

Boulder
County

*Year
In Review*



POPULAR ANNUAL FINANCIAL REPORT

Boulder County, Colorado

Fiscal Year Ending December 31, 2014

Residents of Boulder County,

Issued July 31, 2015

This Popular Annual Financial Report (PAFR) issued for the fiscal year ended December 31, 2014 was prepared by the Boulder County Financial Services Division. This report is intended to provide readers with an easy to understand summary of the county's financial activities and related information. Information in this report was taken from our audited Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2014.

The financial information in this report is unaudited, includes information exclusively on primary government activities and is presented on a non-GAAP (Generally Accepted Accounting Principles) basis. This report does not include information on discrete component units and fiduciary funds. The financial information is condensed and does not provide all of the necessary financial statements and note disclosures required by GAAP as found in the CAFR. Additionally, this document includes information on the Boulder County Housing Authority, a legally separate, blended component unit of the county which is included in the county's business-type activities.

We hope you enjoy reading this report and find it useful. We invite you to read our audited CAFR online for more detailed information on county finances. Audited reports issued by the county and its component units are available online at www.BoulderCounty.org. We welcome your questions and comments regarding information in this report. You can contact us at 303-441-3525.

Jana Petersen

Administrative Services Department Director

Bob Lamb, CPA, CPFO

Financial Services Division Manager

Photo Credits:

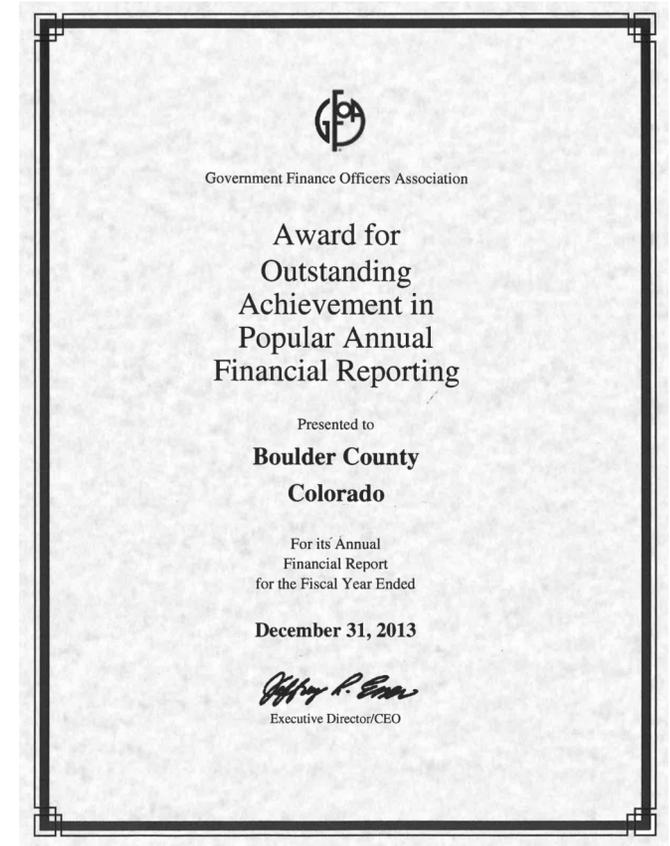
All photos were obtained from county files and employees including Catrina Asher, Julie Fischer and Peter Brennan

GFOA Award

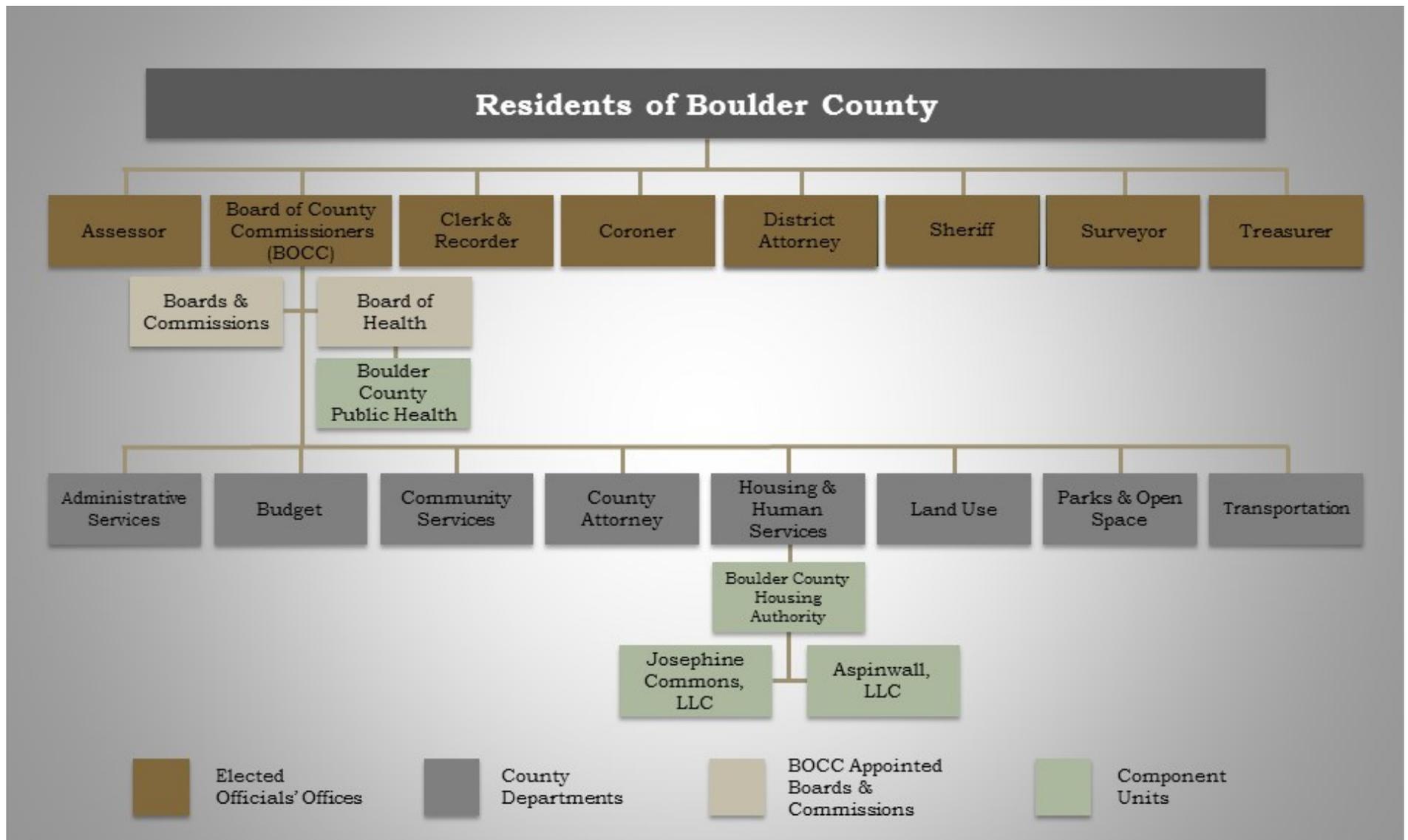
The Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to Boulder County for its Popular Annual Financial Report (PAFR) for the fiscal year ended December 31, 2013. This is a prestigious national award recognizing the highest standards for preparation of state and local government PAFRs.

