004	5,472,519	397,310	350,000	12,567,313	—	18,787,142
2005	4,228,020	401,634	—	16,371,897	41,393,314	62,394,865
2006	4,904,486	483,310	515,656	16,865,471	—	22,768,923
2007	3,738,652	444,179	730,000	17,956,139	—	22,868,971
2008 (est)	3,829,143	400,000	—	17,381,034	—	21,610,177
Totals	\$ 82,117,622	\$ 8,814,029	\$ 6,875,534	\$ 172,487,127	\$ 262,696,646	\$ 532,990,958

Notes:

- (1) These are expenditures for land acquisition from the Parks and Open Space budget within the County's General Fund. For 1996 through 2007, the total includes amounts used to make the 1996 Series Open Space bond payments.
- (2) Actual revenue received by the County from the State of Colorado's Conservation Trust Fund. This revenue can only be legally spent on Open Space acquisitions or improvements.
- (3) Grant funds from Go Colorado; these are State Lottery-related funds, and other miscellaneous grant funding sources.
- (4) In 2002 the tax rate increased from .25% to .35%. The original .25% tax is scheduled to expire on 12/31/2019. The additional .10% will expire on 12/31/2029.

In 2005, an additional .10% voter approved open space tax was imposed. 10% of this amount must be used for land maintenance, and the remainder may be used for acquisitions. The .10% is reduced to .05% in 2025 and remains in perpetuity. Sales tax dollars are first used to make required debt service payments. Any remaining taxes are deposited to a surplus account which may be used for land acquisitions. This column lists actual tax revenues received.

- (5) Includes bond premiums when applicable.

Table B

BOULDER COUNTY, COLORADO

S.E.C. Disclosure Subsection

Projected Open Space Revenues vs. Commitments

December 31, 2007

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 results. 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 facts, 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 2008-2012. We assume 2% yearly increases in 2013-2025. At year-end 2019, the .25% portion of the tax is due to expire. A 0.1% portion of the tax expires in 2029. Beginning in 2005, an additional 0.1% tax is being collected. 10% of this amount must be used for land maintenance per ballot language. The remainder may be used for acquisitions. This tax is in effect through 12/31/24. At that time it is reduced to .05% for perpetuity.

Acquisitions are only added to this 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.

	Actual						
	2007	2008	2009	2010	2011	2012	2013
Revenues:							
Sales & use tax collections (.35% O/S tax) \$	13,967,591	14,526,295	15,107,346	15,711,640	16,340,106	16,993,710	17,333,584
2005 .10% O/S tax (acquisition portion)	3,589,693	3,733,281	3,882,612	4,037,917	4,199,433	4,367,411	4,454,759
2005 .10% O/S tax (land maint. portion)	398,855	414,809	431,401	448,657	466,604	485,268	494,973
General Fund (budgeted)	3,833,448	3,829,143	3,833,448	3,833,448	3,833,448	3,833,448	3,833,448
Lottery (budgeted)	444,179	400,000	400,000	400,000	400,000	400,000	400,000
Estimated carryforward funds	36,604,843	19,752,712	17,911,333	17,246,991	22,640,672	28,373,748	35,030,351
Interest earnings	1,570,826	595,000	595,000	595,000	595,000	595,000	595,000
Northwest Parkway IGA's	—	3,000,000	—	—	—	—	—
Grants	730,000	—	—	—	—	—	—
Miscellaneous Revenues	12,930	5,000	—	—	—	—	—
Sale of assets	1,797,526	3,540,954	—	—	—	—	—
Total revenues	62,949,891	49,797,194	42,161,140	42,273,653	48,475,263	55,048,585	62,142,115
Expended/committed:							
Bond Payment, series 1996	(3,695,231)	(3,694,588)	(3,697,920)	(3,694,500)	—	—	—
Bond Payment, series 1998	(7,894,200)	(8,004,200)	(8,036,600)	—	—	—	—
Bond Payment, series 2000B	(876,500)	(860,250)	(817,625)	—	—	—	—
Bond Payment, series 2001	(2,742,525)	(3,277,438)	(3,933,975)	(2,760,975)	(6,459,938)	(6,455,263)	(6,441,263)
Bond Payment, series 2002	(1,353,288)	(1,442,388)	(1,418,788)	(3,710,663)	(3,710,663)	(3,711,450)	(3,713,050)
Bond Payment, series 2005	(1,970,250)	(1,970,250)	(1,970,250)	(1,970,250)	(1,970,250)	(1,970,250)	(1,970,250)
Bond Payment, series 2006	(1,590,575)	(1,590,575)	(1,700,575)	(4,406,725)	(4,790,975)	(4,791,850)	(4,795,100)
Maintenance expenses (Ballot Issue 1A)	(343,308)	(357,041)	(371,322)	(386,175)	(401,622)	(417,687)	(426,041)
Payroll expenses	(1,371,864)	(1,426,738)	(1,483,808)	(1,543,160)	(1,604,887)	(1,505,853)	(1,535,970)
Expenses for other purposes	(493,700)	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)
Committed (land/water)	(20,865,738)	(8,762,393)	(983,288)	(660,533)	(663,181)	(665,881)	(668,635)
Total expended/committed	(43,197,179)	(31,885,860)	(24,914,151)	(19,632,981)	(20,101,516)	(20,018,234)	(20,050,309)
Surplus	\$ 19,752,712	17,911,334	17,246,989	22,640,672	28,373,747	35,030,351	42,091,806
	2014	2015	2016	2017	2018	2019	2020
Revenues:							
Sales & use tax collections (.35% O/S tax) \$	17,680,256	18,033,861	18,394,538	18,762,429	19,137,678	19,520,431	5,688,811
2005 .10% O/S tax (acquisition portion)	4,543,854	4,634,731	4,727,426	4,821,974	4,918,414	5,016,782	5,117,118
2005 .10% O/S tax (land maint. portion)	504,873	514,970	525,270	535,775	546,490	557,420	568,569
General Fund (budgeted)	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
Estimated carryforward funds	42,091,807	49,620,621	54,869,341	59,415,547	65,110,248	71,238,193	77,817,592
Interest earnings	595,000	595,000	595,000	595,000	595,000	595,000	595,000
Total revenues	69,649,238	77,632,631	83,345,023	88,364,173	94,541,278	101,161,274	94,020,538
Expended/committed:							
Bond Payment, series 2001	(6,438,000)	(6,417,500)	(6,411,000)	(6,402,250)	(6,405,750)	(6,410,250)	—
Bond Payment, series 2002	(3,720,450)	(3,733,250)	(3,721,750)	(3,703,500)	(3,698,500)	(3,690,750)	—
Bond Payment, series 2005	(1,009,625)	(4,631,500)	(4,599,750)	(4,582,000)	(4,567,500)	(4,546,000)	(4,526,750)
Bond Payment, series 2006	(4,790,700)	(4,793,200)	(4,790,600)	(4,796,800)	(4,791,200)	(4,784,000)	—
Maintenance expenses (Ballot Issue 1A)	(434,562)	(443,253)	(452,118)	(461,160)	(470,384)	(479,791)	(489,387)
Payroll expenses	(1,566,689)	(1,598,023)	(1,629,984)	(1,662,583)	(1,695,835)	(1,729,752)	(1,764,347)
Expenses for other purposes	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)
Committed (land/water)	(1,568,590)	(646,564)	(1,824,274)	(1,145,632)	(1,173,916)	(1,203,140)	(1,233,488)
Total expended/committed	(20,028,616)	(22,763,290)	(23,929,476)	(23,253,925)	(23,303,085)	(23,343,683)	(8,513,972)
Surplus	\$ 49,620,622	54,869,341	59,415,547	65,110,248	71,238,193	77,817,591	85,506,566

