



COMPREHENSIVE ANNUAL
FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2009

Prepared by the Arapahoe County
Department of Finance
5334 South Prince Street
Littleton, Colorado 80166-0001
www.co.arapahoe.co.us



Reasonable Accommodation Policy

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COMPREHENSIVE
ANNUAL
FINANCIAL
REPORT

YEAR ENDED
DECEMBER 31, 2009

Acknowledgements

BOARD OF COUNTY COMMISSIONERS

<i>Susan Beckman</i>	<i>District 1</i>
<i>Jim Dyer</i>	<i>District 2</i>
<i>Rod Bockenfeld</i>	<i>District 3, Chair</i>
<i>Pat Noonan</i>	<i>District 4, Chair Pro Tem</i>
<i>Frank Weddig</i>	<i>District 5</i>

ELECTED OFFICIALS

<i>Nancy A. Doty</i>	<i>Clerk and Recorder</i>
<i>Corbin Sakdol</i>	<i>Assessor</i>
<i>Doug Milliken</i>	<i>Treasurer</i>
<i>Dr. Michael Dobersen</i>	<i>Coroner</i>
<i>Carol Chambers</i>	<i>District Attorney</i>
<i>J. Grayson Robinson</i>	<i>Sheriff</i>

FINANCE DEPARTMENT

<i>Janet J. Kennedy</i>	<i>Finance Director</i>
<i>Steven R. Oliver</i>	<i>Accounting Manager</i>
<i>Dennis Palamet</i>	<i>Accountant II</i>
<i>Lynn Obremski</i>	<i>Accountant II</i>
<i>Michael Navratil</i>	<i>Accountant II</i>
<i>Sandra Gronquist</i>	<i>Accountant II</i>
<i>Tammy Smith</i>	<i>Accounting Coordinator</i>
<i>Andrea Werft</i>	<i>Accountant I</i>
<i>Ann Jagow</i>	<i>SAP Functional Administrator</i>
<i>Jon Rajewich</i>	<i>SAP Functional Administrator</i>
<i>Mary Lokatys</i>	<i>Office Manager</i>

INFORMATION TECHNOLOGY

<i>Scott McCandless</i>	<i>SAP Database Administrator</i>
<i>Don Carter</i>	<i>Programmer Analyst</i>

COMMUNICATION SERVICES

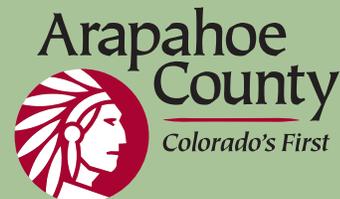
<i>Liz Ellis</i>	<i>Creative Services Specialist II</i>
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Department of Finance**

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**ARAPAHOE COUNTY, COLORADO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2009**

TABLE OF CONTENTS

INTRODUCTORY SECTION

	Page
Letter of Transmittal	A-1
Certificate of Achievement	A-6
List of Principal Officers.....	A-7
Organizational Chart	A-8

FINANCIAL SECTION

Independent Auditor's Report	B-1
Management's Discussion and Analysis.....	B-3
Basic Financial Statements:	
Government-wide Financial Statements	
Statement of Net Assets.....	C-1
Statement of Activities	C-2
Governmental Fund Financial Statements:	
Balance Sheet – Governmental Funds.....	C-4
Reconciliation of Total Governmental Fund Balances to the Statement of Net Assets.....	C-6
Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds	C-8
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	C-10
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual:	
General Fund	C-11
Social Services	C-12
Road and Bridge.....	C-13
Open Space.....	C-14
Proprietary Fund Financial Statements:	
Statement of Net Assets – Proprietary Funds	C-15
Statement of Revenues, Expenses and Changes in Fund Net Assets - Proprietary Funds	C-16
Statement of Cash Flows – Proprietary Funds	C-17
Fiduciary Fund Financial Statements:	
Statement of Fiduciary Net Assets – Fiduciary Funds.....	C-18
Statement of Changes in Fiduciary Net Assets – Fiduciary Funds	C-19
Notes to the Financial Statements.....	
Required Supplemental Information	
Arapahoe County Retirement Plan-Schedules of Employer Contributions and Funding Progress.....	C-57
Supplemental Information Required by the State of Colorado	
Human Services Schedule of EBT Authorizations.....	C-59
Local Highway Finance Report.....	C-60
Combining Financial Statements and Schedules:	
Description of Nonmajor Governmental Funds	D-1
Combining Balance Sheet – Nonmajor Governmental Funds.....	D-4
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - Nonmajor Governmental Funds	D-10
Schedules of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual:	
Electronic Filing Technology – Special Revenue Fund	D-16
Cash-In-Lieu – Special Revenue Fund.....	D-17
Law Enforcement Authority District – Special Revenue Fund.....	D-18
Arapahoe/Douglas Works! – Special Revenue Fund	D-19
Conservation Trust – Special Revenue Fund	D-20
Contingent – Special Revenue Fund	D-21
Communications Network Replacement – Special Revenue Fund	D-22
Sheriff's Commissary – Special Revenue Fund	D-23
Community Development – Special Revenue Fund.....	D-24
Forfeited Property – Special Revenue Fund.....	D-25
Board Designated – Special Revenue Fund.....	D-26
Developmental Disability – Special Revenue Fund	D-27
Grants – Special Revenue Fund.....	D-28

**ARAPAHOE COUNTY, COLORADO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2009**

**TABLE OF CONTENTS
(Continued)**

Homeland Security Grant – Special Revenue Fund.....	D-29
Building Maintenance Administration – Special Revenue Fund.....	D-30
Fairgrounds – Special Revenue Fund	D-31
Law Enforcement Capital Improvement – Capital Project Fund	D-32
Capital Expenditure Fund – Capital Project Fund.....	D-33
Infrastructure – Capital Project Fund.....	D-34
Arapahoe County Recreation District – Capital Project Fund.....	D-35
Arapahoe County Water and Wastewater PID	D-36
Equipment Lease Purchase Fund – Debt Service Fund	D-37
Arapahoe County Building Finance Corporation	D-38
Description of Proprietary Funds - Internal Service Funds	D-39
Combining Statement of Net Assets – Proprietary Funds	D-40
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets – Proprietary Funds	D-42
Combining Statement of Cash Flows – Proprietary Funds.....	D-44
Description of Fiduciary Funds – Agency Funds.....	D-46
Combining Statement of Changes In Asset and Liabilities – Fiduciary Funds	D-47
Statements of Component Unit Without Separately Presented Financial Statements - E-911 Authority	
Balance sheet – Component Unit – E-911 Authority.....	D-48
Statement of Revenues, Expenditures and Changes in Fund Balance – Component Unit – E-911 Authority	D-49
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual – Component Unit - E-911 Authority	D-50

STATISTICAL SECTION

Government-Wide Information:

Table 1	Net Assets by Component	E-2
Table 2	Changes in Net Assets.....	E-4
Table 3	Fund Balances, Governmental Funds	E-6
Table 4	Changes in Fund Balances, Governmental Funds.....	E-8
Table 5	Assessed Value and Actual Value of Taxable Property	E-10
Table 6	Direct and Overlapping Property Tax Rates	E-12
Table 7	Principal Property Tax Payers.....	E-14
Table 8	Property Tax Levies and Collections	E-15
Table 9	Ratios of General Bonded Debt Outstanding	E-16
Table 10	Computation of Direct and Overlapping Debt	E-18
Table 11	Legal Debt Margin Information.....	E-21
Table 12	Demographic and Economic Statistics	E-22
Table 13	Principal Employers	E-23
Table 14	Full-time Equivalent County Government Employees by Function/Program	E-24
Table 15	Operating Indicators by Function/Program	E-25
Table 16	Capital Assets Statistics by Function/Program	E-26

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June 21, 2010

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

JANET J. KENNEDY, CPA
Director

TRANSMITTAL

The Comprehensive Annual Financial Report of Arapahoe County, Colorado, for the fiscal year ended December 31, 2009, is hereby submitted. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the management of Arapahoe County (hereafter referred to as the County). To provide a reasonable basis for making these representations, the County has established internal controls that are designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the County's financial statements in conformity with Generally Accepted Accounting Principles (GAAP) for governmental units as prescribed by the Governmental Accounting Standards Board (GASB). Because the cost of internal controls should not outweigh their benefits, the County's internal controls have been designed to provide reasonable assurance that the financial statements will be free from material misstatements. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the County. All disclosures necessary to enable the reader to gain an understanding of the County's financial activities have been included.

Arapahoe County financial statements have been audited by Eide Bailly LLP a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of Arapahoe County for the fiscal year ended December 31, 2009, are free of material misstatement. The independent audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded that there was a reasonable basis for rendering an unqualified opinion that Arapahoe County's financial statements for the fiscal year ended December 31, 2009 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GASB requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. Arapahoe County's MD&A can be found immediately following the report of the independent auditors.

PROFILE OF ARAPAHOE COUNTY

Arapahoe County, incorporated in 1902, is located in the north central part of the State. The County is located in the southeastern portion of the Denver metropolitan area and covers approximately 850 square miles. Arapahoe County, with the county seat located in the City of Littleton, is one of the largest counties in the State of Colorado with a population of about 580,000. A majority of residents live in the urbanized western part of the County, while other residents live in the rural, rolling farmlands to the east. The County contains all or part of the following cities and towns: Aurora, Bennett, Bow-Mar, Centennial, Cherry Hills Village, Columbine Valley, Deer Trail, Englewood, Foxfield, Glendale, Greenwood Village, Littleton and Sheridan. There are also nine school districts and about 300 local improvement and service districts within the County.

Comprehensive Annual Finance Report (CAFR) Transmittal

A five-member Board of County Commissioners (BOCC) governs Arapahoe County. The Commissioners are full time employees and manage the operations of the County on a daily basis. The County does not have a County Manager or Administrator. The Commissioners are elected from individual districts within the County. The Board currently includes:

Susan Beckman	District 1
Jim Dyer	District 2
Rod Bockenfeld (Chair)	District 3
Pat Noonan (Chair Pro Tem)	District 4
Frank Weddig	District 5

Departments overseen by the Board of County Commissioners include: BOCC Administration, Communication Services, Community Resources, County Attorney, Facilities and Fleet Management, Finance, Human Resources, Human Services, Information Technology, Public Works and Development and Open Space.

Six other elected officials also serve the County:

Corbin Sakdol	Assessor
Doug Milliken	Treasurer
Dr. Michael Dobersen	Coroner
Nancy A. Doty	Clerk and Recorder
Carol Chambers	District Attorney
J. Grayson Robinson	Sheriff

The Public Trustee is appointed by the Governor and is responsible for processing transactions related to real property located within the County including the release of deeds and the processing of foreclosures. This office is a fiscally separate and independent agency.

BUDGET PROCESS

The budget helps to ensure that the County's financial strength and integrity continue to be maintained and enhanced. The budget also supports continuous customer service efforts to foster efficiency, cost effectiveness, and excellence in the provision of services to the Citizens of Arapahoe County.

The County constructs its budget on a calendar year as required by Part 1 of Article 1 of Title 29 of the Colorado Revised Statutes, which governs the budget process of Colorado counties. On or before August 15th, elected officials and department directors submit revenue estimates and expenditure requests to the Budget Division of the Finance Department. On or before August 25 of each year, the County Assessor submits the current total assessed valuations for all taxing entities in the County and the factors needed to compute the statutory property tax revenue limits. Based on this information and following a review process, the Budget Division submits a recommended balanced budget to the Board of County Commissioners through the Executive Budget Committee on or before October 15. The Executive Budget Committee is composed of selected representatives from the elected officials and department directors who review preliminary budget issues and requests and present their recommendations to the Board of County Commissioners. The County currently prepares budgets on an annual basis.

All mill levies must be certified by the BOCC on or before December 22nd of each year. Prior to the beginning of the next fiscal year, the BOCC enacts a budget adoption resolution and an appropriating resolution to approve the total budget and departmental expenditures. The BOCC may make no contract and no liability against the County can be created by any County officials unless an appropriation has been made.

In addition, neither the BOCC nor any County official can expend money for any of the purposes set out in the appropriation resolution in excess of the amount appropriated. In the case of an emergency or a

Comprehensive Annual Finance Report (CAFR) Transmittal

contingency that was not reasonably foreseeable, the BOCC may authorize the expenditure of funds in excess of the budget by a resolution adopted by a majority vote.

ECONOMIC ENVIRONMENT

The condition of the national and local economy has an impact on the financial condition of Arapahoe County. Growth in residential and non-residential new construction, the real estate market, employment, consumer spending, and inflation all play a role in the local economy.

The national economy has been mired in a recession since December 2007. National unemployment was on the rise and expected to climb to over 10.0% before the end of 2010 and economic growth, as measured by the growth in gross domestic product (GDP), was expected to show very modest growth in 2010. The construction and real estate markets have been hit hard by foreclosures, overbuilding, banking problems, and the consumer's ability to secure lending. Deflation of about 0.5% is projected for 2009 when the final numbers are determined. A much longer, slower, "jobless" recovery is projected for 2010 and 2011 and many risks to the forecast remain.

The condition of the Colorado economy generally lags the nation and this current recession is no exception. Unemployment was at lower levels than the nation as a whole at around 7.6% for 2009 and expected to climb to 8.2% in 2010. Retail sales, residential home permits, and nonresidential construction were all projected to drop further during 2009 with only modest gain for 2010. Colorado's more diverse economy during this recession has allowed a milder downturn than other states or for the State when compared with earlier recessions. Similar to the nation, a much slower recovery is projected and this will have a longer term impact on County revenues and expenditures.

Long-term financial planning

The County currently projects revenues, expenditures and available fund balances for 5 year periods to help determine its financial position and plan for the future. It is the County's intent each year to balance the General Fund operating budget to current revenues without the use of fund balance. The available fund balance at the end of one year can then be used to budget for capital projects and other one-time uses in the following year.