In order to receive this award, a government must publish a PAFR whose contents meet program standards for creativity, presentation, understandability, and reader appeal.

The Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. Boulder County received this award for the fiscal year ended 2013. We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting it to GFOA for consideration.



Organizational Chart for Boulder County Government



County History & Location

Founded in 1861, Boulder County was one of the original 17 counties formed with the creation of the Territory of Colorado, later incorporated into the Union as the State of Colorado in 1876. As a mining region, the county experienced significant growth through the late 1800s. The cornerstone of the original courthouse was laid in 1882. After the original courthouse was destroyed by fire in 1932, it was rebuilt on the same site in 1934 and remains in place today, housing many of the county's departments and offices, including the County Commissioners and the public hearing room.

The county includes 10 incorporated cities and towns including Boulder, Longmont, Lafayette, Louisville, Lyons, Erie, Nederland, Jamestown, Superior and Ward, as well as many unincorporated communities covering a total area of 742 square miles. The county's estimated population was 305,388 in 2013, according to the U.S. Department of Commerce, making it the 7th most populous county in Colorado.

Boulder County is located at the edge of the Rocky Mountains, northwest of Denver and includes a portion of Rocky Mountain National Park.



Geographic Profile (2014 Budget Book)

Incorporated area	742 sq. miles
Highest elevation (Longs Peak)	14,256 feet
Lowest elevation	4,986 feet

Board of County Commissioners

(Chair positions effective 2015)



Elise Jones
Vice Chair

Deb Gardner
Chair

Cindy Domenico
Commissioner

County Leadership

The Board of County Commissioners is composed of three individuals elected to serve four-year terms as leaders of Boulder County government. While each commissioner must reside within a specific district, all three commissioners are elected at large and represent the county as a whole.

Governmental Profile

Original adopted budget (2014)	\$366,760,981
Original adopted budget (2015)	\$438,840,064
Mill levy (2014)	24.794
County sales tax rate (2014)	0.80%
Total assessed property value (2014)	\$5,777,776,056

Activities & Culture

Boulder County is surrounded by picturesque mountains and landscapes ranging from agricultural plains and grasslands at approximately 5,000 feet, to the continental divide and Longs Peak topping out at 14,256 feet. Many miles of trails allow the public to enjoy the natural beauty by foot, on a bike, or on a horse. Whether you prefer hiking a trail in the plains, biking up a rocky mountain trail or along scenic bike paths, or spending the day skiing in powder at Eldora Mountain Resort, the Boulder County landscape offers a variety of opportunities to enjoy recreational activities.

Boulder County also boasts an active cultural scene, hosting a wide variety of festivals, concerts and events throughout the year ranging from the renowned International Film Festival in Boulder to Frozen Dead Guy Days in Nederland. Historic and modern museums, unique music and theater venues and a variety of festivals and farmer's markets pair with numerous award-winning restaurants, craft breweries and distilleries to create a vibrant and active cultural scene, all set against the backdrop of the Flatiron Mountains and Longs Peak.