BOULDER COUNTY, COLORADO

S.E.C. Disclosure Subsection

Projected Open Space Revenues vs. Commitments

December 31, 2007

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Revenues:					
Sales & use tax collections	\$ 5,802,588	5,918,639	6,037,012	6,157,752	6,280,907
2005 .10% O/S tax (acquisition portion)	5,219,460	5,323,849	5,430,326	5,538,933	2,824,856
2005 .10% O/S tax (land maint. portion)	579,940	591,539	603,370	615,437	313,873
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	85,506,565	93,831,145	102,869,960	112,111,811	120,059,742
Interest earnings	<u>595,000</u>	<u>595,000</u>	<u>595,000</u>	<u>595,000</u>	<u>595,000</u>
Total revenues	<u>101,937,001</u>	<u>110,493,620</u>	<u>119,769,116</u>	<u>129,252,381</u>	<u>134,307,826</u>
Expended/committed:					
Bond Payment, series 2005	(4,505,875)	(4,491,375)	(4,478,125)	(4,465,625)	(4,448,500)
Maintenance expense (Ballot Issue 1A)	(499,175)	(509,158)	(519,342)	(529,728)	(540,323)
Payroll expenses	(1,799,634)	(1,835,626)	(1,872,339)	(1,909,786)	(1,947,981)
Expenses for other purposes	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)
Committed (land/water)	<u>(801,173)</u>	<u>(287,500)</u>	<u>(287,500)</u>	<u>(1,787,500)</u>	<u>(1,635,068)</u>
Total expended/committed	<u>(8,105,857)</u>	<u>(7,623,659)</u>	<u>(7,657,306)</u>	<u>(9,192,639)</u>	<u>(9,071,872)</u>
Surplus	<u>\$ 93,831,144</u>	<u>102,869,961</u>	<u>112,111,810</u>	<u>120,059,742</u>	<u>125,235,954</u>

BOULDER COUNTY, COLORADO

S.E.C. Disclosure Subsection

General Fund Information

December 31, 2007

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 \$122.61 million, is the largest fund in the County's 2008 budget of \$265.52 million. Its primary funding sources, as derived from the 2007 consolidated budget summary, are as follows:

Property tax	83.78 %
Intergovernmental revenues	2.49
Other revenues (1)	18.08
Use of fund balance	<u>(4.35)</u>
Total	<u><u>100.00 %</u></u>

- (1) This includes 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.

Table D

BOULDER COUNTY, COLORADO

S.E.C Disclosure Subsection

Open Space Sales & Use Tax Collection History - Taxes Effective 1994 and 2002

December 31, 2007

The following table provides the tax collection history for the following Open Space sales and use taxes:

Tax effective January 1, 1994, expires December 31, 2019 (25/100 cent)

Tax effective January 1, 2002, expires December 31, 2009 (10/100 cent)

Month tax collected	1994			1995		
	Net State collections	Use tax	Total	Net State collections	Use tax	Total
January	\$ 304,137	5,986	310,123	355,375	42,353	397,728
February	315,460	20,910	336,370	402,060	60,462	462,522
March	410,380	41,683	452,063	420,289	98,767	519,056
April	423,639	58,860	482,499	466,775	61,389	528,164
May	424,065	45,298	469,363	458,130	71,304	529,434
June	459,997	47,249	507,246	516,231	88,308	604,539
July	452,140	50,850	502,990	460,032	79,937	539,969
August	469,426	116,265	585,691	488,860	125,224	614,084
September	500,160	61,693	561,853	531,481	105,299	636,780
October	447,891	63,084	510,975	470,622	79,807	550,429
November	407,695	60,790	468,485	437,364	86,746	524,110
December	576,199	108,777	684,976	638,409	120,521	758,930
Totals	\$ 5,191,189	681,445	5,872,634	5,645,628	1,020,117	6,665,745
Percentage increase/ decrease over prior year				8.75%	49.70%	13.51%

Month tax collected	1996			1997		
	Net State collections	Use tax	Total	Net State collections	Use tax	Total
January	\$ 423,693	61,148	484,841	433,586	97,124	530,710
February	428,988	75,916	504,904	424,982	65,235	490,217
March	484,026	70,367	554,393	547,460	84,107	631,567
April	427,988	83,188	511,176	509,786	101,288	611,074
May	531,462	86,468	617,930	581,625	100,414	682,039
June	508,530	104,378	612,908	524,650	102,459	627,109
July	509,307	101,925	611,232	541,769	139,311	681,080
August	527,872	94,581	622,453	558,826	126,927	685,753
September	541,553	67,206	608,759	594,521	116,265	710,786
October	492,034	89,680	581,714	532,682	122,208	654,890
November	495,267	74,759	570,026	380,679	90,986	471,665
December	644,070	78,695	722,765	701,796	131,248	833,044
Totals	\$ 6,014,790	988,311	7,003,101	6,332,362	1,277,572	7,609,934
Percentage increase/ decrease over prior year	6.54%	-3.12%	5.06%	5.28%	29.27%	8.67%

Month tax collected	1998			1999		
	Net State collections	Use tax	Total	Net State collections	Use tax	Total
January	\$ 461,421	109,764	571,185	551,210	120,770	671,980
February	507,359	109,329	616,688	564,538	100,830	665,368
March	451,391	119,648	571,039	614,291	158,000	772,291
April	653,660	150,201	803,861	522,225	162,256	684,481
May	556,941	144,728	701,669	640,083	132,768	772,851
June	657,641	156,905	814,546	689,839	210,606	900,445
July	582,555	148,950	731,505	724,374	156,511	880,885
August	605,281	131,429	736,710	612,799	153,648	766,447
September	651,256	145,595	796,851	725,597	159,434	885,031
October	644,250	182,303	826,553	649,408	169,339	818,747
November	520,307	120,882	641,189	645,794	136,786	782,580
December	744,109	147,838	891,947	826,705	175,363	1,002,068
Totals	\$ 7,036,171	1,667,572	8,703,743	7,766,863	1,836,311	9,603,174
Percentage increase/ decrease over prior year	11.11%	30.53%	14.37%	10.38%	10.12%	10.33%