The Executive Budget Committee, after a thorough review of the County's financial position, has set four priorities when planning for the future.

- Protecting the core of County programs, services and staff
- Structurally balancing the General Fund operating budget
- Preparing for the future and uncertain economic conditions
- Commitment to provide quality services and be fiscally responsible

For 2010 the County has planned on \$6.2 million in capital improvements. The major project is the replacement of the Assessment and Taxation System. This system is used by the County Assessor to assess property within the County and by the Treasurer to determine the taxation amounts on the various properties. Another \$2.1 million will be spent on various infrastructure projects.

SIGNIFICANT ISSUES

Continuation of the County's Performance Management Initiatives

A major effort for the County during 2009 was the development of a strategic planning and performance management system. The County hired external consultants from the Balanced Scorecard Institute to assist the County in developing a balanced scorecard performance management system, which is called Align Arapahoe. Align Arapahoe is a proactive countywide strategic planning and management system

Comprehensive Annual Finance Report (CAFR) Transmittal

designed to boost performance and efficiency and help Arapahoe County meet today's priorities and tomorrow's challenges by helping the County prioritize and align its activities to its mission, vision and values. It is the current plan to have this Align Arapahoe process developed far enough to be useful in guiding priorities for developing the 2011 budget.

Preparing for the Future and Uncertain Economic Conditions

The current recession and the prospects for recovery for the County greatly influenced the budget decisions of the Board of County Commissioners and the Executive Budget Committee. It is anticipated that County revenues may remain stagnant for a few years due to the slow jobless national recovery and due to the delay between current declining commercial property values and the assessment and tax collection cycles. Property tax on real and personal property is the largest source of revenue for the County and is heavily dependent upon new construction, the local rate of inflation and the assessed value of all property. For 2010 tax collections, the 2009 assessment data included a 2.8% drop in actual value and a 1.9% increase in assessed value. The increase in assessed value stemmed from positive growth in nonresidential property which is assessed at a higher rate than residential property, which experienced a decline. The chief concern for future budget years is that property tax collections will be based upon the current downturn in the nonresidential market combined with the still weak residential market and little new construction. Such a scenario could result in stagnant property tax revenue for a few years, resulting in a challenge for the County to continue to provide a high level of services during an extended period of rising costs and stagnant revenues.

The Taxpayers' Bill of Rights (TABOR)

The County continues to be restricted by the Colorado State Constitution provision limiting annual revenue growth for property taxes. This law, more commonly known as the Taxpayers' Bill of Rights (TABOR), is included in Article X, Section 20 of the state constitution and limits the County's property tax revenue growth to the sum of the estimated local inflation rate plus the new construction growth rate in the previous calendar year. The impact on the budget of this growth limitation is that the County may not be able to retain all of the property tax revenue that is collected.

AWARDS AND ACKNOWLEDGMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Arapahoe County Government for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2008. 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 CAFR, the contents of which conform to program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. Arapahoe County has received a Certificate of Achievement for the last twenty-two consecutive years (fiscal years ended 1987 – 2008). We believe our current report continues to conform to the Certificate of Achievement program requirements and we are submitting it to GFOA.

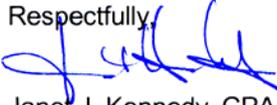
I would like to express my appreciation to the Accounting Manager, Steve Oliver, the department accountants and analysts Lynn Obremski, Michael Navratil, Tammy Smith, Dennis Palamet, Sandra Gronquist, Andrea Werft and Zada Cunningham, who contributed greatly to the audit and the preparation of the CAFR. Their professionalism, dedication, and efficiency made the preparation of this report possible. I also want to thank Mary Lokatys for her administrative and editorial support. Jon Rajewich, Ann Jagow, Mary

Comprehensive Annual Finance Report (CAFR) Transmittal

Lisa Bugel, Don Carter and Scott McCandless also deserve recognition for their outstanding work in extracting the data from our financial system (SAP) and developing the format for the financial statements.

Finally, I wish to thank the Board of County Commissioners for their leadership and support, without which the preparation of this report and the continued success of the Finance Department would not be possible.

Respectfully,



Janet J. Kennedy, CPA
Director of Finance
Arapahoe County, Colorado

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Arapahoe County
Colorado

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2008

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.



A stylized handwritten signature in black ink, appearing to be "J.R. Emer".

President

A handwritten signature in black ink, appearing to be "Jeffrey R. Emer".

Executive Director

ARAPAHOE COUNTY, COLORADO

LIST OF PRINCIPAL OFFICERS

Board of County Commissioners

Susan Beckman District 1
Jim Dyer District 2
Rod Bockenfeld District 3
Pat Noonan District 4
Frank Weddig District 5

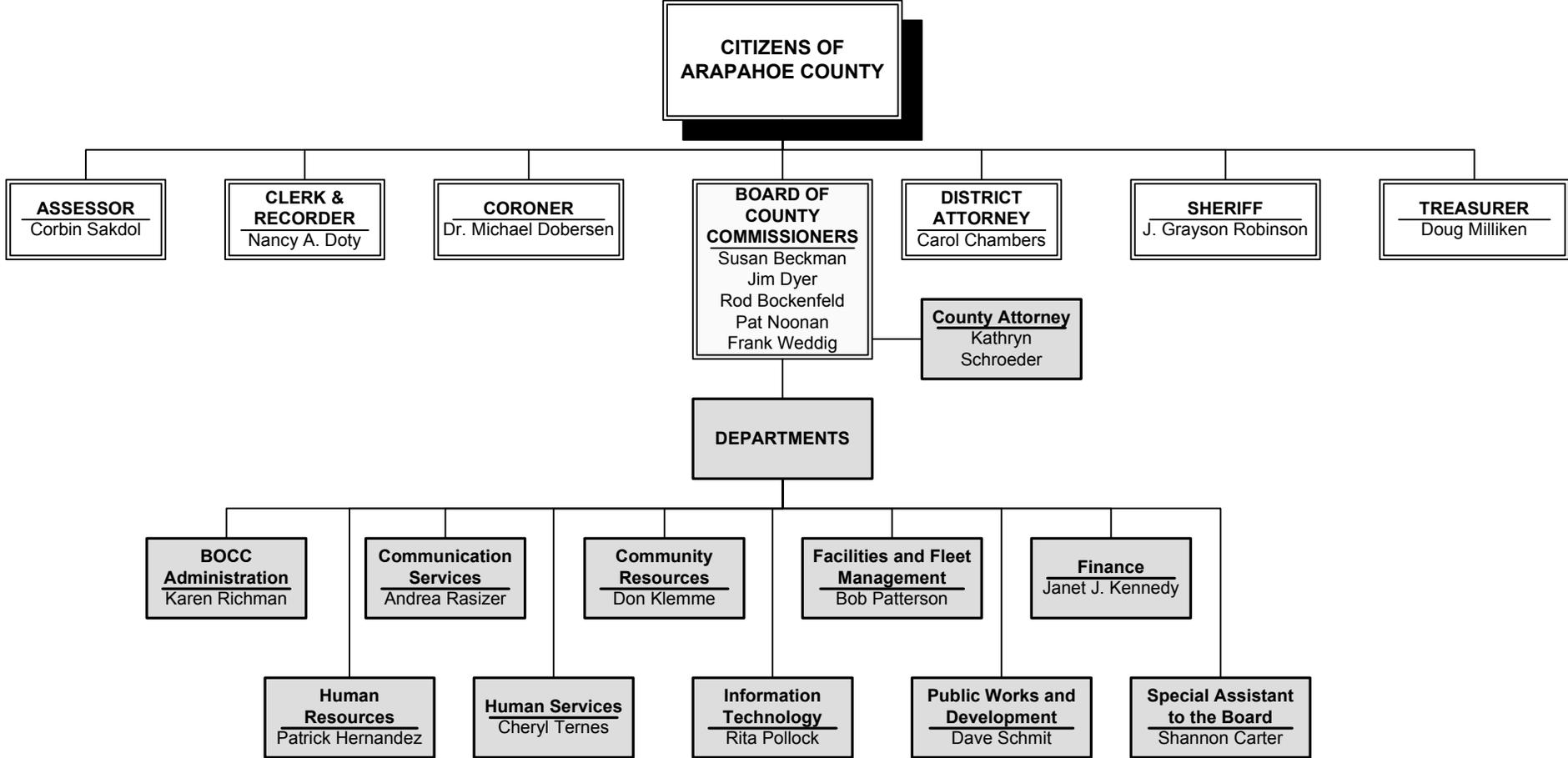
Other Elected Officials

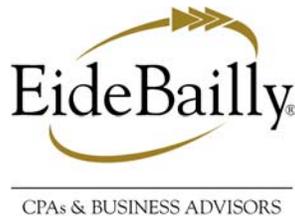
Corbin Sakdol Assessor
Nancy A. Doty Clerk and Recorder
Dr. Michael Dobersen Coroner
Carol Chambers District Attorney
J. Grayson Robinson Sheriff
Doug Milliken Treasurer

Department Directors

Karen Richman BOCC Administration
Andrea Rasizer Communication Services
Don Klemme Community Resources
Kathryn Schroeder County Attorney
Robert M. Patterson Facilities and Fleet Management
Janet J. Kennedy Finance
Patrick Hernandez Human Resources
Cheryl Ternes Human Services
Rita Pollock Information Technology
Dave Schmit Public Works & Development
Shannon Carter Special Assistant to the Board

ARAPAHOE COUNTY GOVERNMENT ORGANIZATIONAL CHART





INDEPENDENT AUDITORS' REPORT

The Board of County Commissioners
Arapahoe County, Colorado

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Arapahoe County, Colorado, as of and for the year ended December 31, 2009 which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Arapahoe County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Arapahoe County Water and Wastewater Authority, a discretely presented component unit of Arapahoe County, for the year ended December 31, 2009, which reflects total assets of \$199,073,715 and total revenues of \$14,783,216. We did not audit the financial statements of Arapahoe County Public Airport Authority, a discretely presented component unit of Arapahoe County, for the year ended December 31, 2009, which reflects total assets of \$57,128,299 and total revenues of \$13,517,853. These financial statements were audited by other auditors whose report expressed an unqualified opinion on the financial statements, and has been furnished to us, and our opinion on the governmental activities, the business activities, the aggregate discretely presented component units, insofar as it relates to the amounts included for the Arapahoe County Water and Wastewater Authority and the Arapahoe County Airport component units for the year ended December 31, 2009, is based solely on the report of the other auditors.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Arapahoe County, Colorado, as of December 31, 2009, 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.

B-1

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In accordance with *Government Auditing Standards*, we have also issued our report dated June 21, 2010 on our consideration of Arapahoe 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 of 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.

Accounting principles generally accepted in the United States of America require that management's discussion and analysis and budgetary comparison information on pages B-3 through B-18 and the pension disclosures on page C-57 be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Arapahoe County's basic financial statements. The introductory section, supplementary information required by the Colorado Department of Human Services, combining and individual fund financial statements, Local Highway Finance Report and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and budgetary schedules, supplementary information required by the Colorado Department of Human Services, and Local Highway Finance Report are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United State of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory section, statistical tables and continuing disclosures have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

The image shows a handwritten signature in cursive script that reads "Eric Sully LLP". The signature is written in dark ink and is positioned above the typed name and address.

Greenwood Village, CO
June 21, 2010

ARAPAHOE COUNTY, COLORADO

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2009

In this Management's Discussion and Analysis (MD&A) section of the Comprehensive Annual Financial Report (CAFR), we provide readers with a narrative overview and analysis of the financial activities of Arapahoe County, Colorado, for the fiscal year ended December 31, 2009. When analyzing financial activities of the current fiscal year, it is useful to compare current fiscal year information with comparable information of the previous fiscal year. This discussion and analysis is also intended to serve as an introduction to the County's basic financial statements. We encourage readers to consider the information presented here in conjunction with the information presented in the letter of transmittal and basic financial statements to enhance their understanding of the County's financial activity and performance.

OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

The Basic Financial Statements are comprised of three components: Government-wide Financial Statements, Fund Financial Statements and Notes to the Financial Statements

In addition to the basic financial statements, this annual report also contains other supplementary schedules and information and a statistical section.

Government-wide Financial Statements

The Government-wide Financial Statements are designed to provide readers with a long-term and broad overview of the County's finances as a whole in a manner similar to a private sector business. The Government-wide Financial Statements use an economic resource measurement focus and the full accrual basis of accounting to present this long-term and broad overview of financial position and activities in the Statement of Net Assets and the Statement of Activities. Therefore, certain expenditures that are recorded in the governmental fund financial statements are deferred or capitalized and amortized or depreciated in the Government-wide Financial Statements. Long-term liabilities and revenues and related assets not reported in fund financial statements are recorded in the Government-wide Financial Statements independent of the cash flows related to these items. Fiduciary fund assets held by a governmental entity for other parties either as trustee or agent are not included in the Government-wide Financial Statements because they cannot be used to finance the governmental entity's own operating programs.

The Statement of Net Assets presents the financial position of the county as a whole at the end of the fiscal year by presenting information on all of the County's assets and liabilities. The difference between the County's assets and liabilities is reported as net assets. Over time, increases or decreases in net assets serve as a useful indicator of whether the County's financial position is improving or deteriorating. If the County's net assets have increased, the financial position of the county has improved. If the County's net assets have decreased, the financial position of the county has deteriorated. The Statement of Activities shows why the financial position of the county as a whole has changed since the beginning of the fiscal year by presenting information showing how the government's net assets have changed during the fiscal year. In the Statement of Activities, all changes in net assets are reported as soon as the underlying economic event giving rise to the change occurs, regardless of the timing of related cash flows.

The Government-wide Financial Statements not only include Arapahoe County, the general purpose local government, but also legally separate and special purpose governmental entities, for which Arapahoe County is financially accountable and with which Arapahoe County has a significant relationship. These legally separate and special purpose governmental entities are known as component units.