Many towns and cities within Boulder County have received notable awards in recent years, including:

- Boulder - 2014 Best Midsize City for Jobs, #1 Rank (Forbes Magazine)
- Boulder - 2014 Best Places to Walk or Bike #5 Rank (Money Magazine)
- Boulder - 2014 Best Places to Live, #4 Rank (Livability.com)
- Boulder - 2014 Skinniest City in America (The Richest)
- Erie - 2014 Best City for Global Trade Skilled Labor #2 Rank (Globaltrade)
- Superior - 2015 Best Places to Live in Colorado #1 Rank (Westword)
- Longmont - 2015 Best Colorado Cities for Families #3 Rank (Westword)

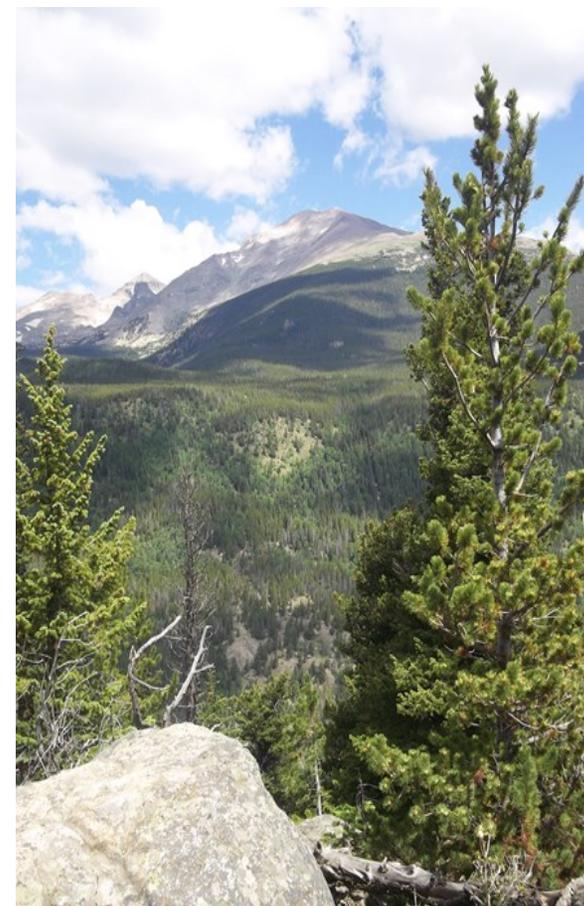
Top 5 Private Sector Employers in 2014 (see 2014 CAFR for more information)

Company	Type of Business	# of Employees	% of Workforce
IBM Corp.	Computer systems & services	2,800	1.59%
Ball Corporation	Aerospace manufacturing	2,014	1.14%
Covidien	Medical equipment manufacturing	1,780	1.01%
Wal-Mart Stores, Inc.	Retail Services	1,450	0.82%
Seagate Technology	Computer storage products and services	1,387	0.79%

Demographic/Economic Profile

Population (2014 estimate)	313,333
Median age (2013)	35.7
Median household income (2009-2013)	\$ 67,956
High school graduates (2009-2013)	93.9%
College graduates (2009-2013)	58.3%
Unemployment rate (2014)	3.3%
Poverty rate (2009-2013)	14.2%
Median single family home price (2015)	\$ 387,500

Source: 2014 CAFR, U.S. Census Bureau



2013 Flood

In September 2013, several days of heavy rain caused severe flooding throughout the county, impacting nearly every community. Twenty months later in June 2015, Boulder County has spent more than \$76 million on response and recovery efforts throughout the county, and the work will continue for several years to come.

Total Spending through June 30, 2015 (in thousands)	
Spending category	Amount
Roads & bridges	\$ 43,352
Debris management (including high hazard projects)	8,096
Waterways	8,077
Other	6,343
Public safety	3,962
Parks & trails	1,914
Buildings & Equipment	1,782
Housing (including property acquisition)	1,497
Unmet needs	957
Rebuilding & permits	424
Total spent through 6/30/2015	\$ 76,406



Moving Forward—Flood Recovery in 2014 & 2015

Road & Bridge Repairs planned for 2015:

Damage to the county’s road and bridge infrastructure because of the 2013 Flood was significant and will require many years of repairs. Major roads that will be worked on in 2015 include (but are not limited to):

- Longmont Dam Road
- North 83rd Street
- Salina Junction
- Lefthand Canyon
- Dillon Road

Watershed updates:

In 2014, the county created a Comprehensive Creek Plan (CCP) that included input from stakeholders throughout the county and focused on the five most impacted creek corridors. The plans made recommendations for future projects that would increase the resiliency of the county’s watersheds, including bank stabilization and channel realignment. Project recommendations were reviewed and prioritized for implementation.



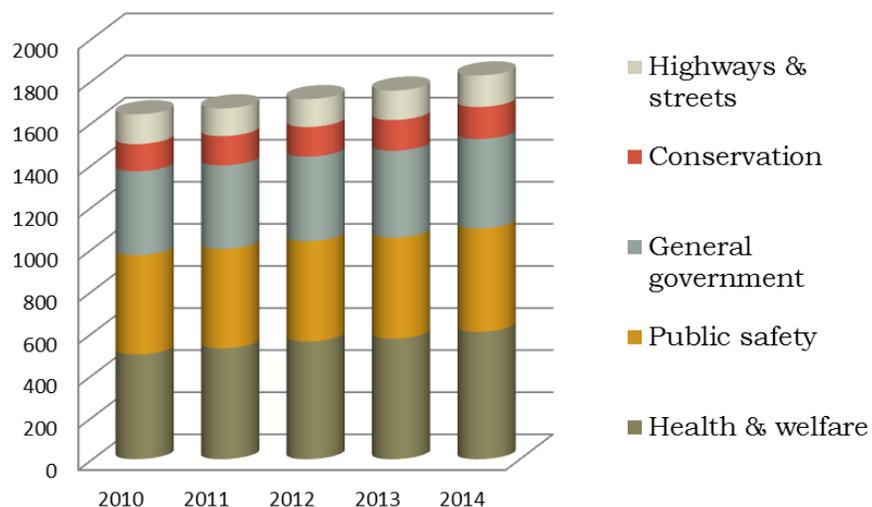
In 2015, the Creek Recovery & Restoration Program focuses on implementing the recommendations of the CCP. Strong partnerships with residents and stakeholders continue to influence the process. Boulder County is currently pursuing funding opportunities to pay for ongoing creek recovery and restoration projects.