(Totals subject to rounding error)

Table D

BOULDER COUNTY, COLORADO

S.E.C Disclosure Subsection

Open Space Sales & Use Tax Collection History - Taxes Effective 1994 and 2002

December 31, 2007

Month tax collected	2000			2001		
	Net State collections	Use tax	Total	Net State collections	Use tax	Total
January	\$ 583,529	150,315	733,844	779,971	197,907	977,878
February	567,876	152,221	720,097	774,846	141,554	916,400
March	602,378	202,720	805,098	778,160	160,206	938,366
April	549,679	156,329	706,008	746,693	141,254	887,947
May	743,631	192,482	936,113	782,585	135,629	918,214
June	631,577	203,674	835,251	978,441	151,581	1,130,022
July	691,473	143,501	834,974	734,887	154,703	889,590
August	721,977	147,984	869,961	802,936	159,458	962,394
September	776,222	128,803	905,025	857,296	148,399	1,005,695
October	731,522	191,028	922,550	743,065	144,792	887,857
November	638,875	145,453	784,328	699,149	113,506	812,655
December	868,620	133,839	1,002,459	809,764	110,668	920,432
Totals	\$ 8,107,359	1,948,349	10,055,708	9,487,793	1,759,657	11,247,450
Percentage increase/ decrease over prior year	4.38%	6.10%	4.71%	17.03%	-9.68%	11.85%

Month tax collected	2002			2003		
	Net State collections	Use tax	Total	Net State collections	Use tax	Total
January	\$ 803,363	137,159	940,522	759,913	146,087	906,000
February	838,851	160,660	999,511	698,907	110,529	809,436
March	773,222	186,186	959,408	800,882	114,211	915,093
April	878,213	166,598	1,044,811	812,576	139,394	951,970
May	899,058	192,801	1,091,859	864,799	149,527	1,014,326
June	970,617	151,761	1,122,378	951,088	165,803	1,116,891
July	862,360	179,147	1,041,507	866,642	196,210	1,062,852
August	866,843	175,545	1,042,388	925,457	166,695	1,092,152
September	846,589	137,705	984,294	893,514	187,424	1,080,938
October	800,868	263,252	1,064,120	839,914	197,847	1,037,761
November	801,347	129,618	930,965	802,445	117,367	919,812
December	1,086,526	134,687	1,221,213	1,072,639	160,946	1,233,585
Totals	\$ 10,427,857	2,015,119	12,442,976	10,288,776	1,852,040	12,140,816
Percentage increase/ decrease over prior year	9.91%	14.52%	10.63%	-1.33%	-8.09%	-2.43%

Month tax collected	2004			2005		
	Net State collections	Use tax	Total	Net State collections	Use tax	Total
January	\$ 794,599	145,710	940,309	761,990	116,051	878,041
February	742,790	130,032	872,822	780,924	130,882	911,806
March	886,859	188,381	1,075,240	875,503	234,850	1,110,352
April	818,183	160,760	978,943	846,097	137,635	983,732
May	895,064	185,443	1,080,507	931,645	178,583	1,110,228
June	978,073	172,818	1,150,891	958,781	175,759	1,134,540
July	913,969	139,475	1,053,444	932,178	186,537	1,118,716
August	911,929	163,477	1,075,406	982,337	171,577	1,153,915
September	930,941	152,302	1,083,243	938,651	152,587	1,091,238
October	860,429	159,573	1,020,002	885,205	150,002	1,035,207
November	822,911	136,615	959,526	838,324	132,131	970,456
December	1,124,827	152,154	1,276,981	1,090,218	146,528	1,236,745
Totals	\$ 10,680,574	1,886,740	12,567,314	10,821,853	1,913,123	12,734,976
Percentage increase/ decrease over prior year	3.81%	1.87%	3.51%	1.32%	1.40%	1.33%

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 as of 2002.

(Totals subject to rounding error)

Table D

BOULDER COUNTY, COLORADO

S.E.C Disclosure Subsection

Open Space Sales & Use Tax Collection History - Taxes Effective 1994 and 2002

December 31, 2007

Month tax collected	2006			2007		
	Net State collections	Use tax	Total	Net State collections	Use tax	Total
January	\$ 837,580	127,889	965,469	875,634	222,538	1,098,172
February	783,409	122,514	905,923	849,574	101,412	950,986
March	893,303	181,053	1,074,356	961,406	144,154	1,105,560
April	916,641	162,292	1,078,933	961,184	136,196	1,097,380
May	981,891	144,421	1,126,312	1,008,872	157,360	1,166,232
June	1,018,406	163,783	1,182,190	1,043,695	179,197	1,222,892
July	939,730	125,523	1,065,253	1,017,781	157,864	1,175,645
August	986,451	195,473	1,181,924	999,334	247,053	1,246,387
September	1,065,832	154,952	1,220,784	1,073,504	171,725	1,245,230
October	939,408	140,213	1,079,621	1,007,903	154,256	1,162,158
November	611,193	167,772	778,965	954,940	136,364	1,091,304
December	1,341,056	118,171	1,459,227	1,272,233	133,412	1,405,645
Totals	\$ 11,314,901	1,804,056	13,118,957	12,026,060	1,941,531	13,967,591
Percentage increase/ decrease over prior year	4.56%	-5.70%	3.02%	6.29%	7.62%	6.47%

(Totals subject to rounding error)

BOULDER COUNTY, COLORADO
S.E.C. Disclosure Subsection
Open Space Sales & Use Tax Collection History - Tax Effective 2005
December 31, 2007

The following table provides the tax collection history for the Open Space sales and use tax approved by ballot language in 2004.
.10% tax was effective 1/1/2005. The rate reduces to 0.05% on 01/01/2025, which remains for perpetuity.
10% of tax collections must be used for land maintenance per ballot language. The remainder may be used for acquisition purposes.

Month tax collected	2005			2006		
	Net State collections	Use tax	Total	Net State collections	Use tax	Total
January	\$ 217,590	33,140	250,730	239,175	36,521	275,697
February	222,997	37,376	260,373	223,707	34,979	258,686
March	250,004	67,080	317,085	255,087	51,702	306,790
April	241,607	39,421	281,028	261,752	46,345	308,097
May	266,036	50,997	317,033	280,384	41,136	321,520
June	273,785	50,192	323,977	290,811	46,886	337,697
July	266,188	53,268	319,457	268,345	35,882	304,226
August	280,511	49,221	329,733	281,686	55,821	337,508
September	268,037	43,575	311,611	304,354	44,182	348,536
October	252,775	42,837	295,612	268,253	40,041	308,293
November	239,388	37,733	277,121	174,529	47,911	222,440
December	311,317	41,844	353,161	382,945	34,078	417,024
Totals	\$ 3,090,236	546,685	3,636,921	3,231,028	515,486	3,746,514
Percentage increase/ decrease over prior year				4.56%	-5.71%	3.01%