The financial activity of component units that can be objectively viewed as an extension of the general purpose local government because their governing bodies are substantively the same or because the component unit provides services exclusively or almost exclusively to or for the benefit of the general purpose local government are blended into the financial statements of the local government. When the

ARAPAHOE COUNTY, COLORADO

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

December 31, 2009

component unit's financial activities are blended, the activities are presented as if they were executed by the general local government and balances of the blended component unit's financial statements are merged with the similar balances of the general purpose local government in a manner that prevents the balances of the blended component unit and the local primary government from being separately identified. The merged financial statements of the blended component units and the general-purpose local government are identified in the Government-wide Financial Statements as the primary government. The following component units have been blended into the Arapahoe County primary government in the Government-wide Financial Statements:

- Arapahoe County Building Finance Corporation
- Arapahoe County Law Enforcement Authority
- Arapahoe County Housing Authority
- Arapahoe County Recreation District
- Arapahoe County Water and Wastewater Public Improvement District

The financial information for component units that cannot be appropriately blended into the financial statements of the primary government are presented separately from the financial information presented for the primary government as discrete components units of Arapahoe County in the Government-wide Financial Statements. The following component units have been presented as discrete component units in the Arapahoe County Government-wide Financial Statements:

- E-911 Authority
- Arapahoe County Airport Authority
- Arapahoe County Water and Wastewater Authority

On the Statement of Net Assets, columns are used to separate the financial information of the primary government and the discretely presented component units. On the Statement of Activities, both columns and rows are used to separate the financial information of the primary government and the discretely presented component units.

The Government-wide Financial Statements can be found on pages C-1 to C-3 of this annual report.

Fund Financial Statements

A fund is a fiscal and accounting entity with a self-balancing set of accounts used to record cash and other financial resources and related liabilities and residual equities segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. Arapahoe County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related regulations, requirements, restrictions or limitations. All of the funds of Arapahoe County can be divided into three categories:

- Governmental Funds
- Proprietary Funds
- 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, because Governmental Fund Financial Statements measurement focus is on near-term inflows and outflows of current financial resources, as well as on balances of current financial resources available at the end of the fiscal year, these financial statements provide information about the ability of the fund to finance current activities and operate within the planned appropriations and budgets of the responsible officials of the government. Such information may be useful in evaluating a government's near-term financing and appropriation related requirements.

ARAPAHOE COUNTY, COLORADO

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

December 31, 2009

Current financial resources, the measurement focus of Governmental Fund Financial Statements, are cash and near-cash assets reduced by short term debt (spendable/appropriable resources) that are available during the fiscal year and soon enough after the end of the fiscal year to financially support the purpose of carrying on specific activities or attaining certain objectives in accordance with the special regulations, restrictions or limitations that define the fund.

Governmental fund accounting uses the modified accrual basis of accounting. This basis of accounting records and reports the inflows and outflows of current financial resources (spendable/appropriable resources) under the special regulations, restrictions or limitations that define the fund. By focusing on current financial resources, modified accrual accounting provides additional information related to the regulations, restrictions or limitations that define the fund and emphasizes the need for short term financing and the generation of spendable resources.

Because the focus of Fund Financial Statements is narrower than that of the Government-wide Financial Statements, it is useful to compare the information presented for governmental funds in Fund Financial Statements 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. A reconciliation of the Total Governmental Fund Balances in the Fund Financial Statements balance sheets to the Net Assets of Governmental Activities in the Government-wide Financial Statements is provided following the Balance Sheet of Government Funds in the Fund Financial Statements. A reconciliation of the Net Change in Fund Balances - Total Governmental Funds in the Fund Financial Statements to the Change in Net Assets of Governmental Activities in the Government-wide Financial Statement is provided following the Statement of Revenues, Expenditures and Changes in Fund Balances in the Fund Financial Statements. These reconciliations provide explanations of differences between these balances and facilitate an understanding of the differences between the measurement focuses and bases of accounting used as the basis of preparing the Fund Financial Statements and the Government-wide Financial Statements.

In this annual report, the County reports on twenty-seven individual governmental funds. Information is presented separately in the Fund Financial Statements for the General Fund, Social Services Fund, Road and Bridge Fund, Open Space Fund, Arapahoe County Water and Wastewater Public Improvement District (PID) Fund, and the Building Finance Corp Fund, all of which are considered to be major funds. Individual Fund Balance Sheets and Statements of Revenues, Expenditures and Changes in Fund Balance are presented for each of these major funds in the Fund Financial Statements included in the Basic Financial Statements section of this annual report. Financial information for the other twenty-one governmental funds is combined into a single, aggregated presentation as Other Governmental Funds in the Fund Financial Statements in the Basic Financial Statements section of this annual report.

The Basic Governmental Fund Financial Statements can be found on pages C-4 to C-14 of this annual report. Financial information related to the individual non-major funds is provided on pages D-1 to D-14 in the Combining Financial Statements and Schedules section of this annual report.

Proprietary Funds - Fund Financial Statements contain two types of proprietary funds, enterprise funds and internal service funds. Enterprise funds are used to report any activity for which a fee is charged to external users for goods or services. Internal Service funds are used to report any activity that provides goods and services to other funds of the primary government or component units on a cost reimbursement basis.

Arapahoe County uses five internal service funds to account for the following activities: the accumulation and allocation of equipment and materials costs, employee benefit, and self-insurance activities. The measurement focus for internal service funds is economic resources and the basis of accounting used for Internal Service Funds is full accrual accounting. Since internal service fund activities benefit

ARAPAHOE COUNTY, COLORADO

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

December 31, 2009

governmental activities; they have been included in the governmental activities in the Government-wide Financial Statements.

The total of the five internal service funds is combined into a single, aggregated presentation as Governmental Activities – Internal Service Funds in the Fund Financial Statements in the Basic Financial Statements section of this annual report. Financial information related to the individual internal service funds is provided on pages D-39 to D-45 in the Combining Financial Statements and Schedules section of this annual report.

Arapahoe County does not have any enterprise funds.

The Internal Service Fund Financial Statements can be found on pages C-15 to C-17 of this annual report.

Fiduciary Funds - Fiduciary Funds are used to account for resources held for the benefit of parties outside the government. Fiduciary Funds are not included in the Government-wide Financial Statements because the resources of these funds are not available to support Arapahoe County's own programs or operations. Arapahoe County uses four fiduciary funds, one trust fund and three agency funds.

The trust fiduciary fund is used to account for the activities of the Arapahoe County Retirement Trust in the Fund Financial Statements in the Basic Financial Statements section of this annual report. The measurement focus for the trust fiduciary fund is economic resources and the basis of accounting used for trust fiduciary fund is full accrual accounting.

The total of the three agencies funds are combined into a single, aggregated presentation as Agency Funds - Total in the Fund Financial Statements in the Basic Financial Statements section of this annual report. The agency funds does not have a measurement focus because a statement presenting the activities that change the Agency Funds net assets is not presented as part of the Basic Financial Statements. The basis of accounting for the Agency funds is full accrual accounting. Financial information related to the individual agency funds is provided on pages D-46 and D-47 in the Combining Financial Statements and Schedules section of this annual report.

A Statement of Fiduciary Net Assets is presented in the Fund Financial Statements for both the Arapahoe County Retirement Trust and the Total Agency Funds. A Statement of Changes in Fiduciary Net Assets is presented for only the Arapahoe County Retirement Trust in the Fund Financial Statements. The Fiduciary Fund Financial Statements can be found on pages C-18 and C-19 of this annual report.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the financial information provided in the government-wide and fund financial statements. The Notes to the Financial Statements can be found on pages C-20 through C-55 of this annual report.

Budgetary Comparisons

Arapahoe County adopts an annual appropriation budget for all of its governmental funds. A budgetary comparison statement has been provided for the General Fund and all major Special Revenue Funds on pages C-11 to C-14 of this annual report. Budget-to-actual comparisons for each of the remaining governmental funds are provided on pages D-16 to D-38 in the Combining Financial Statements and Schedules Section of this annual report.

ARAPAHOE COUNTY, COLORADO

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

December 31, 2009

CHANGES IN THE GOVERNMENT-WIDE FINANCIAL STATEMENTS

Condensed Statement of Net Assets

The following table provides a condensed comparative presentation of Arapahoe County's Government-wide Statement of Net Assets for the primary government for 2009 and 2008.

	2009	2008
Assets		
Current and Other Assets	\$ 420,850,766	\$ 380,276,104
Capital Assets	793,290,731	768,405,887
Total Assets	<u>1,214,141,497</u>	<u>1,148,681,991</u>
Liabilities		
Current and Other Liabilities	179,161,977	183,384,630
Long-term Liabilities	256,579,399	189,113,894
Total Liabilities	<u>435,741,376</u>	<u>372,498,524</u>
Net Assets		
Invested in Capital Assets, Net of Related Debt	627,194,683	671,821,630
Restricted	32,785,071	33,953,349
Unrestricted	118,420,367	70,408,488
Total Net Assets	<u>\$ 778,400,121</u>	<u>\$ 776,183,467</u>

Condensed Statement of Activities

The following table provides a condensed comparative presentation of Arapahoe County's Government-wide Statement of Activities for 2009 and 2008.

	2009	2008
Revenues		
Program Revenues:		
Charges for Services	\$ 49,404,213	\$ 51,680,410
Operating Grants and Contributions	73,787,140	62,413,447
Capital Grants and Contributions	6,569,527	4,709,260
General Revenues:		
Property Taxes	131,681,792	123,865,373
Sales Tax	16,496,260	18,209,151
Other Taxes	8,663,686	9,115,649
Investment Income	5,832,261	13,437,760
Other Revenues	2,538,060	267,257
Total Revenues	<u>294,972,939</u>	<u>283,698,307</u>
Expenses		
General Government	70,545,770	64,476,171
Public Safety	76,796,036	73,524,951
Judicial Services	12,654,389	10,479,953
Health & Welfare	82,651,797	74,537,601
Highway & Streets	21,286,170	22,850,253
Water & Wastewater	1,712,077	1,833,715
Airport	365,538	365,538
Culture & Recreation	18,619,791	16,668,608
Interest on Long-term Debt	8,124,717	8,233,227
Total Expenses	<u>292,756,285</u>	<u>272,970,017</u>
Increase (Decrease) in Net Assets	<u>2,216,654</u>	<u>10,728,290</u>
Net Assets - January 1	<u>776,183,467</u>	<u>765,455,177</u>
Net Assets - December 31	<u>\$ 778,400,121</u>	<u>\$ 776,183,467</u>

ARAPAHOE COUNTY, COLORADO

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

December 31, 2009

ANALYSIS OF THE GOVERNMENT-WIDE FINANCIAL POSITION AND RESULTS OF OPERATIONS

Analysis of Government-wide Financial Position

Net assets, the amount by which a government's assets exceed its liabilities, are generally accepted as the primary indicator of a government's financial position. Increasing net assets from one year to the next indicate an improvement in a government's financial position, while decreasing net assets from one year to the next indicate deterioration in a government's financial position. As of December 31, 2009 and 2008, Arapahoe County's primary government assets exceeded liabilities by \$778.4 million and \$776.2 million respectively indicating that the net assets of the primary government (total assets less total liabilities) increased \$2.2 million. This \$2.2 million increase in net assets (0.3%) from December 31, 2008 to December 31, 2009 is composed of an increase in Current and Other Assets of \$40.6 million (10.6%) and an increase in Capital Assets of \$24.9 million (5%) which were offset by a greater increase in total liabilities of \$63.2 million (16.9%) from 2008 to 2009. This \$2.2 million in net assets indicates that Arapahoe County's financial condition improved during 2009.

The County's invested in capital assets, net of related debt (the original cost of the of the capital assets less depreciation to date, less any related debt used to acquire those assets), \$627.2 million (80%) in 2009 and \$671.8 million (86%) in 2008, is the largest portion of Arapahoe County's primary government net assets. Capital assets include land, land improvements, bridges, water and sewer lines, roads, buildings, building improvements, leasehold improvements, vehicles, furniture and equipment. These capital assets are used to provide services or utility to citizens; consequently, they are not available for future spending. Although the investment in 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.

An additional \$32.8 million (4.0%) in 2009 and \$34 million (4.4%) in 2008 of the County's net assets represent resources that are subject to external restrictions on how they may be used. Included in this category are statutory reserves required by the State of Colorado, debt service reserves, and accumulated revenues that may only be used for specific voter-approved projects.

The remainder of the County's primary government net assets, \$118.4 million (15.2%) in 2009 and \$70.4 million (9%) in 2008 represents unrestricted net assets that may be used to meet ongoing obligations to citizens and creditors. The balance of unrestricted net assets at the end of 2009 increased \$48 million from the balance in unrestricted net assets at the end of 2008.

Analysis of Government-wide Results of Operations

The primary indicator used to assess the health of a government's operations is whether revenues exceed expenses for the fiscal year. The fact that revenues exceeded expenses for the fiscal year demonstrates that the government's capacity to fund the services it is required to provide to its citizens on an ongoing basis was slightly improved during 2009. Government-wide revenues for Arapahoe County were greater than expenses by \$2.2 million (3%) during fiscal year 2009 while government-wide revenues for 2008 exceeded expenses by \$10.7 million (3%) during fiscal year 2008. The County's slightly improved capacity to fund the services it is required to provide to its citizens on an ongoing basis occurred during the extreme recessionary conditions existing in the United States.