County Staff & Volunteers

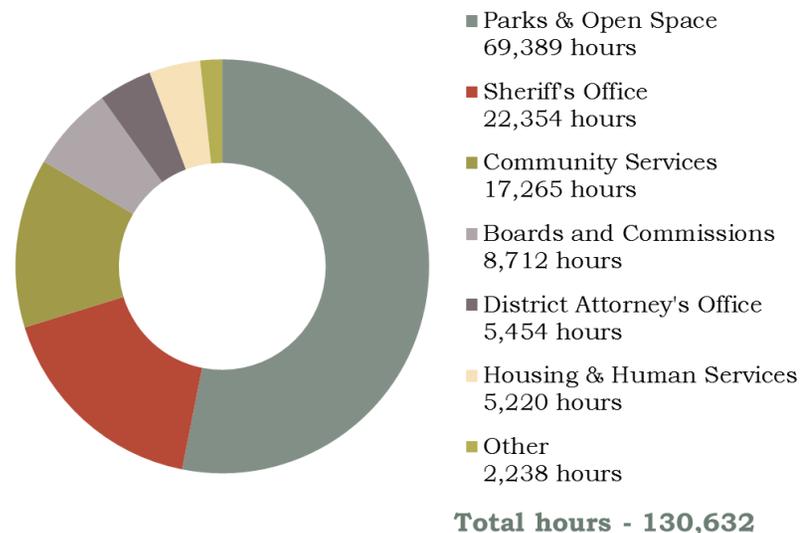
Boulder County strives to build a staff of highly skilled team of staff and volunteers committed to making a difference in our community. Employees receive many training and leadership opportunities to continue developing and helping to support our county vision.

At the end of 2014, the county's workforce included just under 1,824 full-time equivalent positions, an increase of 4.1% over the prior year. The majority of the increase was caused by temporary positions created in response to the 2013 Flood. Many of these positions are funded through 2015 and may be extended into the future as flood recovery work continues.

**Full Time Equivalent Employees by Function
Last 5 Years**



**Total Volunteer Hours Contributed to the
County in 2014
By Department**



In coordination with county staff, the services provided by the county would not be possible without our valued **volunteers**. The county was fortunate to have more than 7,200 volunteers contribute to programs across the county doing a variety of tasks including helping in classrooms, building trails, mentoring at-risk teens or low-income families, working with crime victims, and conducting natural history programs.

Thank you to all who have contributed time and skills to help your community!

For more information on job openings and volunteer opportunities, please visit our website.

www.BoulderCounty.org/jobs

SERVICE STATISTICS

Community, Housing & Human Services	2013	2014	Sheriff's Office	2013	2014
People served through:			Traffic related citations	3,430	3,644
Aging Services (number of contacts made)*	74,765	166,505	Crime reports (non-traffic)	6,400	6,673
Community Action Programs	100	108	Arrests made:		
Community Justice Services	3,543	3,724	Adult	2,704	2,997
Head Start	198	183	Juvenile	133	144
Housing programs	3,779	4,043	Documents served	3,033	2,778
Human services benefit programs	74,491	90,028	Number booked in jail	8,794	8,746
<u>Land Use (Planning/Zoning/Building)</u>			Detective cases assigned	919	831
Permits issued	2,149	2,867	<u>Transportation</u>		
Building inspections	6,211	7,573	Miles of county maintained road	648	647
Zoning & subdivision dockets processed:			County-maintained bridges >20 feet in length	79	79
Special uses	9	9	Lane miles of county-owned bikeways	90	90
Subdivision exemptions	11	18			
Oil & gas development reviews	—	—			
Site plan application reviews	132	113			
<u>Parks & Open Space</u>			<u>Sources</u>		
Acreage owned	62,011	62,029	2014 & 2013 Boulder County CAFR's as well as from various county departments and offices.		
Acreage protected through easements	37,127	40,637	* Increase in contacts made in Aging Services is due to changes in the way statistics related to outreach were reported.		
Miles of trails maintained (various uses)	113	115			
People served through programs	28,485	30,124			



Financial Position

The **Statement of Net Position**, similar to a balance sheet, presents the county as a whole and is a useful indicator of the county's financial position.

The largest portion of the county's net position (79%) is the county's net investment in capital assets. This includes land, buildings and improvements, infrastructure, equipment and software, less any related debt used to acquire those assets that is still outstanding. These assets are used to provide services to the public and, consequently, these assets are not available for future spending.