BOULDER COUNTY, COLORADO
 S.E.C. Disclosure Subsection
 Open Space Sales & Use Tax Collections
 2005 through 2007 Monthly Comparisons

Tax Period	2005 Revenue	2006 Revenue	2007 Revenue	2006 to 2007 Year-to-date	
				Revenue change	Percentage change
January \$	1,630,232	1,792,560	2,038,941	246,382	13.74%
February	1,692,925	1,681,981	1,765,667	330,068	9.50%
March	2,061,582	1,994,725	2,052,662	388,004	7.09%
April	1,826,639	2,003,218	2,037,526	422,312	5.65%
May	2,061,328	2,091,086	2,165,309	496,535	5.19%
June	2,106,471	2,195,070	2,270,459	571,924	4.86%
July	2,077,086	1,977,878	2,182,784	776,831	5.66%
August	2,143,056	2,194,447	2,313,284	895,667	5.62%
September	2,026,123	2,266,498	2,311,988	941,157	5.17%
October	1,922,044	2,004,501	2,157,873	1,094,528	5.42%
November	1,801,769	1,446,286	2,026,569	1,674,811	7.74%
December	2,296,230	2,710,194	2,610,178	1,574,795	6.47%
Total \$	23,645,484	24,358,443	25,933,239	1,574,796	

Revenue change from 2006 to 2007 \$ 1,574,796
 Percentage change from 2006 to 2007 6.47%

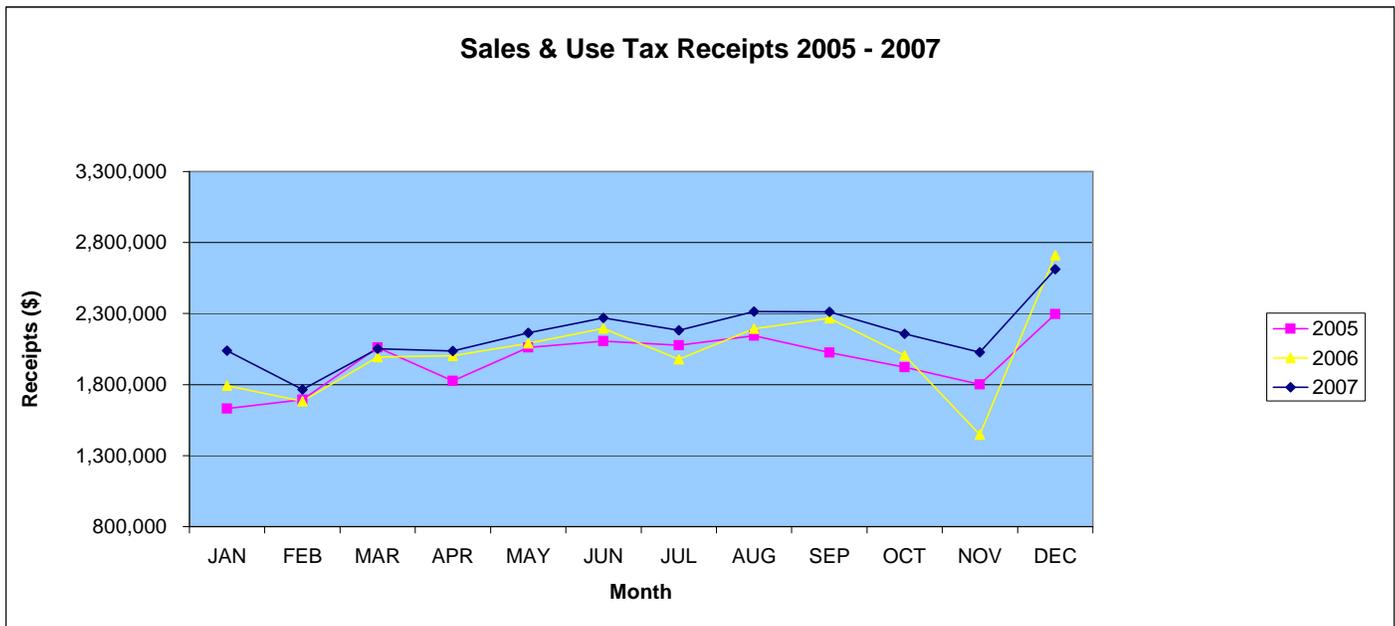


Table G

BOULDER COUNTY, COLORADO

S.E.C. Disclosure Subsection

Jail Improvement & Operation Sales & Use Tax Collections History

December 31, 2007

Tax was effective 1/1/2005, and remains in perpetuity (.05%)

Month tax collected	2005			2006		
	Net State collections	Use tax	Total	Net State collections	Use tax	Total
January	\$ 108,795	16,570	125,365	119,588	18,261	137,848
February	111,498	18,688	130,187	111,853	17,490	129,343
March	125,002	33,540	158,542	127,544	25,851	153,395
April	120,804	19,708	140,512	130,876	23,167	154,042
May	133,018	25,499	158,517	140,192	20,621	160,813
June	136,892	25,096	161,989	145,406	23,390	168,796
July	133,094	26,634	159,728	134,172	17,927	152,100
August	140,256	24,553	164,809	140,843	27,911	168,754
September	134,018	21,788	155,806	152,177	22,118	174,295
October	126,387	21,419	147,806	134,126	20,021	154,147
November	119,694	18,867	138,561	87,265	23,956	111,220
December	155,659	20,922	176,581	191,473	17,013	208,486
Totals	\$ 1,545,118	273,284	1,818,403	1,615,514	257,725	1,873,239
Percentage increase/ decrease over prior year				4.56%	-5.69%	2.93%

Month tax collected	2007		
	Net State collections	Use tax	Total
January	\$ 125,021	31,774	156,795
February	121,300	14,480	135,780
March	137,267	20,583	157,850
April	137,236	19,447	156,683
May	144,044	22,469	166,513
June	149,016	25,587	174,603
July	145,316	22,544	167,860
August	142,683	35,275	177,958
September	153,272	24,519	177,791
October	143,906	22,026	165,932
November	136,344	19,471	155,815
December	181,646	19,049	200,695
Totals	\$ 1,717,051	277,224	1,994,275
Percentage increase/ decrease over prior year	6.29%	7.57%	6.46%

Sales & Use tax receipts are used in part to make principal and interest payments on the Offender Management Capital Improvement Trust Fund Bonds, Series 2004

BOULDER COUNTY, COLORADO

Glossary of terms used in the Comprehensive Annual Financial Report

December 31, 2007

Accounts payable – a short-term liability account reflecting amounts owed to external persons or organizations for goods and services received by a government.

Accounts receivable – an asset account reflecting amounts due from external persons or organizations for goods and services furnished by a government (also referred to as “County Goods and Services Receivable” in the Boulder County CAFR).