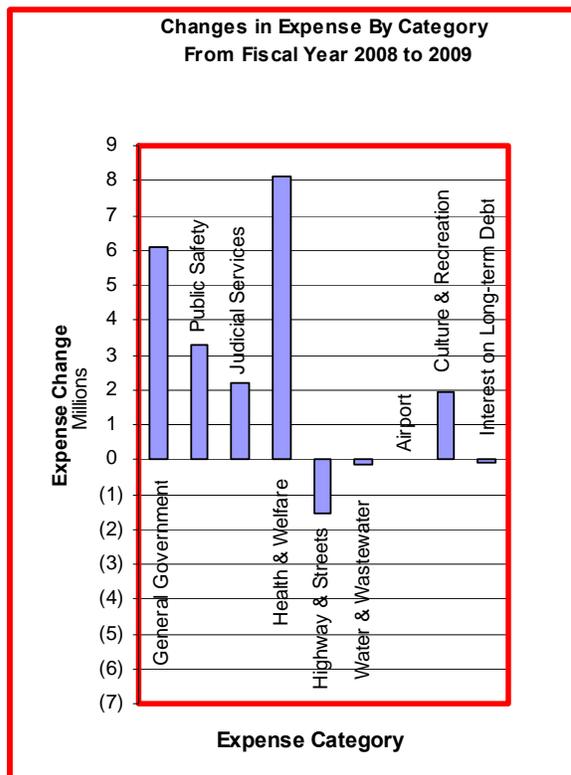
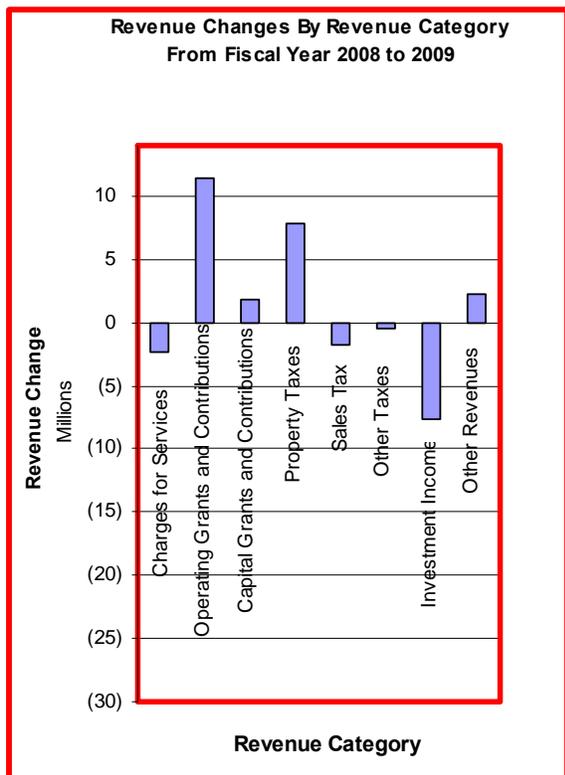
Revenues in the Government-wide Statement of Activities increased \$11.3 million (3%) while expenses increased \$19.8 million (7%).

ARAPAHOE COUNTY, COLORADO

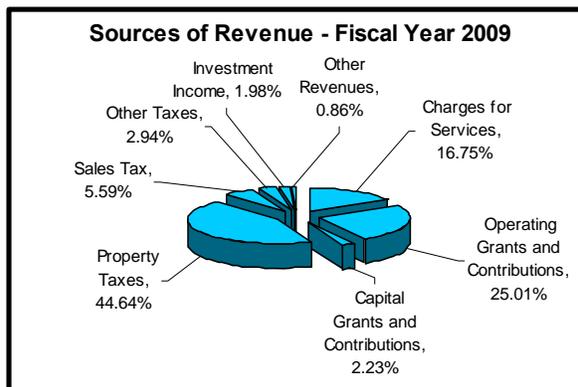
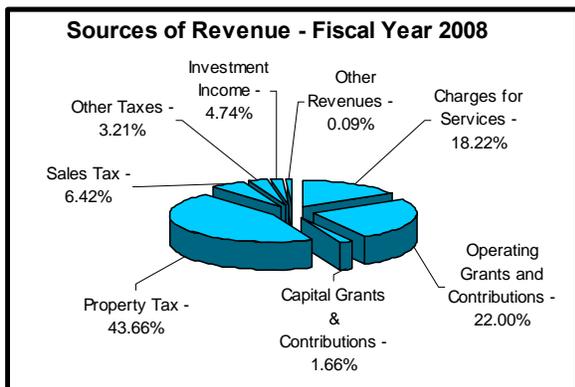
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

December 31, 2009

The changes from fiscal year 2008 to 2009 in the individual revenue and expense categories used in the condensed comparative Government-wide Statement of Activities are presented in the following bar charts:



A comparison of the component sources of revenue used in the condensed comparative Government-wide Statement of Activities for 2008 and 2009 is presented in the following pie charts:



The County received more donated assets in 2009 than in 2008. Donated assets increased from approximately \$3.8 million in 2008 to approximately \$5 million in 2009, an increase of approximately \$1.2 million. Donated assets included roads, road improvements, and right of ways and complement the revenues of the County because the donated assets provide service (utility) to the citizens of the County.

ARAPAHOE COUNTY, COLORADO

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

December 31, 2009

Four revenue line items in the condensed comparative Government-wide Statement of Activities for the primary government had notable changes in their balance, changes in excess of 10% and \$1 million, from fiscal year 2008 to 2009.

The four revenue line items that experienced notable changes were:

- Operating Grants and Contributions – Operating Grants and Contributions revenue increased \$11.4 million from \$62.4 million in 2008 to \$73.8 million in 2009. The increase was primarily caused by a \$7.8 million increase in operating grants received by the County's Health and Welfare program, a \$3 million increase in revenues to the Highways and Streets program, and a \$2 million increase in grants received by the County's Public Safety program.

The Health and Welfare Program's \$8.1 million increase resulted from an increase in grant revenue from the Temporary Assistance to Needy Families (TANF) program of \$3.9. TANF revenues increased from \$7.5 million in 2008 to \$11.4 in 2009. The remainder of the increase was primarily attributable to substantial increases in claims made under the Low Income Energy Assistance program (LEAP) and ARRA funds received in the Child Support Enforcement and Foster Care programs.

The Highways and Streets program increase of \$3.0 was primarily caused an increase in the County's allocation of highway users tax fees of \$1.5 million from 2008 to 2009. The remainder of the increase was primarily cause by increases in shared cost reimbursements related to two large infrastructure projects being jointly funded by the County and other governmental entities.

The Public Safety line of the Operating Grants and Contribution column of the Statement of Activities includes the reimbursements revenue that is recognized by the County for the expenditures made by the County in its capacity as the fiscal agent for the ten county North Central Region of the State of Colorado of the federal Homeland Security Program. Grant reimbursement revenues of the Homeland Security Program increased approximately \$2.4 million from 2008 to 2009.

- Capital Grants and Contributions – Donated assets increased from approximately \$3.8 million in 2008 to \$5 million in 2009, an increase of \$1.2 million (31%). Cash contributions for development improvements required by the County increased \$0.7 million from approximately \$0.3 million in 2008 to \$1 million in 2009. The total of these increases, \$1.9 million, was the primary cause of the \$1.9 million increase (31%) in the Capital Grants and Contributions revenue line from \$4.7 million in 2008 to \$6.6 million in 2009.
- Investment Income – Revenues from investment earnings decreased from \$13.4 million in 2008 to \$5.8 million in 2009. This \$7.61 million decrease relates to the substantial decline in interest rates that occurred during 2009. The severe decrease in interest rates realized on matured and reinvested investments, new investments and variable rate investments during 2009 were primarily caused by the reactions of the markets and Federal Reserve Bank to the prolonged recessionary period currently being experienced throughout the world.
- Miscellaneous Revenues – Miscellaneous Revenues increased by \$2.2 million from \$0.3 million in 2008 to \$2.5 million in 2009. The primary cause of this increase was caused by a one time credit from Kaiser Permanente due to an overpayment and adjustment in the County's health insurance program contract and agreed to adjustment in service charges from the District Attorney that services Arapahoe County.

ARAPAHOE COUNTY, COLORADO

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

December 31, 2009

The sources of revenue as a percentage of the total county revenue for the primary government varied only slightly from fiscal year 2008 to 2009. The largest variance was an increase in the percentage of Operating Grants and Contributions.

Three expense lines in the condensed comparative Government-wide Statement of Activities for the primary government had notable changes in their balance, changes in excess of 10% and \$1 million, from fiscal year 2008 to 2009.

The three expense line items that experienced notable changes were:

- Judicial Services – The \$2.1 million increase in expenditures for Judicial Services resulted from a \$2 million increase in the County's agreed upon allocation of costs for the District Attorney. The District Attorney is an elected position and serves Arapahoe County and other governmental entities.
- Health and Welfare – Health and Welfare expenses increased \$8.1 million from \$74.5 million to \$82.6 million. Approximately \$5 million of this increase is attributable to increases in expenditures in the TANF, LEAP, Child Support Enforcement, Foster Care, and Child Development programs. As the economy deteriorated during 2009, substantially more citizens applied for assistance in the TANF and LEAP programs. Approximately \$1 million of the \$5 million was funded by the American Recovery and Reinvestment Act. The remainder of the increase was attributable to increases in the job search and training programs primarily funded by Wagner-Peyser grants.
- Culture and Recreation – Culture and recreation line item expenses increased from \$16.7 million in 2008 to \$18.6 million in 2009. This increase is explained by a combination of a large contribution to the City of Glendale of \$3.3 million for the Infinity Park project offset by a reduction of \$1.1 million in the sales tax share-back payment to local governments due to a decrease in sales tax revenues.

Expenditures are generally controlled in the short run through changes in the fiscal year budgets and the maintenance of sufficient fund balance reserves to enable the government to weather periods of expenditure overruns and revenue short falls.

ANALYSIS OF BALANCES OF FUND FINANCIAL STATEMENTS

Fund Financial Statements Overview

Arapahoe County uses fund accounting to ensure and demonstrate compliance with finance-related regulations, requirements, restrictions or limitations and to report the financial position and financial activity of the funds. Fund Financial Statements reinforce the Government-wide Financial Statements and provide additional information related to regulations, requirements, restrictions or limitations and report the financial position and financial activity of the funds. The Fund Financial Statements include Governmental Funds, Proprietary Funds, and Fiduciary Funds.

Governmental Funds

Governmental Fund Financial Statements focus on the current financial resources, cash and near-cash assets reduced by short-term debt that are available during the fiscal year and soon enough after the end of the fiscal year to financially support the purpose of carrying on specific activities or attaining certain objectives in accordance with the special regulations, restrictions or limitations that define the fund. This information is useful in assessing the County's current financial resource requirements. In particular,

ARAPAHOE COUNTY, COLORADO

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

December 31, 2009

unreserved fund balance may serve as a useful measure of a government's net resources available for future spending at the end of the fiscal year.

The total ending fund balance of the County's governmental funds was \$ 208.9 million at the end of fiscal year 2009 and \$174.6 million at the end of fiscal year 2008. Approximately \$130.2 million (62%) at the end of fiscal year 2009 and \$139.4 million (80%) at the end of fiscal year 2008 was unreserved fund balance. This unreserved fund balance is available for new spending in the following fiscal year in accordance with the special regulations, restrictions or limitations that define each specific fund. The remainder of the total governmental funds ending fund balance was reserved and was not available for new spending in the following fiscal year because it is committed for the following purposes:

- Prepaid items - \$0.06 million in 2009 and \$0.07 million in 2008
- Inventory - \$0.05 million in 2009 and \$ 0.05 million in 2008
- Encumbrances - \$14.5 million in 2009 and \$6.6 million in 2008
- A state-constitution mandated Tabor Reserve – \$6.0 million in 2009 and \$5.9 million in 2008
- Completion of capital projects - \$19.8 million in 2009 and \$19.8 million in 2008
- Repayment of debt - \$38.4 million in 2009 and \$2.8 million in 2008

The total ending fund balance of the County's governmental funds increased approximately \$34.2 million (19%) from \$174.6 to \$208.9 million from 2008 to 2009. The unreserved fund balance decreased by \$9.4 million (6%) from \$139.4 million to \$130.1 million decreasing the amount available for new spending in the following fiscal year. The analysis of the fund balances of the governmental funds indicates the County's financial liquidity and short-term financial position declined from fiscal year 2008 to fiscal year 2009.

At the end of fiscal year 2009, the following six major governmental funds were included in the Fund Financial Statements:

- General Fund
- Social Services Fund
- Road and Bridge Fund
- Open Space Sales Tax
- Arapahoe County Water and Wastewater Fund (PID)
- Building Finance Corporation Fund

The following is an analysis of the important balances of each of these major funds:

General Fund

This fund is the primary operating fund of the Arapahoe County Government. The general fund is used to account for all activities that are not accounted for in another fund. The General Fund balance was \$31.3 million as of December 31, 2009 and \$40.4 million as of December 31, 2008. Of these amounts, \$1.2 million in 2009 and \$0.6 million in 2008, were reserved for commitments on current contracts and prepaid items. The remaining \$30.1 million (96%) in 2009 and \$39.7 million (98.5%) in 2008 were unreserved and available for spending in future years. The General Fund unreserved fund balance decreased by \$9.6 million (24%) from 2008 to 2009. This decrease in unreserved fund balance was a planned use of fund balance.

As a measure of the General Fund's ability to meet its financing and revenue generation needs, it is useful to compare the unreserved fund balance at the end of fiscal year 2009 to the budgeted total program expenditures and transfers for the fund for 2010, the following fiscal year. The unreserved fund balance of the General Fund at the end of fiscal year 2009, \$29.2 million, less the budgeted use of the fund balance in 2010, \$2.1 million, represented 17.1% of the adopted budget for General Fund total program expenditures and transfers for 2010, \$157.8 million. This indicates that approximately an 82.9% combination of budgeted

ARAPAHOE COUNTY, COLORADO

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

December 31, 2009

revenue short falls and actual expenditure over budgeted expenditures could be sustained during 2010 before the liquidity of the fund is compromised and use of the maintained required liquidity reserves are required to be used.