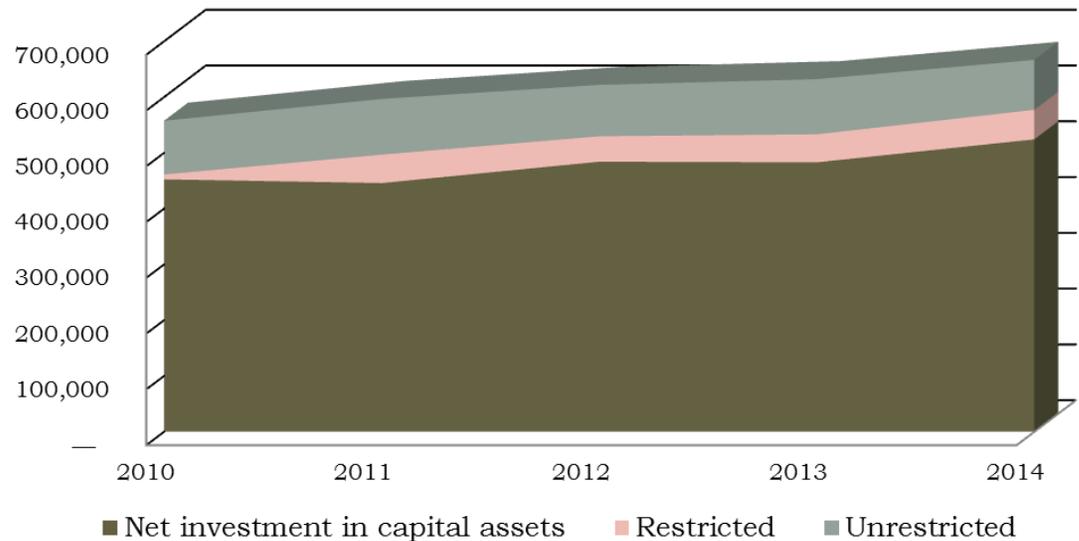
Restricted net position (8%) represents resources that are subject to external restrictions on how they may be used. External restrictions include statutory requirements, contracts, grants, or other legally binding agreements.

Unrestricted net position (13%) represents funds that are available for the county to use to meet day to day operating needs.

The county's net position has grown over the past 5 years with the most significant growth being related to capital assets owned by the county.

CONDENSED STATEMENT OF NET POSITION		
(in thousands of dollars)		
	2013	2014
ASSETS		
Current and other assets	\$ 357,987	\$ 344,646
Capital assets	734,063	767,707
Total assets	1,092,050	1,112,353
DEFERRED OUTFLOWS OF RESOURCES		
Loss on refundings	5,780	4,737
Total deferred outflows of resources	5,780	4,737
LIABILITIES		
Current liabilities	50,704	60,964
Non-current liabilities	270,273	244,876
Total liabilities	320,977	305,840
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue	144,613	144,430
Total deferred inflows of resources	144,613	144,430
NET POSITION		
Net investment in capital assets	483,028	521,656
Restricted	50,276	53,001
Unrestricted	98,936	92,163
Net Position	\$ 632,240	\$ 666,820

Net Position by Component
Last 5 Years * In Thousands



Statement of Activities

Similar to an income statement, this statement shows the county's revenues (income) and expenses in various areas of service. The bottom line is the change in net position, or net income or loss for the year.

Revenues come from a variety of sources including program revenues (fees collected directly from residents that use specific services and funding from federal/state and other grant sources) and general revenues (derived primarily from various taxes, including property, sales and use taxes). Program revenues increased by \$40 million compared to 2013 as the county received significant federal and state funding in response to the 2013 Flood. General revenues increased by \$7 million as retail sales in the area have increased and also because of increased developer fees collected at the Housing Authority.

Expenses include all of the costs the county pays to provide day to day services to residents. Spending is tracked by activities, also referred to as functions, which are the major categories where the county spends money. Spending in 2014 increased by \$27 million compared to 2013. Like revenues, this increase was also a direct result of additional project spending on recovery work for the 2013 Flood.

More information on the various types of revenues and expenses and the changes in each category can be found on pages 10-12.



CONDENSED STATEMENT OF ACTIVITIES

(in thousands of dollars)

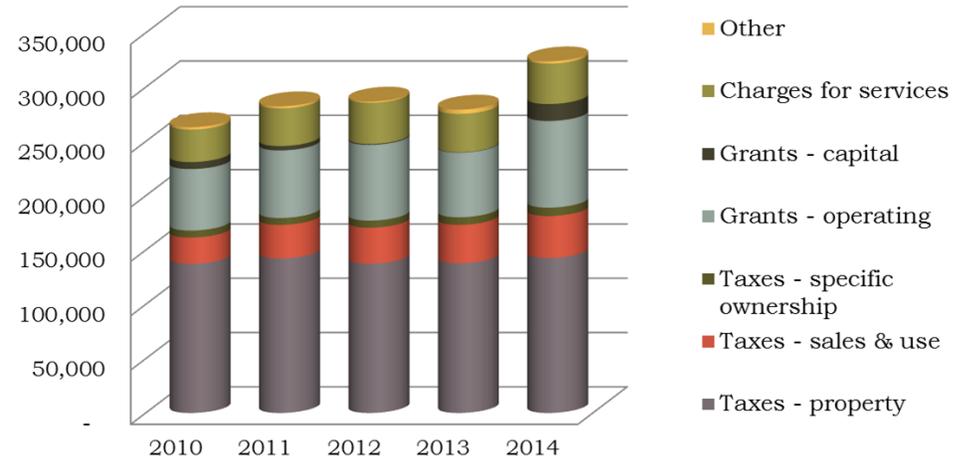
	2013	2014
REVENUES		
Program revenues	\$ 95,228	\$ 135,096
General revenues	184,106	191,078
Total revenues	279,334	326,174
EXPENSES		
Governmental activities	241,262	267,830
Business-type activities	22,979	23,764
Total expenses	264,241	291,594
CHANGE IN NET POSITION	15,093	34,580
Net position, beginning of year*	617,147	632,240
Net position, end of year	\$ 632,240	\$ 666,820

*2013 net position has been restated due to prior period adjustments. Please refer to the 2013 CAFR for more information.