Accrual basis – the recording of the financial effects on a government of transactions and other events and circumstances that ultimately have cash consequences for the government in the periods in which those transactions, events, and circumstances occur, rather than only in the periods in which cash is actually received or paid by the government.

Accumulated depreciation – a contra-asset account used to report the sum of all annual depreciation expenses to date for a capital asset, and which reflects the expiration of the estimated service life of the asset. It is subtracted from historical cost on the statement of net assets.

Advance from/to other funds – a liability/asset account used to record noncurrent portions of a long-term debt owed by one fund to another fund within the same reporting entity (also see **due to/from other funds** and **interfund receivable/payable**).

Agency fund – a type of fiduciary fund that contains resources held on a temporary, purely custodial basis by a government on behalf of others.

Amortization – (1) the portion of the cost of a limited-life or intangible asset charged as an expense during a particular period. (2) The reduction of debt by regular payments of principal and interest sufficient to retire the debt by maturity.

Appropriation – a legal authorization granted by a legislative body to make expenditures and to incur obligations for specific purposes. An appropriation is usually limited in amount and in the time it may be expended.

Assessed valuation – a valuation set upon real estate or other property by a government as a basis for levying taxes.

Auditor’s report – in the context of a financial audit, a letter accompanying the financial statements that presents the auditor’s opinion concerning whether the statements are presented fairly in conformity with GAAP.

Balance sheet – a financial statement disclosing the assets, liabilities and equity of an entity at a specified date in conformity with GAAP. Governments use them to report the current financial resources (assets, liabilities, and fund balances) of the Governmental Funds.

Basic financial statements – the minimum combination of financial statements and note disclosures required for fair presentation in conformity with GAAP. Basic financial statements have three components: government-wide financial statements, fund financial statements, and notes to the financial statements.

Basis of accounting – a term used to refer to *when* revenues, expenditures, expenses, and transfers – and the related assets and liabilities – are recognized in the accounts and reported in the financial statements. Specifically, it relates to the *timing* of the measurements made, regardless of the nature of the measurement, on either the accrual or modified accrual method.

Board of County Commissioners (BOCC) – in Boulder County, the BOCC consists of three individuals elected to serve four-year terms as the leaders of Boulder County government. Two Commissioners are elected in one general election, and one in the next general election (which is every two years). The Commissioners must reside within Boulder County and are elected by the at-large population of Boulder County. The BOCC approves the budget for the entire County government.

Bonds – a form of debt issued by governments that is repaid, usually with interest, over periods stretching from a few years to a few decades. Bonds are typically used to finance the acquisition, construction, and rehabilitation of capital assets.

Budget – a plan of financial operation representing an estimate of proposed expenditures for a given period (typically a fiscal year), and the proposed means of financing them. In practice, the term “budget” sometimes designates the financial plan presented to the appropriating governing body for adoption, and sometimes, the plan finally approved by that body.

Budgetary control – the control or management of a government or enterprise in accordance with an approved budget to keep expenditures within the limitations of available appropriations and available revenues.

Business-type activities – one of two classes of activities reported in the government-wide financial statements. Business-type activities are primarily financed by fees charged to external parties for goods and services. These activities are usually reported in enterprise funds.

Capital assets – long-lived tangible or intangible assets that are used in operations, and that have useful lives extending beyond a single reporting period. Examples of capital assets include land, conservation easements, buildings and improvements, equipment, vehicles, and infrastructure. In the private sector, these assets are typically referred to as property, plant and equipment.

Capital contributions – amounts received that are restricted for building or purchasing capital assets, or the receipt of an actual capital asset.

Capital expenditures – expenditures resulting in the acquisition of or addition to the government’s general capital assets.

Capital lease – an agreement in which substantially all the risks and benefits of ownership of property are assumed by the lessee.

Capitalization policy – the criteria used by a government to determine which outlays should be reported as capital assets.

BOULDER COUNTY, COLORADO

Glossary of terms used in the Comprehensive Annual Financial Report

December 31, 2007

Capital projects fund – a governmental fund created to account for the flows of resources related to the construction, acquisition, and renovation of capital assets (other than those financed by proprietary or trust funds).

Certificates of participation (COPs) - COPs are lease financing agreements in the form of tax exempt securities similar to bonds, where title to a leased asset is assigned by the lessor to a trustee that holds it for the benefit of the investors (the certificate holders). COPs are essentially a long-term lease-to-buy arrangement, where the government enters into an agreement to make regular lease payments for the use of an asset over some period, after which the title for the asset transfers to the government. COPs are typically used to finance capital costs related to construction or improvement of public facilities and equipment. COPs agreements contain nonappropriation or fiscal funding clauses, which mean that payment of the lease is dependent upon an annual appropriation by the governing body. As the government can decide at any time to discontinue the lease (although unlikely), COPs do not constitute a multi-year fiscal obligation and consequently do not require voter approval.

Change in fair value of investments – the difference between the fair value of investments at the beginning of the year and at the end of the year, taking into consideration investment purchases, sales, and redemptions.

Collateralized – typically, this refers to security pledged by a financial institution to a governmental entity for its deposits, the purpose of which is to minimize the risk of loss to the government. Deposits, investments, and loans are often required to be collateralized.

Compensated absences – unused vacation, medical, or other leave for which it is expected employees will be paid when they retire or otherwise cease to work for a government. GAAP require that employers report a liability for compensated absences for leave that is attributable to services already rendered, and that is not contingent on a specific event (such as illness) that is outside the control of the employer and employee.

Comprehensive Annual Financial Report (CAFR) – a government's official annual report prepared and published as a matter of public record. The CAFR should contain the basic financial statements and required supplementary information, combining statements to support columns in the basic financial statements that aggregate information from more than one fund or component unit, and individual fund statements as needed. The CAFR should also contain introductory material, schedules to demonstrate legal compliance, and statistical data as specified in the GASB codification.

Component unit – a legally separate organization, often governmental, for which the elected officials of a primary government are financially accountable.

Conduit debt – debt issued by a government to provide capital financing for a third party that is not a part of the government. Although conduit debt obligations bear the name of the issuing government, the issuer has no obligation for such debt beyond the resources provided by a lease or loan with the third party on whose behalf they are issued.

Contingent liability – potential future liabilities based on conditions that were unresolved as of the date of the financial statements, such as pending court cases, disputed claims, judgments under appeal, unfilled purchase orders, and uncompleted contracts. Contingent liabilities should be disclosed within the financial statements, including the notes, when there is a reasonable possibility a loss may have been incurred.

Construction in progress – the cost of construction work that has been started but not yet completed.

Cost-sharing multiple-employer pension plan - a plan (such as Colorado PERA) in which the costs of providing pension benefits to employees are shared by the plan as a whole, rather than attributed to the individual governments. A single actuarial valuation covers all plan members, and the same contribution rate(s) applies for each employer.

C.R.S. – Colorado Revised Statutes. The compilation of Colorado's laws as enacted by the State legislature.