Total program expenditures in the General Fund increased by \$2.7 million (1.9%) from \$137.9 in fiscal year 2008 to \$140.6 in fiscal year 2009. General government program expenditures decreased \$0.9 million (1.5%), public safety expenditures increased by \$1.1 million (1.8%), judicial services increased by \$2.2 million (21%), and health and welfare program expenditures changed nominally. The 21% increase in judicial services is attributable to a revision in the County's service arrangement with the separately elected Office of the District Attorney and an increase in the Arapahoe County approved budget allocation from the District Attorney's Office due to increased staffing needs.

General Fund revenues decreased \$1.5 million (1%) from \$152.8 million in 2008 to \$151.3 million in 2009. Property taxes increased \$5.1 million (5.9%) from fiscal year 2008 to 2009. This increase was primarily caused by an increase in the assessed valuation. The County's mill levy for the General Fund was 1.756 mills in 2008 and 11.756 in 2009.. Other taxes decreased \$0.3 million from \$6.6 million to \$6.3 million (4.7%) from fiscal year 2008 to 2009. Other taxes primarily consist of the County's portion of state auto ownership taxes, which were higher in 2008 than 2009. License and permit fees were unchanged from 2008 to 2009. Investment income of the General Fund decreased 60%, from \$11.1 million in 2008 to \$4.4 million in 2009. Market conditions changed significantly during 2009, thus, causing the decline in interest rates and investment performance.

All other General Fund revenue sources, intergovernmental revenues, charges for services fines, interfund revenues and rentals, and miscellaneous income, increased 1% from 2008 to 2009. None of the individual decreases within these revenue categories were considered significant and are not discussed further in this management discussion and analysis.

Social Services Fund

This fund is mandated by the State of Colorado and is used to account for participation by the County in Federal and State public welfare programs. The fund balance increased \$0.3 million (2.6%) from \$11.3 million at the end of fiscal year 2008 to \$11.6 million at the end of 2009. Only \$27,390 of the \$11.6 million fund balance was reserved at the end of fiscal year 2009. Essentially 100% of the \$11.6 million fund balance was remaining and available for future expenditures.

The unreserved fund balance of the Social Services Fund at the end of fiscal year 2009, approximately \$ 11.6 million represented approximately 24.5% of the \$47.4 million adopted budget for the Social Services Fund total program expenditures and transfers for 2010.

Revenues increased by approximately \$5.3 million from 2008 to 2009. The Human Services Department is funded approximately 74% from State and Federal grant monies and 26% by County property and other taxes. Increases received from the Temporary Assistance to Needy Families (TANF) program accounted for \$3.9 million of the \$5.3 million increase in revenues. TANF revenues increased from \$7.5 million in 2008 to \$11.4 in 2009. The remainder of the increase was attributable to substantial increases in claims made under the Low Income Energy Assistance program (LEAP) and ARRA funds received in the Child Support Enforcement and Foster Care programs.

Expenditures increased \$5.0 million from approximately \$40 million in 2008 to approximately \$45 million in 2009. The increases in expenditures were primarily in the same programs and in the same proportion as the increases in revenues, e.g. increases in expenditures in the TANF, LEAP and Child Support Enforcement and Foster Care programs. As the economy deteriorated during 2009, substantially more citizens applied for assistance in the TANF and LEAP programs. Approximately 68% of the fund's

ARAPAHOE COUNTY, COLORADO

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

December 31, 2009

expenditures are for salaries, benefits and operating expenditures, while the remaining 32% expended for services to clients. Assistance payments increased by 30% from 2008 to 2009.

Road and Bridge Fund

This fund accounts for the ongoing maintenance and improvement of County streets and highways. The total fund balance of the Road and Bridge Fund was \$5.9 million at the end of fiscal year 2009 and \$5.9 million at the end of fiscal year 2008. The fund balance essentially remained unchanged from 2008 to 2009.

The unreserved fund balance of the Road and Bridge Fund at the end of fiscal year 2009, \$5.1 million, represented approximately 34.2% of the \$14.9 million adopted budget for the Road and Bridge Fund total program expenditures and transfers for 2010.

Revenues decreased by \$0.4 million (2.6%) and expenditures decreased by 0.8 million (5.1%) from 2008 to 2009. The fund's expenditures have stabilized and appear to be in concert with revenues after the termination of the City of Centennial contract for public works services for the areas within the City of Centennial boundaries during 2008.

Open Space Fund

This fund was established to collect and preserve open space in the County. The total fund balance decreased \$1.3 million from 2008 to 2009. The fund balance is reserved for encumbrances in the amount of \$0.3 million with the remaining \$23.4 million available for future use as outlined by the resolution establishing the fund. The fund collected approximately \$16.5 million in sales tax and received \$0.9 million in investment income during 2009. The fund expended \$18.6 million through grants, share back proceeds payment to incorporated municipalities and capital construction expenditures. Revenues and expenditures remained consistent with 2008 activity.

Arapahoe County Water and Wastewater Public Improvement District (PID)

The majority of total fund balance of the PID is reserved for construction and subsequent year debt service expenditures. The expenditures presented in the Statement of Revenues, Expenditures, and Changes in Fund Balance are predominantly for capital outlay and debt service expenditures. The PID fund balance increased by \$41.7 million from fiscal year 2008 to 2009. This increase was primarily due to the issuance of general obligation bonds by the PID in the amount of \$55.6 million in 2009 reduced by a deficit of revenues over expenditures of approximately \$14.0 million during 2009. The deficit of revenues over expenditures of \$14.0 million was primarily caused by capital construction project expenditures of \$13.8 million that were funded by prior debt issue proceeds being held in construction escrow accounts. Property tax and other miscellaneous revenues of \$6.2 million approximately equaled the debt service expenditures for 2009 of \$5.8 million. Real estate property tax revenues and other personal property tax revenues are restricted for funding debt service expenditures in the PID. Long term debt is the primary funding source of capital construction project costs in the PID.

Building Finance Corporation Fund

The Building Finance Corporation Fund acts as a debt service fund to account for the transactions of the Arapahoe County Building Corporation, a not-for-profit corporation that issues certificates of participation (COP's) for the purpose of funding the construction of facilities that are leased to Arapahoe County Government.

ARAPAHOE COUNTY, COLORADO

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

December 31, 2009

The total fund balance of the Building Finance Corporation was \$1.8 million at the end of fiscal year 2009 and \$2.7 million at the end of fiscal year 2008. The total fund balance for both fiscal years was primarily reserved for debt service.

Debt service expenditures, \$6.5 million, exceeded earned revenue, \$1.7 million, by \$4.8 million during fiscal year 2009.

The ability of the fund to make debt service payments is primarily dependent upon the liquidity of other governmental funds of the County and the Arapahoe County Airport Authority.

Non Major Governmental Funds

The total fund balance of the combined non-major governmental funds increased by approximately \$3.4 million (4.8%); from \$69.6 million in 2008 to \$73.0 million in 2009.

This increase was primarily caused by transfer from the General Fund to the Infrastructure Fund for \$4.2 million to fund the Parker Road / Arapahoe Road Interchange infrastructure project to match funding received from CDOT and DRCOG.

Proprietary Funds

There are two types of proprietary funds, enterprise funds and internal service funds. Enterprise funds are used to report the financial position and activities of funds that provide services to the public that are not provided by the county governmental funds. Internal service funds are used to report the financial position and activities of funds that provide services to the other funds of the County. The County has only internal service funds. The internal service funds of the County are the Central Services Fund, the Liability Self Insurance Fund, the Employee Flex Benefit Fund, the Worker's Compensation Fund and the Dental Self-Insurance Fund. The net assets for the County's internal service funds increased from \$25.7 million to \$27.8 million from fiscal year 2008 to 2009.

Of the \$27.8 million in 2009 and \$25.7 million in 2008 of the total net assets of the proprietary funds, \$24.2 million (87%) and \$21.9 million (85%) respectively were the net assets of the Central Service Fund. The Central Service Fund is used primarily to allocate the cost of movable assets (primarily furniture and equipment, computers, and vehicles) to the departments of the County to fund replacement of the assets. It is also used to distribute the costs of central services (primarily postage, printing and fleet maintenance parts and fuel charges) to departments of the county. Of the \$24.2 million net assets in the Central Services Fund at the end of 2009, \$9.0 million was invested in capital assets (net of accumulated depreciation); \$0.35 million in inventory and approximately \$14.9 million (62%) was available to replace expiring movable assets in the future.

Fiduciary Funds

Fiduciary Funds are used to account for resources held for the benefit of parties outside the government. Fiduciary Funds are not included in the Government-wide Financial Statements because the resources of these funds are not available to support Arapahoe County's programs or operations. Because the resources of these funds are not available to support Arapahoe County's programs and operations, they are not discussed in this Management Discussion & Analysis.

ARAPAHOE COUNTY, COLORADO

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

December 31, 2009

GENERAL FUND BUDGET VARIANCE ANALYSIS

The County's budget is prepared according to Colorado statutes. The most significant budgeted fund is the General Fund.

	Budget			Actual	Variance Positive (Negative)
	Original Budget	Amendments	Final Budget		
Fund Balance - January 1, 2009	\$ 40,356,316	\$ -	\$ 40,356,316	\$ 40,356,316	\$ -
Revenues and Other Financing Sources	152,919,696	3,997,223	156,916,919	154,117,509	(2,799,410)
Expenditures and Other Financing Uses	163,927,244	6,401,042	170,328,286	163,205,100	7,123,186
Fund Balance - December 31, 2009	\$ 29,348,768	\$ (2,403,819)	\$ 26,944,949	\$ 31,268,725	\$ 4,323,776

In fiscal year 2009, the Board of County Commissioners originally appropriated a total of \$163.9 million for General Fund expenditures and other financing uses. This appropriated total was amended to \$170.4 million in the final budget, an increase of \$6.5 million (3.0%). The Board of County Commissioner's also originally estimated \$152.9 million of General Fund revenues and other financing sources for 2009. This estimate was revised to \$154.1 million in the final budget, an increase of \$1.2 million (0.78%). Actual General Fund revenues and other financing sources, \$151.3 million, were lower than the General Fund budgeted revenues and other financing sources final budget, \$154.1 million, by \$2.8 million (a negative 1.8% variance). Actual General Fund expenditures and other financing uses, \$163,205,100, were less than the General Fund appropriated expenditures and other financing uses, \$170,328,286, by \$7,123,186 (a positive 4.1% variance).

The only large General Fund budget to actual negative variance that occurred during 2009 was a budgetary shortfall in investment earnings. This shortfall was primarily attributable to the fact that actual investment earnings, \$4,367,521, were less than the final budgeted amount for investment earning, \$7,900,500 by \$3,532,979 (44.7%). The under realized investment earnings, \$3,532,979, is 2.3% of the budgeted amount for General Fund revenues and other financing sources. The actual investment earnings were notably less than the budgeted investment earnings due to the severe decrease in interest rates realized on matured and reinvested, new investments and variable rate investments during 2009 recessionary period.

ANALYSIS OF CAPITAL ASSET AND LONG TERM DEBT ACTIVITY

Capital Assets

Arapahoe County's investment in capital assets (net of accumulated depreciation) for its governmental activities was \$768.4 million as of December 31, 2008, and \$ 779.3 million as of December 31, 2009. This investment in capital assets includes land and land improvements, buildings, furniture and equipment, infrastructure, and construction in progress. The County's investment in capital assets increased \$10.9 million (1.4%) during fiscal year 2009.

ARAPAHOE COUNTY, COLORADO

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

December 31, 2009

A summary of the County's capital assets is as follows:

Arapahoe County Government's Capital Assets		
(Net of Depreciation)		
Governmental Activities		
	2009	2008
Land and Land Improvements	\$ 38,143,021	\$ 37,071,046
Buildings and Improvements	157,551,951	152,907,885
Furniture and Equipment	12,406,313	12,191,863
Infrastructure	548,990,875	512,900,653
Construction in Progress	36,198,571	53,334,440
Total	\$ 793,290,731	\$ 768,405,887

A summary of significant capital asset events during fiscal year 2009 included the following:

- Developers donated infrastructure improvements & rights-of-way valued at approximately \$5.0 million to the County during 2009.
- Land was purchased for approximately \$1.3 million as addition to Arapahoe County Open Space Program during 2009.
- Approximately \$23.4 million was spent on uncompleted capital construction projects related to building, facilities and the County's infrastructure during 2009.

Additional information on Arapahoe County capital assets can be found in the Notes to the Financial Statements located on pages C-24 and 25 and C-34 through C-36 of this annual report.

Capital Lease Purchase Agreements and Outstanding Bonds

At the end of fiscal year 2009, Arapahoe County had two bond issues, two long-term note payables, three capital certificates of participation and six capital lease purchase agreements outstanding. The capital certificates of participation were issued by the Arapahoe County Building Finance Corporation.

Arapahoe County		
Summary of Outstanding Debt		
Governmental Activities		
	2009	2008
Certificates of Participation	\$ 52,017,113	\$ 55,939,276
Bonds	114,775,779	59,064,130
Long-term Notes	41,232,834	42,108,191
Lease Purchases	17,489,736	18,944,343
Total	\$ 225,518,462	\$ 176,055,940

Arapahoe County increased its total debt by \$49,462,522 million during 2009.

ARAPAHOE COUNTY, COLORADO

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

December 31, 2009

On December 16, 2009, the Arapahoe County Water and Wastewater Public Improvement District 2009 Series A & B Bonds were issued in the amount of \$ 56,075,000 with fixed interest rates between 4.25% and 6.48%. The bonds were issued to finance the construction and acquisition of water and sewer improvements and capitalize interest and the costs of issuing the bonds.

Additional information about Arapahoe County's long-term debt can be found in the Notes to the Financial Statements pages C-38 to C-49 of this annual report.