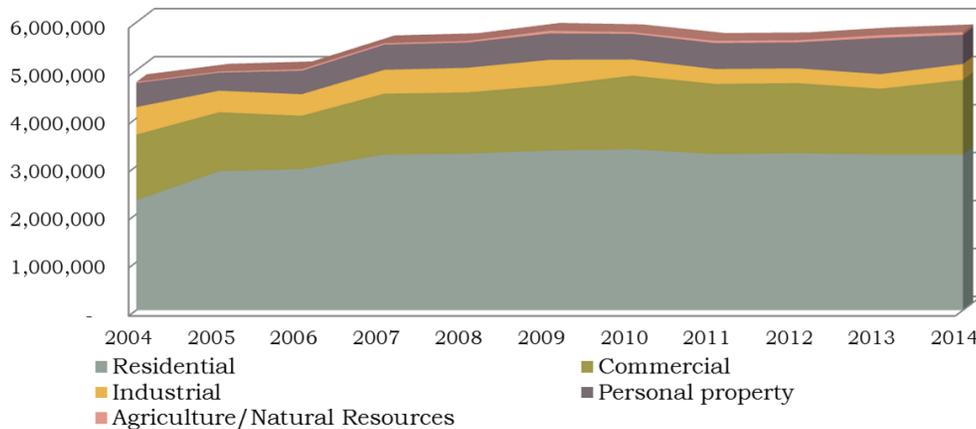
Property taxes are the largest source of revenue for the county and account for \$143 million, or 44% of total revenues in 2014. The direct tax rate for the 2014/2015 assessed/collected years was 24.794 mills, which is broken out as follows:

General	19.612
Road & bridge	0.186
Public welfare	1.097
Developmental disabled	1.000
Health & human services	0.693
Capital expenditures	1.306
Temporary safety net	<u>0.900</u>
TOTAL	24.794

Revenue by Source
Last 5 Years * In Thousands



Total Taxable Assessed Property Values
Last 10 Years * In Thousands



The direct tax rate is calculated per \$1,000 assessed property valuation, meaning that a rate of 24.794 mills results in \$24.794 per \$1,000 of assessed valuation. Property values are assessed every other year by the Boulder County Assessor's Office. Property tax payments are collected by the Treasurer's Office.

Boulder County's total taxable assessed property valuation in 2014 was \$5.8 billion, a slight increase from the previous year as the county saw increased new construction activity.

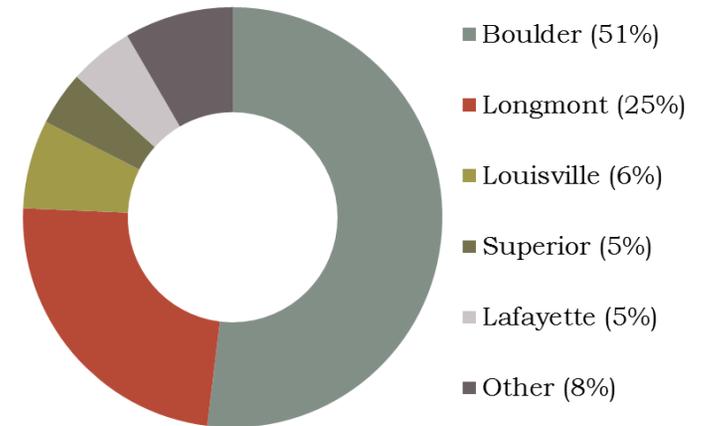
Sales and use taxes are another significant source of revenue for the county, totaling \$39 million or approximately 12% of total county revenues in 2014. The sales tax rate in 2014 was 0.80%, consistent with the previous year.

The total county sales tax rate is made up of the following rates (expiration dates are included for those rates that expire):

Non-profit Human Services (exp. 2018)	0.05%
Jail Improvement & Ops (perpetuity)	0.05%
County Road & Transit (exp. 2024)	0.10%
Open Space (exp. 2019)	0.25%
Open Space (exp. 2029)	0.10%
Open Space (exp. 2024, .05% perpetuity)	0.10%
Open Space (exp. 2030)	<u>0.15%</u>
TOTAL	0.80%

Sales and use taxes in 2014 were up \$3.3 million or 9% from the previous year. This increase is an indication that consumer spending and development is improving throughout the region.

Sales Tax by Municipality
As a % of Sales Tax Collected



For more information regarding sales taxes, refer to our website at:
www.BoulderCounty.org/doc/adminservices/salesusetax.pdf



Program revenues, which include operating and capital grants as well as charges for services, made up 4% of the county's revenues and totaled \$135 million in 2014. These revenues increased \$40 million or 42% from 2013 as the county received significant federal and state revenues to pay for recovery projects related to the 2013 Flood. More information on the 2013 Flood can be found on page 6.



Governments track **expenses** by the type of activity the money is being used for. These activities are also called functions which are explained to the right.