Current financial resources measurement focus - measurement focus where the aim of a set of financial statements is to report the near-term (current) inflows, outflows, and balances of expendable (spendable) financial resources. This measurement focus is unique to accounting and financial reporting for state and local governments, and is used solely for reporting the financial position and results of operations of governmental funds.

Current assets – those assets that are available or can be made readily available to meet the cost of operations or to pay current liabilities, and which do not have any restrictions that would prevent a government from doing so.

Debt service forward delivery agreement – a forward delivery agreement (FDA) is an investment vehicle between a provider (financial institution), a trustee/escrow agent (holder of the securities), and the issuer (in this case, the County). For an issuer, the primary purposes of the FDA are to earn higher returns on its debt service fund investments at a guaranteed rate, to receive these earnings upfront, and to improve financial planning and budgeting. Under an FDA, the issuer typically makes monthly payments to the provider in amounts sufficient to make the related semi-annual (or annual) bond payments. The trustee then buys from the provider and holds until maturity "eligible securities" – which are structured to mature in the amount and timeframe necessary to make the upcoming bond payments. In return for the upfront payment made to the issuer, the provider retains the right to future investment earnings. Because they provide a guaranteed rate of return, FDAs are often used for bond proceeds and/or debt service reserve funds that are subject to yield restrictions or arbitrage rebate.

Defeasance – a transaction in which the liability for a debt is substantively settled and is removed from the accounts, even though the debt has not actually been paid. Settlement of the debt results from setting aside in an irrevocable trust sufficient cash or other assets to service the original debt. Both the borrower's debt and offsetting cash or other assets are removed from the balance sheet. Most refundings result in the defeasance of the refunded debt.

BOULDER COUNTY, COLORADO

Glossary of terms used in the Comprehensive Annual Financial Report

December 31, 2007

Deferred charges – expenditures that are not chargeable to the fiscal period in which they were made, but that are carried as an asset on the balance sheet, pending amortization or other disposition (e.g. bond issuance costs). Deferred charges differ from prepaid items in that they usually extend over a long period of time, and are not regularly recurring costs of operations.

Deferred revenue - resource inflows that do not yet meet the criteria for revenue recognition, and which are reported as liabilities. Unearned amounts are always reported as deferred revenue. In governmental funds, earned amounts also are reported as deferred revenue until they are available to liquidate liabilities of the current period.

Defined benefit pension plan – a pension plan having terms that specify the amount of pension benefits to be provided at a future date or after a certain period of time. The amount specified usually is a function of one or more factors such as age, years of service, and compensation.

Defined contribution pension plan – a pension plan having terms that provide an individual account for each plan member, and specify how contributions to an active plan member's account are to be determined, rather than the income or other benefits the member or their beneficiaries are to receive at or after separation from employment. Those benefits will depend only on the amounts contributed to the member's account, earnings on investments of those contributions, and forfeitures of contributions made for other members that may be allocated to the member's account.

Depreciation – the systematic allocation of the cost of a capital asset over its useful life. In accounting for depreciation, the cost of a capital asset, less any salvage value, is prorated over the estimated service life of such an asset, and each period is charged with a portion of such cost. Through this process, the entire cost of the asset is ultimately charged off as an expense. Depreciation amounts to a proxy for the cost of using a capital asset in the operations of a government, or for the gradual wearing out or deterioration of a capital asset over time.

Designated fund balance – a portion of an unreserved fund balance that has been "earmarked" by the governing board for specific purposes. Designations reflect a government's self-imposed limitations on the use of otherwise available financial resources in governmental funds, as distinguished from assets or equity set aside in conformity with requirements of donors, grantors, or creditors.

Due from/to other funds – an asset/liability account reflecting amounts owed by a particular fund to another fund for goods or services. These amounts include only short-term obligations on open account, not interfund loans.

Economic resources measurement focus – measurement focus where the aim of a set of financial statements is to report all inflows, outflows, and balances affecting or reflecting an entity's net assets, both capital and financial, current and long-term. This measurement focus is used for proprietary and fiduciary funds, as well as for government-wide financial reporting. It is also used by business enterprises and nonprofit organizations in the private sector.

Encumbrances – amounts committed to pay for goods and services a government contracted for but has not yet received, and which are chargeable to an appropriation. Encumbrances are not GAAP expenditures or liabilities, but represent the estimated amount of expenditures to result if unperformed contracts in process are completed.

Enterprise fund – a type of proprietary fund used to report an activity for which a fee is charged to external users for goods and services.

Expenditures – under the current resources measurement focus, decreases in net financial resources not properly classified as *other financing uses*.

Expenses – decreases in net assets arising from outflows or other "using up" of assets, or incurrence of liabilities (or a combination of both) in the course of operating a government and providing goods and services.

External auditors – independent auditors, typically engaged to conduct an audit of a government's financial statements.

External investment pool - an arrangement that commingles (pools) the funds of more than one legally separate entity and invests, on the participants' behalf, in an investment portfolio. In an external investment pool, one or more of the participants is not part of the sponsors reporting entity.

Fair value – the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Federal Agency Securities – debt instruments issued by an agency or government-sponsored entity of the U.S. Government, such as the Federal National Mortgage Association (Fannie Mae), the Federal Farm Credit Bank, or the Federal Home Loan Bank. Though not general obligations of the U.S. Treasury, the quality of agency bonds, and the liquidity for certain agency issues, is usually considered second only to Treasury securities.

Fiduciary funds – funds used to report assets held in a trustee or agency capacity for others, and which consequently can't be used to support the government's own programs. Fiduciary funds employ the economic resources measurement focus and accrual basis of accounting.

Financial Accounting Standards Board (FASB) – the GASB's private-sector counterpart, with responsibility for setting accounting and financial reporting standards for business enterprises and nonprofit organizations.

Financial resources – resources that are or will become available for spending. Financial resources include cash and resources ordinarily expected to be converted to cash (e.g. receivables, investments). Financial resources may also include inventories and prepaids, because they preclude the need to expend current available resources.

Fiscal agent – a bank or other corporate fiduciary that performs the function of paying, on behalf of the government or other debtor, interest on debt or principal of debt when due.

BOULDER COUNTY, COLORADO

Glossary of terms used in the Comprehensive Annual Financial Report

December 31, 2007

Fringe benefits – nonsalary compensation for employees, such as pension and Social Security contributions, medical and life insurance premiums, workers compensation, unemployment insurance, etc.

Full time equivalent (FTE) – a standardized unit of measure that converts an employee position to an equivalent decimal value. It is usually calculated by dividing the total hours actually worked or planned for a particular position, by a standard number of hours a full-time employee would work in that position. The standard number is often the maximum number of compensable hours in a work year as defined by law. As an example, 0.50 FTE is equal to a half-time position.

Function – a group of related activities aimed at accomplishing a major service or regulatory responsibility for which a government is responsible. Expenditures are classified on the basis of the principal purposes for which they are made. In Boulder County, these include general government, conservation, public safety, health and welfare, economic opportunity, highways and streets, sanitation, urban redevelopment/housing, and debt service.