DESCRIPTION OF CURRENTLY KNOWN FACTS, DECISIONS OR CONDITIONS EXPECTED TO HAVE AN EFFECT ON ARAPAHOE COUNTY'S FINANCIAL POSITION AND OPERATIONS

Decisions

- **General Fund Unreserved Fund Balance.** Arapahoe County has appropriated \$2.05 million of the 2009 General Fund unreserved fund balance of \$29,188,615 million for spending in the 2010 fiscal year budget.
- **Property Tax Mill Levy.** The total County mill levy for Property Taxes including the mill levies for blended component units increased 0.012 mills (0.03%) from 38.137 mills for 2009 to 38.149 mills for 2010.

Economic Condition Indicators

- **Unemployment Rate** - The unemployment rate, not seasonably adjusted, for Arapahoe County was 7.2% for year-ended 2009, which is an increase from the rate of 6.1% for the year-ended 2008. This rate compares favorably to the Denver-metro area's unemployment rate of 7.3% and the state's unemployment rate of 7.6 % for 2009.
- **Building Permits** - The number of new single family residence construction permits issued in 2009 dropped 11.6% from the number issued in 2008, while the number of new multi-family residential construction permits increased 38.18 % from the number issued in 2008. The number of new non-residential construction permits increased 2.84% from 2008 to 2009.
- **Mortgage Foreclosures** - Mortgage foreclosures in 2009 reached 6,243 compared to 5,860 in 2008.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of Arapahoe County's finances for 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 Janet Kennedy, Director of Finance, 5334 South Prince Street, Littleton, CO 80166, (303) 795-4598.

Arapahoe County, Colorado
Statement of Net Assets
December 31, 2009

	Primary Government		Component Units	
	Governmental Activities	E-911 Authority	Arapahoe County Airport Authority	Arapahoe County Water and Wastewater Authority
Assets				
Cash and investments	\$ 161,610,461	\$ 7,521,962	\$ 3,837,640	\$ 17,830,379
Accounts receivable	13,956,354	366,630	1,797,575	2,207,786
Property tax receivable	132,614,793	-	-	-
Note receivable	-	-	58,916	-
Due from other governments	14,543,077	-	-	-
Inventories	417,604	-	-	-
Prepays and pension assets	61,179	-	115,282	141,265
Deferred charges	4,583,320	-	-	3,683,967
Restricted cash and investments	93,063,978	-	616,223	84,466,448
Restricted intangible assets	-	-	1,000,000	-
Capital assets:				
Land	34,843,167	-	23,669,170	2,063,196
Land improvements	4,077,566	-	1,010,963	-
Buildings and improvements	240,445,418	-	15,296,461	2,959,305
Furniture and equipment	56,607,866	4,260,688	5,398,757	-
Infrastructure	636,591,190	-	-	30,126,899
Runways	-	-	27,694,301	-
Water rights	-	-	-	66,033,372
Construction in progress	36,198,571	-	8,049,171	2,035,241
Less accumulated depreciation/depletion	(215,473,047)	(2,165,556)	(31,416,160)	(12,474,143)
Net capital assets	793,290,731	2,095,132	49,702,663	90,743,870
Total assets	1,214,141,497	9,983,724	57,128,299	199,073,715
Liabilities				
Accounts payable and other current liabilities	26,606,801	27,356	1,048,294	2,880,112
Accrued interest payable	1,459,434	-	75,747	-
Due to other governments	610,532	-	-	-
Unearned revenue	150,485,210	-	19,217	-
Noncurrent liabilities:				
Long term debt due within one year	7,606,829	-	1,725,871	1,090,124
Long term debt due in more than one year	228,519,367	-	9,496,304	136,992,348
Net pension obligation	18,620,203	-	-	-
Estimated claims payable greater than one year	1,833,000	-	-	-
Total liabilities	435,741,376	27,356	12,365,433	140,962,584
Net assets				
Invested in capital assets net of related debt	627,194,683	2,095,132	37,605,184	27,468,220
Restricted for:				
TABOR reserve	5,885,745	-	-	-
Debt service	1,797,825	-	-	-
Cash in-lieu fund	339,855	-	-	-
Conservation trust fund	426,650	-	-	-
Open space fund	23,677,779	-	-	-
Other restrictions	657,217	-	1,616,223	-
Unrestricted	118,420,367	7,861,236	5,541,459	30,642,911
Total net assets	\$ 778,400,121	\$ 9,956,368	\$ 44,762,866	\$ 58,111,131

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

Arapahoe County, Colorado
Statement of Activities
For the Year Ended December 31, 2009

Program Revenues

Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government				
General government	\$ 70,545,770	\$ 23,745,686	\$ 369,616	\$ -
Public safety	76,796,036	24,543,218	5,059,275	-
Judicial services	12,654,389	-	-	-
Health and welfare	82,651,797	520,950	57,471,628	3,479
Highways and streets	21,286,170	375,448	10,388,780	6,062,121
Water and wastewater	1,712,077	-	327,882	-
Airport	365,538	-	-	-
Culture and recreation	18,619,791	218,911	169,959	503,927
Interest on long-term debt	8,124,717	-	-	-
Total governmental activities	292,756,285	49,404,213	73,787,140	6,569,527
Component units				
E-911	1,677,046	2,314,451	-	-
Arapahoe County Airport Authority	6,923,049	5,558,428	7,861,286	-
Arapahoe County Water and Wastewater Authority	12,205,357	12,277,690	-	2,330,701
Total component units:	\$ 20,805,452	\$ 20,150,569	\$ 7,861,286	\$ 2,330,701

General revenue

Property taxes
Sales tax
Other taxes
Investment income
Miscellaneous

Total general revenues

Change in net assets

Net assets - beginning
Net assets - ending

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

Net(Expense) Revenue and
Changes in Net Assets

Primary Government Total	Component units		
	E-911 Authority	Arapahoe County Airport Authority	Arapahoe County Water and Wastewater Authority
\$ (46,430,468)			
(47,193,543)			
(12,654,389)			
(24,655,740)			
(4,459,821)			
(1,384,195)			
(365,538)			
(17,726,994)			
(8,124,717)			
<u>(162,995,405)</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	637,405	-	-
-	-	6,496,665	-
-	-	-	2,403,034
<u>\$ -</u>	<u>\$ 637,405</u>	<u>\$ 6,496,665</u>	<u>\$ 2,403,034</u>
131,681,792	-	-	-
16,496,260	-	-	-
8,663,686	-	-	-
5,832,261	263,104	98,139	174,825
2,538,060	-	-	-
<u>165,212,059</u>	<u>263,104</u>	<u>98,139</u>	<u>174,825</u>
2,216,654	900,509	6,594,804	2,577,859
776,183,467	9,055,859	38,168,062	55,533,272
<u>\$ 778,400,121</u>	<u>\$ 9,956,368</u>	<u>\$ 44,762,866</u>	<u>\$ 58,111,131</u>

Arapahoe County, Colorado
Balance Sheet
Governmental Funds
December 31, 2009

	General	Social Services	Road and Bridge	Open Space Sales Tax
Assets				
Cash and investments	\$ 33,615,383	\$ 21,288,008	\$ 5,062,845	\$ -
Restricted cash and investments	36,833	-	-	28,221,613
Accounts receivable	5,096,375	5,057,806	1,366,177	2,823,401
Taxes receivable	91,272,934	11,344,380	5,687,562	-
Due from other funds	886,589	-	-	-
Prepaid items	27,413	27,390	4,474	-
Inventories	-	-	-	-
Total assets	\$ 130,935,527	\$ 37,717,584	\$ 12,121,058	\$ 31,045,014
Liabilities and fund balances				
Liabilities				
Accounts payable	\$ 2,758,731	\$ 1,283,402	\$ 331,044	\$ 7,334,676
Accrued expenditures	5,231,805	1,588,256	147,711	32,559
Due to other governments	325	50,654	-	-
Due to other funds	-	-	-	-
Deferred revenues	91,675,944	23,183,096	5,687,562	-
Total liabilities	99,666,805	26,105,408	6,166,317	7,367,235
Fund balances				
Reserve for prepaid items	27,413	27,390	4,474	-
Reserved for encumbrances	1,191,500	-	789,573	313,570
Reserved for inventories	-	-	-	-
Reserved for TABOR	-	-	-	-
Reserved for construction	-	-	-	-
Reserved for debt service	-	-	-	-
Unreserved - designated for:				
Subsequent year's expenditures				
General fund	861,197	-	-	-
Special revenue fund	-	-	32,999	23,364,209
Capital projects fund	-	-	-	-
Unreserved, undesignated, reported in:				
General fund	29,188,612	-	-	-
Special revenue fund	-	11,584,786	5,127,695	-
Capital projects fund	-	-	-	-
Total fund balances	31,268,722	11,612,176	5,954,741	23,677,779
Total liabilities and fund balances	\$ 130,935,527	\$ 37,717,584	\$ 12,121,058	\$ 31,045,014

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

Arap. County Water and Wastewater PID	Arap. County Building Finance Corp.	Other Governmental	Total Governmental
\$ 3,673,031	\$ 10,790	\$ 79,389,358	\$ 143,039,415
59,419,414	1,838,058	-	89,515,918
174,033	-	3,389,049	17,906,841
5,981,121	-	18,328,796	132,614,793
-	-	-	886,589
-	-	1,902	61,179
-	-	63,139	63,139
<u>\$ 69,247,599</u>	<u>\$ 1,848,848</u>	<u>\$ 101,172,244</u>	<u>\$ 384,087,874</u>
\$ 1,804,550	\$ 646	\$ 2,678,575	\$ 16,191,624
-	-	619,822	7,620,153
-	-	-	50,979
-	-	886,589	886,589
5,981,121	-	23,957,487	150,485,210
<u>7,785,671</u>	<u>646</u>	<u>28,142,473</u>	<u>175,234,555</u>
-	-	1,160	60,437
-	-	12,175,922	14,470,565
-	-	54,025	54,025
-	-	5,885,745	5,885,745
19,784,322	-	-	19,784,322
36,525,430	1,848,202	60,688	38,434,320
-	-	-	861,197
-	-	2,422,894	25,820,102
5,152,176	-	26,416,149	31,568,325
-	-	-	29,188,612
-	-	22,282,272	38,994,753
-	-	3,730,916	3,730,916
<u>61,461,928</u>	<u>1,848,202</u>	<u>73,029,771</u>	<u>208,853,319</u>
<u>\$ 69,247,599</u>	<u>\$ 1,848,848</u>	<u>\$ 101,172,244</u>	<u>\$ 384,087,874</u>

Arapahoe County, Colorado
Reconciliation of Total Governmental Fund Balances
to the Statement of Net Assets
December 31, 2009

Amounts reported for governmental activities in the statement of net assets are different because:

Total governmental fund balance	\$	208,853,319
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		784,264,907
Other assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		9,627,808
Internal service funds are used by management to charge the costs of insurance and other services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets		27,836,856
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		<u>(252,182,769)</u>
Net assets of governmental activities	\$	<u>778,400,121</u>

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

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Arapahoe County, Colorado
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the Year Ended December 31, 2009

	General	Social Services	Road and Bridge	Open Space Sales Tax
Revenues				
Taxes				
Property taxes	\$ 90,895,738	\$ 11,301,221	\$ 6,022,172	\$ -
Sales tax	-	-	-	16,496,260
Other taxes	6,321,399	793,128	422,638	-
Licenses and permits	4,643,098	-	317,443	-
Intergovernmental	3,185,567	35,602,591	7,963,908	60,000
Charges for services	36,839,027	31,796	6,751	-
Fines	610,147	-	-	-
Investment earnings	4,367,521	-	-	856,636
Interfund revenues and rentals	2,813,053	-	-	-
Interest on loan to component unit	-	-	-	-
Developer contributions	-	-	-	-
Miscellaneous	1,625,959	332,133	5,759	15,000
Total revenue	<u>151,301,509</u>	<u>48,060,869</u>	<u>14,738,671</u>	<u>17,427,896</u>
Expenditures				
Current				
General government	57,820,350	-	-	-
Public safety	61,234,880	-	-	-
Judicial services	12,721,751	-	-	-
Health and welfare	8,802,788	44,957,378	-	-
Highways and streets	-	-	14,704,628	-
Water and wastewater	-	-	-	-
Airport	-	-	-	-
Culture and recreation	-	-	-	17,315,929
Total current	<u>140,579,769</u>	<u>44,957,378</u>	<u>14,704,628</u>	<u>17,315,929</u>
Capital				
General government	-	-	-	-
Public safety	33,900	-	-	-
Health and welfare	25,390	-	-	-
Highways and streets	-	-	-	-
Water and wastewater	-	-	-	-
Culture and recreation	-	-	-	1,309,219
Total capital	<u>59,290</u>	<u>-</u>	<u>-</u>	<u>1,309,219</u>
Debt				
Principal	-	-	-	-
Interest	-	-	-	-
Debt issuance costs	-	-	-	-
Total debt service	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>140,639,059</u>	<u>44,957,378</u>	<u>14,704,628</u>	<u>18,625,148</u>
Excess (deficiency) of revenues over (under) expenditures	<u>10,662,450</u>	<u>3,103,491</u>	<u>34,043</u>	<u>(1,197,252)</u>
Other financing sources (uses)				
Transfers in	2,816,000	13,630	2,200	273
Transfers out	(22,566,041)	(2,821,543)	(2,616)	(66,905)
Premium (discount) on bonds	-	-	-	-
Issuance of bonds payable	-	-	-	-
Total other financing sources (uses)	<u>(19,750,041)</u>	<u>(2,807,913)</u>	<u>(416)</u>	<u>(66,632)</u>
Net change in fund balance	<u>(9,087,591)</u>	<u>295,578</u>	<u>33,627</u>	<u>(1,263,884)</u>
Fund balance - beginning	40,356,313	11,316,598	5,921,114	24,941,663
Fund balance - ending	<u>\$ 31,268,722</u>	<u>\$ 11,612,176</u>	<u>\$ 5,954,741</u>	<u>\$ 23,677,779</u>