In 2014, the majority of the county’s spending was on health and welfare, general government, and public safety. Total spending increased by \$27 million. The most significant increases were to conservation, health & welfare, and highways and streets which increased a total of \$33 million, offset by a decrease to general government spending.

General government expenses decreased by \$8 million when administration of local non-profit funding was transferred to other departments and reclassified as health & welfare spending, causing an increase in that category.

EXPENSES BY FUNCTION		
<i>in thousands of dollars</i>		
	2013	2014
GOVERNMENTAL ACTIVITIES		
Health & welfare	\$ 53,748	\$ 65,071
General government	70,432	62,425
Public safety	44,944	51,354
Highways & streets	29,762	37,934
Conservation	20,353	33,896
Interest on long term debt	10,119	8,707
Economic opportunity	11,519	7,696
Urban redevelopment	384	747
Governmental activity total	241,262	267,830
BUSINESS-TYPE ACTIVITIES		
Recycling Center	5,738	5,696
Eldorado Springs LID	191	193
Housing Authority	17,050	17,875
Business-type activity total	22,979	23,764
TOTAL EXPENSES	\$ 264,241	\$ 291,594

Conservation spending increased by \$14 million and highways and streets increased by \$8 million, both of which were because of significant recovery work in response to the 2013 Flood.



Boulder County’s Functions

General Government – supports all county offices and departments in serving the public. This includes public information, intergovernmental relations, establishing county policy, assessing and collecting taxes, and management of the county budget.

Conservation – conserves natural, cultural and agricultural resources and provides public uses that reflect sound resource management and community values.

Public Safety – protects the public and keeps people safe with character, competence, and open communication.

Health & Welfare – works to protect, promote, and enhance the health and well-being of all people and the environment, supports and protects our county’s diverse community, and promotes economic independence and self-sufficiency.

Economic Opportunity – provides comprehensive and effective employment, training and supportive services for all job seekers and employers.

Highways & Streets – provides and maintains a reliable network of roadways, bikeways, trails and transit service while ensuring the health, safety and welfare of the public.

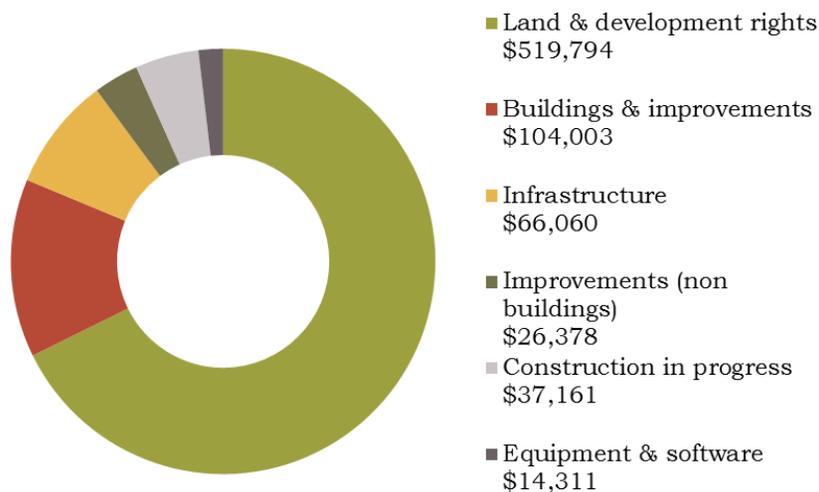
Urban Redevelopment/Housing – supports and sustains healthy communities that strengthen individuals and families while promoting human dignity and hope for the future. Also promotes innovative development that effectively balances conservation, development, and sustainability.

Balance Sheet

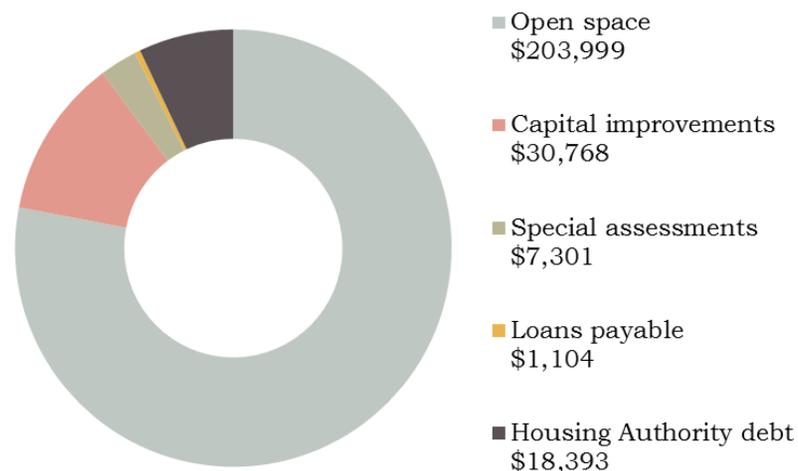
The county's **assets** totaled \$1.1 billion at the end of 2014, with **capital assets** making up 69% of county-owned assets and totaling \$768 million. Capital assets are assets owned by the county that are expected to be used for long periods of time such as land, buildings and roads.

The county has a significant investment in land and development rights, which is mostly open space land and conservation easements purchased with voter-approved tax funding. Capital assets increased by \$34 million from 2013 to 2014 as construction was underway on two major county facilities, an expanded health and human services facility in Longmont and a new Coroner's facility in Boulder.