Fund – a fiscal and accounting entity with a self-balancing set of accounts in which cash and other financial resources, together with all related liabilities and residual equities or balances and changes therein, are segregated for the purpose of carrying out specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

Fund balance – the difference between fund assets and fund liabilities of a governmental fund.

Fund financial statements – basic financial statements presented on the basis of funds, in contrast to the government-wide financial statements.

Fund type – any one of eleven categories into which all funds can be classified in governmental accounting. Governmental fund types include general, special revenue, debt service, capital projects, and permanent funds. Proprietary fund types include enterprise and internal service funds. Fiduciary fund types include pension trust funds, investment trust funds, private-purpose trust funds, and agency funds.

General Fund – one of five governmental fund types, the General Fund is the chief operating fund of the government. The General Fund is used to account for all financial resources except those required to be accounted for in another fund.

General Improvement District (GID) – in Colorado, a type of improvement district that has the authority to impose property taxes within the district. These districts are created to construct, install, acquire, operate and maintain certain public improvement facilities. These districts may also issue general obligation and revenue bonds, and are considered political subdivisions of the state.

General revenues – all revenues that are not required to be reported as program revenues in the government-wide statement of activities. All taxes, even those that are levied for a specific purpose, are general revenues and should be reported by type of tax (property, sales, and specific ownership). All other nontax revenues (including interest,

grants, and contributions) that do not meet the criteria to be reported as program revenues should also be reported as general revenues.

Generally Accepted Accounting Principles (GAAP) – the conventions, rules, and procedures that serve as the norm for the fair presentation of financial statements. The various source of GAAP for state and local governments are set forth by Statement on Auditing Standards (SAS) No. 69, *The Meaning of "Present fairly in conformity with Generally Accepted Accounting Principles."*

Governmental Accounting Standards Board (GASB) – the ultimate authoritative accounting and financial reporting standard-setting body for state and local governments. The GASB was established in June 1984 to replace the National Council on Governmental Accounting (NCGA).

Governmental activities – activities generally financed through taxes, intergovernmental revenues, and other non-exchange revenues. These activities are usually reported in governmental funds and internal service funds.

Government Finance Officers Association (GFOA) – an association of public finance professionals founded in 1906 as the Municipal Finance Officers Association. The GFOA has played a major role in the development and promotion of GAAP for state and local governments since its inception, and has sponsored the Certificate of Achievement for Excellence in Financial Reporting Program since 1946.

Governmental funds – funds generally used to account for tax-supported activities. There are five different types of governmental funds: the general fund, special revenue funds, debt service funds, capital projects funds, and permanent funds.

Government-wide financial statements – financial statements that incorporate all of a government's governmental and business-type activities, as well as its non-fiduciary component units. There are two basic government-wide financial statements: the statement of net assets and the statement of activities. Both basic statements are presented using the economic resources measurement focus and the accrual basis of accounting.

Grant – a contribution by one entity to another, usually made to aid in the support of a specified function, but sometimes for general purposes or for the acquisition or construction of capital assets.

Incurred but not reported (IBNR) claims – in connection with risk financing, claims for insured events that have occurred but have not yet been reported to the governmental entity or insurer as of the date of the financial statements. IBNR claims include known loss events that are expected to be presented later as claims, unknown loss events that are expected to become claims, and expected future development on claims already reported.

Improvement – an addition made to, or change made in a capital asset, other than maintenance, to prolong its life or to increase its efficiency or capacity. The cost of the addition or change is normally added to the book value of the asset.

BOULDER COUNTY, COLORADO

Glossary of terms used in the Comprehensive Annual Financial Report

December 31, 2007

Indirect expenses – expenses that cannot be specifically associated with a given service, program, or department, and consequently cannot be clearly associated with a particular functional category.

Industrial revenue bond (IRB) – a form of conduit debt, an IRB is a tax-exempt bond issued by a state or local government agency to finance industrial or commercial projects that serve a public good. The bond usually is not backed by the full faith and credit of the issuing government, and is repaid solely from the revenues of the project. Per GASB, IRBs do not create a liability of the issuing government, and therefore do not have to be presented in the government's financial statements.

Infrastructure – long-lived capital assets that normally are stationary in nature, and normally can be preserved for a significantly greater number of years than most capital assets. Examples of infrastructure assets include roads, bridges, tunnels, drainage systems, and water and sewer systems.

Invested in capital assets, net of related debt – one of the three categories of net assets reported by governments. It is the net capital assets less the debt relating to the acquisition or construction of the capital assets.

Interfund receivable/payable – short-term loans made by one fund to another, or the current portion of an advance to or from another fund.

Interfund transfers – flow of assets (such as cash or goods) between funds and blended component units of the primary government, without equivalent flows of assets in return and without a requirement for payment.

Internal service fund – a type of proprietary fund used to account for the financing of goods or services provided by one department or agency to other departments or agencies of a government, or to other governments, on a cost-reimbursement basis.

Legal level of budgetary control – the level at which a government's management may not reallocate resources without special approval from the legislative body.

Legal debt margin – excess of the amount of debt legally authorized over the amount of debt outstanding.

Liabilities – probable future sacrifices of economic benefits, arising from present obligations of a particular entity to transfer assets or provide services to other entities in the future as a result of past transactions or events.

Local Improvement District (LID) – in Colorado, a type of improvement district whose primary purpose is to assess the costs of public improvements to those who are specially "benefited" by the improvements. "Benefit" includes, but is not limited to, any increase in property value, alleviations of health and sanitation hazards, adaptability of the property to a superior or more profitable use, etc. A LID is considered an administrative subdivision of the county, and the county can bear some of the costs if it determines that a portion of the benefit accrues to the county as a whole.

Long-term debt – debt with a maturity of more than one year after the date of issuance.

Major fund – a governmental or enterprise fund reported as a separate column in the basic fund financial statements, and subject to a separate opinion in the independent auditor's report. The general fund is always a major fund. Otherwise, major funds are funds whose revenues/expenditures, assets, or liabilities are at least 10% of corresponding totals for all governmental or enterprise funds, and at least 5% of the aggregate amount for all governmental and enterprise funds for the same item. Any other governmental or enterprise fund may be reported as a major fund if the government's officials believe that fund is particularly important to financial statement users.

Management's Discussion and Analysis (MD&A) – a component of required supplementary information used to introduce the basic financial statements, and to provide an analytical overview of the government's financial activities.

Measurement focus – a way of presenting an entity's financial performance and position by considering which resources are measured (financial or economic), and when the effects of transactions or events involving those resources are recognized (the basis of accounting). The measurement focus of the government-wide financial statements, proprietary fund financial statements, and fiduciary fund financial statements is economic resources. The measurement focus of governmental fund financial resources is current financial resources.

Mill levy – a property tax rate expressed in tenths of a cent. A tax rate of one mill means \$1 of taxes per \$1000 of assessed value.