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

Arap. County Water and Wastewater PID	Arap. County Building Finance Corp.	Other Governmental	Total Governmental
\$ 5,223,941	\$ -	\$ 18,238,720	\$ 131,681,792
-	-	-	16,496,260
380,775	-	745,747	8,663,687
-	-	50,372	5,010,913
327,882	-	28,492,914	75,632,862
-	-	2,661,195	39,538,768
-	-	845,378	1,455,525
35,958	123,543	448,604	5,832,262
-	-	50,070	2,863,123
-	1,595,034	-	1,595,034
-	-	585,425	585,425
234,790	-	718,132	2,931,773
<u>6,203,346</u>	<u>1,718,577</u>	<u>52,836,557</u>	<u>292,287,424</u>
-	-	2,454,626	60,274,976
-	-	11,535,345	72,770,225
-	-	-	12,721,751
-	2,715	28,908,121	82,671,002
-	-	1,708,888	16,413,516
579,638	-	-	579,638
-	650	-	650
-	25	778,720	18,094,674
<u>579,638</u>	<u>3,390</u>	<u>45,385,700</u>	<u>263,526,432</u>
-	-	10,421,481	10,421,481
-	-	1,529,403	1,563,304
-	-	340,935	366,325
-	-	6,216,234	6,216,234
13,797,084	-	-	13,797,084
-	-	2,366	1,311,585
<u>13,797,084</u>	<u>-</u>	<u>18,510,419</u>	<u>33,676,013</u>
792,863	4,030,000	1,454,607	6,277,470
4,888,491	2,461,125	729,795	8,079,409
154,750	2,625	-	157,375
<u>5,836,104</u>	<u>6,493,750</u>	<u>2,184,402</u>	<u>14,514,254</u>
20,212,826	6,497,140	66,080,521	311,716,699
<u>(14,009,480)</u>	<u>(4,778,563)</u>	<u>(13,243,964)</u>	<u>(19,429,275)</u>
-	3,908,925	22,547,224	29,288,252
(396,671)	-	(5,875,255)	(31,332,360)
56,075,000	-	-	(396,671)
<u>55,678,329</u>	<u>3,908,925</u>	<u>16,671,969</u>	<u>56,075,000</u>
41,668,849	(869,638)	3,428,005	34,204,946
19,793,079	2,717,840	69,601,766	174,648,373
<u>\$ 61,461,928</u>	<u>\$ 1,848,202</u>	<u>\$ 73,029,771</u>	<u>\$ 208,853,319</u>

Arapahoe County, Colorado
Reconciliation of the Statement of Revenues
Expenditures, and Changes in Fund Balances of Governmental Funds
To the Statement of Activities
For the Year Ended December 31, 2009

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

Net change in fund balances - total governmental funds	\$ 34,204,946
Governmental funds report capital outlays as expenditures. However, in the statements 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.	20,675,814
The net effect of various miscellaneous transactions involving capital assets (i.e., sales trade-ins, and donations) is to increase net assets.	5,056,390
The repayment of long-term debt consumes the current financial resources of governmental funds, however there is no effect on net assets.	6,277,470
Proceeds from borrowing increase the financial resources of the governmental funds but are not revenues to the government-wide financial statements.	(56,075,000)
Refunding losses premium or discounts and bond issuance costs are revenues and expenditures of the governmental funds but are not to the government-wide financial statements.	154,450
Some revenues reported in the governmental funds have been reported in the statement of activities in prior periods.	(1,185,000)
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.	(8,973,661)
Internal service funds are used by management to charge the costs of insurance and other services to individual funds.	<u>2,081,245</u>
Change in net assets of governmental activities.	<u>\$ 2,216,654</u>

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

Arapahoe County, Colorado
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance
	Original	Final		with Final Budget Positive/(Negative)
Revenues				
Taxes				
Property taxes	\$ 90,822,179	\$ 90,822,179	\$ 90,895,738	\$ 73,559
Other taxes	7,100,000	7,100,000	6,321,399	(778,601)
Licenses and permits	4,495,900	4,526,860	4,643,098	116,238
Intergovernmental	2,148,900	2,604,283	3,185,567	581,284
Charges for services	36,410,045	36,459,545	36,839,027	379,482
Fines	614,770	614,770	610,147	(4,623)
Investment earnings	7,900,500	7,900,500	4,367,521	(3,532,979)
Interfund revenues and rentals	2,817,306	2,817,306	2,813,053	(4,253)
Miscellaneous	610,096	1,255,476	1,625,959	370,483
Total revenue	<u>152,919,696</u>	<u>154,100,919</u>	<u>151,301,509</u>	<u>(2,799,410)</u>
Expenditures				
Current				
General government				
Administrative services	8,073,109	8,547,752	6,570,751	1,977,001
Assessor's Office	5,535,754	5,542,936	5,145,164	397,772
Board of County Commissioners	1,101,210	1,101,210	1,057,333	43,877
BOCC-Administration	630,284	630,284	596,468	33,816
Clerk and Recorder's Office	9,096,577	9,062,543	8,161,101	901,442
Communication Services Department	1,221,144	1,228,486	1,091,644	136,842
County Attorney	2,461,628	2,455,769	2,440,220	15,549
Facilities and Fleet Management	7,995,273	8,028,235	7,812,878	215,357
Finance	2,966,255	3,028,965	2,609,469	419,496
Human Resources	1,381,984	1,543,081	1,190,038	353,043
Information Technology	12,150,264	12,214,265	11,776,524	437,741
Public Works and Development	7,888,236	7,873,220	7,420,917	452,303
Treasurer's Office	1,971,065	1,971,065	1,947,843	23,222
Total general government	<u>62,472,783</u>	<u>63,227,811</u>	<u>57,820,350</u>	<u>5,407,461</u>
Public safety	61,095,906	62,252,188	61,234,880	1,017,308
Judicial services	13,041,641	12,721,751	12,721,751	-
Health and welfare	9,308,032	9,411,745	8,802,788	608,957
Total current	<u>145,918,362</u>	<u>147,613,495</u>	<u>140,579,769</u>	<u>7,033,726</u>
Capital				
General government	600	600	-	600
Public safety	9,650	148,150	33,900	114,250
Health and welfare	-	-	25,390	(25,390)
Total capital	<u>10,250</u>	<u>148,750</u>	<u>59,290</u>	<u>89,460</u>
Total expenditures	<u>145,928,612</u>	<u>147,762,245</u>	<u>140,639,059</u>	<u>7,123,186</u>
Excess (deficiency) of revenues over (under) expenditures	<u>6,991,084</u>	<u>6,338,674</u>	<u>10,662,450</u>	<u>4,323,776</u>
Other financing sources (uses)				
Transfers in	-	2,816,000	2,816,000	-
Transfers out	(17,998,632)	(22,566,041)	(22,566,041)	-
Total other financing sources (uses)	<u>(17,998,632)</u>	<u>(19,750,041)</u>	<u>(19,750,041)</u>	<u>-</u>
Net change in fund balance	<u>(11,007,548)</u>	<u>(13,411,367)</u>	<u>(9,087,591)</u>	<u>4,323,776</u>
Fund balance - beginning	40,356,313	40,356,313	40,356,313	-
Fund balance - ending	<u>\$ 29,348,765</u>	<u>\$ 26,944,946</u>	<u>\$ 31,268,722</u>	<u>\$ 4,323,776</u>

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

Arapahoe County, Colorado
Social Services
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance
	Original	Final		with Final Budget Positive/(Negative)
Revenues				
Taxes				
Property taxes	\$ 11,293,579	\$ 11,293,579	\$ 11,301,221	\$ 7,642
Other taxes	903,000	903,000	793,128	(109,872)
Intergovernmental	32,315,379	32,946,711	35,602,591	2,655,880
Charges for services	44,000	44,000	31,796	(12,204)
Miscellaneous	390,000	390,000	332,133	(57,867)
Total revenue	<u>44,945,958</u>	<u>45,577,290</u>	<u>48,060,869</u>	<u>2,483,579</u>
Expenditures				
Current				
Health and welfare	44,430,979	45,467,929	44,957,378	510,551
Total expenditures	<u>44,430,979</u>	<u>45,467,929</u>	<u>44,957,378</u>	<u>510,551</u>
Excess (deficiency) of revenues over (under) expenditures	<u>514,979</u>	<u>109,361</u>	<u>3,103,491</u>	<u>2,994,130</u>
Other financing sources (uses)				
Transfers in	-	13,630	13,630	-
Transfers out	-	(2,821,543)	(2,821,543)	-
Total other financing sources (uses)	<u>-</u>	<u>(2,807,913)</u>	<u>(2,807,913)</u>	<u>-</u>
Net change in fund balance	514,979	(2,698,552)	295,578	2,994,130
Fund balance-beginning	<u>11,316,598</u>	<u>11,316,598</u>	<u>11,316,598</u>	<u>-</u>
Fund balance - ending	<u>\$ 11,831,577</u>	<u>\$ 8,618,046</u>	<u>\$ 11,612,176</u>	<u>\$ 2,994,130</u>

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

Arapahoe County, Colorado
Road and Bridge
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance
	Original	Final		with Final Budget Positive/(Negative)
Revenues				
Taxes				
Property taxes	\$ 6,018,138	\$ 6,018,138	\$ 6,022,172	\$ 4,034
Other taxes	518,000	518,000	422,638	(95,362)
Licenses and permits	255,000	255,000	317,443	62,443
Intergovernmental	7,160,694	7,160,694	7,963,908	803,214
Charges for services	-	-	6,751	6,751
Miscellaneous	200,000	200,000	5,759	(194,241)
Total revenue	<u>14,151,832</u>	<u>14,151,832</u>	<u>14,738,671</u>	<u>586,839</u>
Expenditures				
Current				
Highways and streets	14,915,907	15,661,299	14,704,628	956,671
Total expenditures	<u>14,915,907</u>	<u>15,661,299</u>	<u>14,704,628</u>	<u>956,671</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(764,075)</u>	<u>(1,509,467)</u>	<u>34,043</u>	<u>1,543,510</u>
Other financing sources (uses)				
Transfers in	-	2,200	2,200	-
Transfers out	(2,616)	(2,616)	(2,616)	-
Total other financing sources (uses)	<u>(2,616)</u>	<u>(416)</u>	<u>(416)</u>	<u>-</u>
Net change in fund balance	<u>(766,691)</u>	<u>(1,509,883)</u>	<u>33,627</u>	<u>1,543,510</u>
Fund balance - beginning	5,921,114	5,921,114	5,921,114	-
Fund balance - ending	<u>\$ 5,154,423</u>	<u>\$ 4,411,231</u>	<u>\$ 5,954,741</u>	<u>\$ 1,543,510</u>

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

Arapahoe County, Colorado
Open Space Sales Tax
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance
	Original	Final		with Final Budget Positive/(Negative)
Revenues				
Sales tax	\$ 19,645,789	\$ 16,698,920	\$ 16,496,260	\$ (202,660)
Intergovernmental	-	-	60,000	60,000
Investment earnings	800,000	680,000	856,636	176,636
Miscellaneous	-	-	15,000	15,000
Total revenue	<u>20,445,789</u>	<u>17,378,920</u>	<u>17,427,896</u>	<u>48,976</u>
Expenditures				
Current				
Culture and recreation	19,641,254	41,606,491	17,315,929	24,290,562
Capital				
Culture and recreation	706,460	647,460	1,309,219	(661,759)
Total expenditures	<u>20,347,714</u>	<u>42,253,951</u>	<u>18,625,148</u>	<u>23,628,803</u>
Excess (deficiency) of revenues over (under) expenditures	<u>98,075</u>	<u>(24,875,031)</u>	<u>(1,197,252)</u>	<u>23,677,779</u>
Other financing sources (uses)				
Transfers in	-	273	273	-
Transfers out	(98,075)	(66,905)	(66,905)	-
Total other financing sources (uses)	<u>(98,075)</u>	<u>(66,632)</u>	<u>(66,632)</u>	<u>-</u>
Net change in fund balance	-	(24,941,663)	(1,263,884)	23,677,779
Fund balance - beginning	<u>24,941,663</u>	<u>24,941,663</u>	<u>24,941,663</u>	<u>-</u>
Fund balance - ending	<u>\$ 24,941,663</u>	<u>\$ -</u>	<u>\$ 23,677,779</u>	<u>\$ 23,677,779</u>

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

**Arapahoe County Government
Statement of Net Assets
Proprietary Funds
December 31, 2009**

	Governmental Activities Internal Service Funds
Assets	
Current assets	
Cash and investments	\$ 22,119,105
Accounts receivable	78,000
Inventory	354,466
Total current assets	22,551,571
Noncurrent assets	
Capital assets	
Vehicles and equipment	28,561,921
Computer systems	9,993,066
Furniture and office equipment	107,751
Less: accumulated depreciation	(29,636,914)
Total noncurrent assets (net of accum. dep.)	9,025,824
Total assets	31,577,395
Liabilities	
Current liabilities	
Accounts payable	500,603
Estimated claims payable	1,374,000
Flex benefits payable	32,936
Noncurrent claims payable	1,833,000
Total liabilities	3,740,539
Net assets	
Invested in capital assets	9,025,824
Unrestricted	18,811,032
Total net assets	\$ 27,836,856

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

Arapahoe County Government
Statement of Revenues, Expenses and Changes in Fund Net Assets
Proprietary Funds
For the Year Ended December 31, 2009

	Governmental Activities Internal Service Funds
Operating revenues	
Charges for sales and service	\$ 9,604,941
Total operating revenue	9,604,941
Operating expenses	
Cost of sales and services	5,392,039
Administration	194,786
Depreciation	4,223,702
Total operating expenses	9,810,527
Operating (loss)	(205,586)
Nonoperating revenue (expenses)	
Gain on sale of assets	242,723
Income before contributions and transfers	37,137
Transfers in	2,122,381
Transfers out	(78,273)
Change in net assets	2,081,245
Total net assets - beginning	25,755,611
Total net assets - ending	\$ 27,836,856