Capital Assets by Category
Depreciated Value at Year-End * In Thousands



Debt Outstanding by Purpose
Principal Balance at Year-End
Net of Premiums and Discounts * In Thousands



Long-term debt is a common way for governments to raise funding for large, long-term capital projects. At the end of 2014, Boulder County owed a total of \$261 million in long-term debt to creditors, including premiums and discounts which makes up 86% of total liabilities outstanding at the end of the year.

The majority of the debt outstanding at year end (78%) has been used to protect land through acquisitions and conservation easements and is being repaid through voter-approved tax funding.



To encourage innovation and promote the county’s guiding values, the Board of Commissioners recognizes the efforts of county programs. This year the Commissioners selected 8 winners in 6 categories. The winners are listed below and two are featured on this page.

Category	Winning Projects
Commissioners’ Choice	<ul style="list-style-type: none"> * CDBG-DR Implementation Team * Comprehensive Creek Planning Initiative * Flood Rebuilding & Permit Information Center
Innovation	Boulder County Juvenile Restraint Reform Initiative
Collaboration & Teamwork	Flagstaff Road Reconstruction
Stewardship & Sustainability	Ride Free Longmont Free Bus Fare Program

Public Service Winner: Harvest Bucks Program



The Harvest Bucks Program provides customers who rely on federal nutrition assistance programs an incentive to purchase locally grown, healthy foods from farmers’ markets. Supplemental Nutrition Assistance Program (SNAP) recipients double their benefits when buying produce at the farmers’ markets held in Longmont and Boulder. The Harvest Bucks Program increases low income residents’ access to healthy, local produce, and supports our local economy and farmers. This program exemplifies an equitable three-tiered approach to sustainability: socially, providing underserved residents with the opportunity to take part in the local food culture; environmentally, by increasing the viability of our small acreage fruit and vegetable farmers’; and financially, by increasing the purchasing power of underserved residents so that they can access locally grown produce.

Public Involvement Winner: Wildfire Partners

Wildfire Partners is an innovative, visionary program already promoted as a state and national model. The program’s purpose is to create resilient residents, homes, and communities. It is a voluntary program that helps homeowners prepare for wildfire, mitigate their property



and obtain insurance—a new challenge following the Fourmile Fire in 2009. The program’s achievements will reduce the loss of life and property and the

associated costs and consequences for the county in the event of a fire. Wildfire Partners is a collaborative initiative with more than 30 local, state and national partners. The program quickly spread beyond Boulder County and now several insurance agencies accept our certificates as proof of mitigation on the property, enabling their customers to obtain insurance, is seen as very significant by everyone familiar with this industry.

Contact Information

For a complete listing and addresses, visit the Boulder County website at www.BoulderCounty.org/contact/pages/default.aspx

ADMINISTRATIVE SERVICES	303-441-3525	LAND USE	303-441-3930
		Building code questions	720-564-2640
ASSESSOR'S OFFICE	303-441-3530	Building Safety & Inspection Services	303-441-3925
		Planning Division	720-564-2627
BUDGET OFFICE	303-441-4506	Zoning Division	720-564-2639
CLERK & RECORDER'S OFFICE	303-413-7700	PARKS & OPEN SPACE	303-678-6200
Elections	303-413-7740	Park Ranger Dispatch	303-441-4444
Motor Vehicles	303-413-7710	Agricultural Resources	303-678-6234
Recording	303-441-7770	CSU Extension	303-678-6380
CORONER'S OFFICE	303-441-3535	Real Estate	303-678-6263
		Recreation & Facilities	303-678-6189
COUNTY ATTORNEY		Resource Management	303-678-6206
(including open records requests)	303-441-3190	Resource Planning	303-678-6270
		Youth Corps	303-678-6104
COMMISSIONERS' OFFICE	303-441-3500	PUBLIC HEALTH	303-441-1100
Constituent Services Liaison	303-441-1688	Addiction Recovery	303-441-1275
Public Information Officer	303-441-1622	Disease Control	303-413-7500
Public Affairs	303-441-4567	Community Health	303-413-7500
Records of public hearings	303-441-4564	Environmental Health	303-441-1564
Senior Tax Worker Program	303-441-4923	Family Health	303-413-7500
Sustainability	303-441-4565	SHERIFF'S OFFICE	
COMMUNITY SERVICES	303-441-3560	In case of emergency, call 911	
Area Agency on Aging	303-441-3570	Dispatch (non-emergency)	303-441-4444
Community Action Program	303-441-3975	Office of Emergency Management	303-441-3390
Community Justice Services	303-441-3690	Records Requests	303-441-4600
Child Protection Reviews	303-441-4964	Jail Administration	303-441-4650
Head Start Program	303-441-3980	SURVEYOR'S OFFICE	303-441-1615
Healthy Youth Alliance	303-441-3839		
Veterans Services	303-441-3890	TRANSPORTATION	
Volunteer Initiatives	303-441-4889	Engineering & Planning	303-441-3900
Workforce	303-301-2900	Road Maintenance	303-441-3962
DISTRICT ATTORNEY'S OFFICE	303-441-3700	TREASURER'S OFFICE	
		Property Tax Payments	303-441-3520
HOUSING & HUMAN SERVICES	303-441-1000		
Finance & Operations	303-441-1090		
Family & Children's Services	303-441-1000		
Housing Authority	303-441-3929		
Self Sufficiency, Community Support, and Resident Services	303-441-1000		