Modified accrual basis – the accrual basis of accounting adapted to the governmental fund-type measurement focus (current financial resources). Under the modified accrual basis, revenues are recognized when they become susceptible to accrual, that is when they become both "measurable" and "available" to finance expenditures of the current period. "Available" means collectible in the current period or soon enough thereafter to be used to pay liabilities of the current period. Generally, expenditures are recognized in the period in which governments in general normally liquidate the related liability, rather than when that liability is first incurred.

Net assets – the difference between total assets and total liabilities.

Operating lease – a rental-type lease in which the risks and benefits of ownership are substantively retained by the lessor, and consequently do not meet the criteria for a capital lease as defined in applicable accounting and reporting standards.

Original budget – the first complete appropriated budget for a given year. The original budget may be adjusted by reserves, transfers, allocations, supplemental appropriations, and other legally authorized legislative and executive changes before the beginning of the fiscal year.

BOULDER COUNTY, COLORADO

Glossary of terms used in the Comprehensive Annual Financial Report

December 31, 2007

Other financing sources/uses – an increase or decrease in current financial resources that is reported separately from revenues or expenditures to avoid distorting revenue or expenditure trends. The use of the *other financing sources/uses* category is limited to items so classified by GAAP.

Overlapping debt – in the context of the statistical section of the CAFR, the proportionate share that property must bear of the overlapping debts of all local governments located wholly or in part within the geographic boundaries of the reporting government. In other words, debt of another government that at least some of the reporting government's taxpayers will also have to pay in whole or part.

Payment in lieu of taxes (PILOT) – payment that a property owner not subject to taxation – such as the State or Federal government – makes to a government to compensate it for services that the property owner receives that normally are financed through property taxes.

Premiums on debt issuance – the excess of the price at which a bond is sold over its face or par value. In governmental funds, premiums are usually reported separately as an *other financing source* in the fund receiving the proceeds. In enterprise funds and the government-wide financial statements, premiums are deferred and amortized as interest income over the life of the debt.

Prepaid expense – an asset related to resources a government gives to another party, but for which the government has not yet received a good or service in return. Examples include prepaid rent and prepaid interest.

Primary government – a state or general-purpose local government and all organizations that are legally a part of it. A special-purpose government that has a separately elected governing body and is legally separate from and financially independent of other governments is also a primary government.

Program revenues – a term used in connection with the government-wide statement of activities. Revenues that derive directly from the program itself, or from parties outside the reporting government's taxpayers or citizenry, as a whole; they reduce the net cost of the function to be financed from the government's general revenues.

Property tax – a tax levied on the assessed value of real property (also known as "ad valorem" taxes).

Proprietary funds – funds that focus on the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. Proprietary funds operate in a manner similar to private businesses, charging customers a fee in return for goods and services. There are two types of proprietary funds: enterprise funds and internal service funds.

Public Deposit Protection Act (PDPA) – the purpose of the Colorado PDPA is to ensure that public funds held on deposit in banks are protected in the event that the bank holding the public deposits becomes insolvent. Funds are required to be deposited in financial institutions that have been designated as eligible public depositories. These depositories must pledge eligible collateral, having in excess of 102% of the aggregate uninsured public deposits. Eligible collateral must be held in the custody of a federal reserve bank, or a depository

trust company that is a member of the Federal Reserve System and under the supervision of the State banking board. Bank deposit accounts include: checking, savings, bank money market, and certificate of deposit (CD) accounts.

Public Trustee – in Colorado, the General Assembly established the office of the Public Trustee in each county of the state to administer foreclosure proceedings and the release of Deeds of Trust for properties located within the respective counties.

Reporting entity – the primary government and all related component units, if any, that are combined for reporting purposes in the CAFR (in accordance with relevant GASB codification).

Repurchase agreement – an agreement in which a governmental entity transfers cash to a broker-dealer or financial institution in exchange for securities, and the broker-dealer or financial institution agrees to repurchase the same securities from the governmental entity at an agreed-upon price. Similar to a secured loan, these agreements are typically used to generate interest earnings from the investment of excess cash.

Required supplementary information – statements, schedules, statistical data or other information that the GASB has determined to be necessary to supplement, although not required to be a part of, the basic financial statements.

Reserved fund balance – the portion of a governmental fund's net assets that is segregated for some future use, and is not available for appropriation.

Restricted assets – assets whose use is subject to constraints that are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

Restricted net assets – a component of net assets calculated by reducing the carrying value of restricted assets by amounts repayable from those assets, excluding capital-related debt.

Revenue bonds – bonds whose principal and interest are payable exclusively from revenues generated by a specified revenue-generating source. An example within Boulder County is open space bonds payable from pledged open space sales and use tax revenue.

Self-insurance – a term often used to describe the retention by an entity of a risk of loss arising out of the ownership of property or from some other cause, instead of transferring that risk to an independent third party through the purchase of an insurance policy. It is sometimes accompanied by the setting aside of assets to fund any related losses.

Single Audit – an audit designed to meet the needs of all federal grantor agencies and performed in accordance with the Single Audit Act of 1984 (as amended), and Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

BOULDER COUNTY, COLORADO

Glossary of terms used in the Comprehensive Annual Financial Report

December 31, 2007

Special District – an independent unit of local government organized to perform a single government function or a restricted number of related functions. Special districts usually have the power to incur debt and levy taxes. However, certain types of special districts are entirely dependent upon enterprise earnings and cannot impose taxes. Examples of special districts include water districts, sanitation districts, flood control districts, and fire protection districts.

Special revenue fund – a fund used to account for the proceeds of specific revenue sources (other than for major capital projects) that are legally restricted to expenditure for specified purposes.

Taxpayers Bill of Rights (TABOR) – commonly known as TABOR, this amendment to the Colorado State Constitution (Article 10, Section 20) limits the revenue raising and spending abilities of the State and local governments. Among other provisions, TABOR prohibits any increase in the mill levy without a vote of the citizens, requires any revenue collected in excess of the fiscal year spending limit to be refunded in the following year, and requires the establishment of an “emergency reserve” equal to 3% of fiscal year expenditures. In November 2005, Boulder County voters approved an exemption from the TABOR property tax revenue limit (also called “de-Brucing”), along with the other revenue and expenditure limits.

Transfers – (see interfund transfers)

Unearned revenue – a specific type of deferred revenue that does not involve the application of the availability criterion, and therefore applies equally to both accrual and modified accrual financial statements.

Unqualified opinion – an opinion rendered without reservation by the independent auditor that the financial statements are fairly presented

Unreserved fund balance – that portion of a fund balance available for spending or appropriation in the future.

Unreserved undesignated fund balance – that portion of a fund balance that is available for spending or appropriation, and that has not been “earmarked” for specified purposes by the legislative body.

Unrestricted net assets – that portion of net assets that is neither restricted nor invested in capital assets (net of related debt).