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

Arapahoe County, Colorado
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2009

	Governmental Activities Internal Service Funds
Cash flows from operating activities	
Cash received for interfund services provided	\$ 9,623,275
Cash payments for services and supplies	(5,413,735)
Net cash provided by operating activities	4,209,540
Cash flows from noncapital financing activities	
Transfers in from other funds	2,122,381
Transfers out to other funds	(78,273)
Net cash provided by non capital financing activities	2,044,108
Cash flows from capital and related financing activities	
Acquisition of property and equipment	(3,431,918)
Proceeds from sale of capital assets	286,459
Net cash used by capital and related financing activities	(3,145,459)
Cash flows from investing activities	
Interest received	-
Net cash provided by investing activities	-
Net increase in cash and investments	3,108,189
Cash and investments, January 1, 2009	19,010,916
Cash and investments, December 31, 2009	\$ 22,119,105
Reconciliation of operating income to net cash provided by operating activities:	
Operating (loss)	\$ (205,586)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Depreciation	4,223,702
Decrease in accounts receivable	18,334
Decrease in inventory	6,535
(Decrease) in accounts payable	(210,788)
Increase in claims payable	389,000
Decrease in flex benefits payable	(11,657)
Total Adjustments	4,415,126
Net cash provided by operating activities	\$ 4,209,540

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

Arapahoe County, Colorado
Statement of Fiduciary Net Assets
Fiduciary Funds
December 31, 2009

	Arapahoe County Retirement Trust	Agency Funds Total
Assets		
Cash and investments	\$ -	\$ 29,681,405
Restricted escrow		1,469,332
Investments:		
Money market funds and cash equivalents	1,614,767	-
Equity securities	88,710,026	-
Real estate investments	18,409,224	-
Fixed income securities	14,712,649	-
Hedge funds	29,927,719	-
Foreign investments	52,193,812	-
Total cash and investments	205,568,197	31,150,737
Receivable:		
Contributions	1,080,450	-
Total assets	\$ 206,648,647	\$ 31,150,737
Liabilities		
Accounts payable	\$ 171,482	\$ -
Due to other governments	-	21,362,024
Other deposits payable	-	6,051,752
Warrants payable	-	3,736,961
Total liabilities	171,482	31,150,737
Net Assets		
Net assets held in trust for pension benefits	206,477,165	-
Total Liabilities and Net Assets	\$ 206,648,647	\$ 31,150,737

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

Arapahoe County, Colorado
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
for the Year Ended December 31, 2009

	Arapahoe County Retirement Trust
ADDITIONS	
Contributions	
Employer	\$ 6,455,058
Plan Members	6,544,640
Total Contributions	12,999,698
Investment Income	
Net Appreciation (Depreciation) in Fair Value of Investments	32,346,193
Interest and Dividends	2,478,166
Total Investment Income	34,824,359
Investment Expenses	(520,297)
Net Investment Income	34,304,062
Total Additions (Deletions)	47,303,760
DEDUCTIONS	
Benefits to Plan Members	11,519,290
Refund of Contributions	1,955,111
Administrative Expenses	410,322
Total Deductions	13,884,723
Change in Net Assets	33,419,037
Net Assets - Beginning of Year	173,058,128
Net Assets - End of Year	\$ 206,477,165

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

Arapahoe County, Colorado
Notes to the Financial Statements

December 31, 2009

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

Arapahoe County was incorporated under the laws of the State of Colorado in 1902. A five-member elected Board of County Commissioners (BOCC) governs the County. The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the County's primary government. Each discretely presented component unit is reported in a separate column in the Government-wide Financial Statements (see note below for description) to emphasize that it is not, in substance, part of the primary government.

Blended Component Units

The County has the following component units blended into the primary government financial statements: the Arapahoe County Law Enforcement Authority, the Arapahoe County Retirement Trust Fund, the Arapahoe County Recreation District, the Arapahoe County Water and Wastewater Public Improvement District, (PID), the Arapahoe County Building Finance Corporation, and the Arapahoe County Housing Authority.

The **Arapahoe County Law Enforcement Authority** is a special district that provides law enforcement in the unincorporated areas of the County. The BOCC serves as the Board of the Arapahoe Law Enforcement Authority and therefore is able to impose its will on the operations of the Authority. The Authority is reported as a Special Revenue Fund.

The **Arapahoe County Retirement Trust Fund** manages retirement benefits for County employees. The Retirement Fund is reported as a Pension Trust Fund.

The **Arapahoe County Recreation District** provides for the operation, maintenance and improvements to parks and trails within the District. The BOCC serves as the entire board for the Recreation District and therefore makes all decisions controlling the District's activities and finances. The Recreation District is reported as a Capital Projects Fund.

The **Arapahoe County Water and Wastewater Public Improvement District (PID)** was formed in November 2002. The electors in the new district also authorized the issuance of a maximum of \$165,000,000 in General Obligation Bonds to finance water and/or wastewater projects. The County Commissioners maintain control over operations and fiscal matters as they serve as the entire board of the PID. The County reports the Arapahoe County Water and Wastewater Public Improvement District (PID) as a Capital Projects Fund.

The **Arapahoe County Building Finance Corporation** funds the construction of facilities that are leased to Arapahoe County Government for governmental use. The County Commissioners appoint all board members. No commissioners sit on the board. The activity of the building finance corporation is reflected in the Debt Service Fund.

The **Arapahoe County Housing Authority** is a blended component unit with the same board as the County. It is referred to in this Comprehensive Annual Financial Report (CAFR) as the Community Development Fund, reported as a Special Revenue Fund. It provides housing assistance to low-income families.

All of these organizations are legally separate entities, but are part of the County financial reporting entity, because the governing bodies of the entities are substantively the same as the County and/or the entities provide services or benefits entirely or almost entirely to the County government.

Arapahoe County, Colorado
Notes to the Financial Statements
December 31, 2009

Discretely Presented Component Units

The Government-wide Financial Statements include financial data of the County's discretely presented component units. These units are reported in a separate column to emphasize that, while the BOCC does have the ability to impose its will on them, these entities remain separate from the primary government of Arapahoe County.

Arapahoe County Airport Authority – Three County Commissioners serve on the board of the Airport Authority. The Commissioners appoint two other members of the board. Together these five make up the full voting board of the Airport Authority. Douglas County BOCC appoints three other non-voting members to the board. Since the Airport Authority provides services for all citizens, not just the primary government, it is treated as a discretely presented component unit.

Arapahoe County Water and Wastewater Authority – The Board of County Commissioners appoints the nine members of the Board of Directors, which currently includes two County Commissioners as members, but these boards are not substantively the same. The Authority has no statutory authority to levy any taxes to finance the issuance of general obligation debt or for general operations. The Board of County Commissioners, acting as the *ex officio* Board of Directors of the Arapahoe County Water and Wastewater Public Improvement District and pursuant to statute, has issued bonds and levied taxes to finance and build capital assets used by the Authority. The Authority provides utility services for citizens and businesses within the service area of the Authority. This component unit is separate and distinct from the Arapahoe County Water and Wastewater Public Improvement District (PID).

E-911 Authority - The County Commissioners appoint all five members of the Authority's board and therefore exercise significant fiscal control. None of the commissioners serve on this board. The Authority is a discrete component unit.

Complete financial reports are prepared for these component units with the exception of E-911 Authority. All financial information for these entities may be obtained at the following locations.

Arapahoe County Airport Authority
7800 S. Peoria St.
Englewood, CO 80112-4139

Arapahoe County Water and Wastewater Authority
13031 E. Caley Avenue
Englewood, CO 80111

E-911 Authority
5334 S. Prince St.
Littleton, CO 80166-0001

Government – Wide and Fund Financial Statements

The Government-wide Financial Statements (e.g. the Statement of Net Assets and the Statement of Activities) report information on all of the non-fiduciary activities of the primary government and its component units. The primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by the function's program revenues. A function's direct expenses are those that are clearly identifiable with the specific function or segment. A function's program revenues include charges to customers or applicants

Arapahoe County, Colorado

Notes to the Financial Statements

December 31, 2009

for goods and services, operating grants and contributions, and capital grants and contributions. Taxes and other revenues that are not properly included among function program revenues are reported as general revenues.

The effect of interfund activity has been eliminated from the Government-wide financial Statements. However, taxes and other charges between the functions of the government have not been eliminated. Elimination of these charges would distort the relationship of the functions' direct costs and program revenues reported in the Statement of Activities.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the fiduciary funds are excluded from the Government-wide Financial Statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The Government-wide Financial Statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. The fiduciary funds are reported using the economic resource measurement focus on an accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grant awards and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Most grant reimbursements, property taxes, franchise taxes, permits, licenses, and interest associated with the current fiscal year are considered to be susceptible to accrual and have been recognized as revenues of the current fiscal year. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. All other revenue items are considered to be measurable and available when received in cash by the County.

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 that are properly accounted for in another fund.

The **Social Services Fund** is used to account for the financial and protective services provided to children, families, and elderly and disabled adults. The operations are funded with local property tax and other state and federal sources.

The **Road and Bridge Fund** is used to account for the maintenance and improvements of roads, bridges and transportation infrastructure within the County. The sources of funds mainly include local property taxes and the State Highway Users Fund (HUTF).

The **Arapahoe County Water and Wastewater Public Improvement District (PID)** is used to account for the construction, with the related debt, of water and sewer lines and facilities within the District.

Arapahoe County, Colorado

Notes to the Financial Statements

December 31, 2009

The **Arapahoe County Building Finance Corporation Debt Service Fund** is used to account for the transactions related to the funding of the construction of facilities that are leased to the Arapahoe County Government.

The **Open Space Fund** is used to account for the collection and disbursement of the sales and use tax, which is restricted for the preservation of Open Space.

Additionally, the County reports the following fund types:

Internal Service Funds that account for operations that provides services to other departments or agencies of the County, or to other governments, on a cost-reimbursement basis. The internal service funds provide postage, oil and gas, vehicles and insurance, and provide funding for the replacement of movable fixed assets.

Fiduciary Funds reported by the County include an employee Retirement Trust Fund and Agency Funds.

Agency Funds - The County acts in a trustee capacity or as an agent on behalf of others for the agency funds. The Agency Funds are used to collect and remit taxes to other jurisdictions. The Public Trustee is an intermediary and recorder for foreclosures and releases of deeds of trust. The Inmate Sentencing Fund holds funds on behalf of inmates and is returned upon release.

Retirement Trust Fund – The County sponsors the Employee's Retirement Trust Fund (Trust or Plan) as a single employer defined benefit plan. All permanent, full-time employees of the County are required to become members of the plan.

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

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

Proprietary Funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the government's Internal Service Funds are charges to the entity for services. Operating expenses for Internal Service Funds include the administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Assets, Liabilities, Net Assets or Equity

Cash

All cash, within the Arapahoe County reporting entity, is deposited with the County Treasurer with the exception of cash held for third parties in fiduciary funds, cash held by paying agents in Internal Service Funds and cash held by certain discrete and blended component units. For the purpose of the cash flows statement, cash includes cash-on-hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Arapahoe County, Colorado
Notes to the Financial Statements

December 31, 2009

The County maintains pooled cash and investments for all funds. Negative cash balances have been reclassified as interfund payables.

Investments

Investments primarily consist of U.S. Treasury and agency obligations, corporate debt securities, and approved money market funds, all recorded at fair value. Fair value is 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. Investments for which market quotations are not readily available are valued at their fair values as determined by the custodian under the direction of the plan with the assistance of a valuation service.

Property Taxes

Property taxes are not due and payable until after the assessment year has ended, and are not included in the budget or statement of revenues, expenditures, and fund balance of the assessment year. Property taxes are initially recorded as deferred revenue in the year they are levied and measurable. The deferred property tax revenues are recorded as revenue in the year they are collected.

Property taxes are levied on or before December 15th of each year and attach as an enforceable lien on the property on January 1 of the subsequent year. Taxes are payable in full on April 30th or in two installments on February 28th and June 15th. The County bills and collects its own property taxes and the taxes for various other entities. Collection and distribution of taxes to the various taxing entities is done by the 10th of every month following the month of collection by the Treasurer.

Receivables/Payables

All trade and property tax receivables are shown net of an allowance for uncollectibles. Property taxes receivable is shown net of an allowance for uncollectibles of 1%.

Balances that originate from current lending/borrowing arrangements between funds are referred to as "due to/from other funds." Advances are non-current lending/borrowing between funds. Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable County funds to indicate that they are not available for appropriation and are not expendable available financial resources.

Accounts payable are generally recorded when the obligation is incurred. Debt service and claims and judgments are recorded when they become due.

Inventories and Prepaid Items

Inventories of certain items are valued at cost using a weighted average method. The costs of inventories in all other governmental funds are recorded as expenditures when purchased rather than when consumed.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Capital Assets

Capital assets, which include land, buildings and improvements, furniture and equipment, construction in progress, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental activities columns in the Government-wide Financial Statements. Capital assets, other than infrastructure, are defined by the government as assets with an initial individual cost of \$5,000 or more. Such assets

Arapahoe County, Colorado

Notes to the Financial Statements

December 31, 2009

are recorded at historical cost. In the case of initial capitalization of general infrastructure assets the government chose to include all such items regardless of their acquisition date or amount. The government was able to estimate the historical cost for the initial reporting of these assets through back trending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). As the government constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. In the case of donations the government values these capital assets at the estimated fair value of the item at the date of its donation.

Capital assets of the primary government, as well as the component units, are depreciated using the straight line method of depreciation over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
• Water Rights (Non-Tributary Only)	100
• Bridges	75
• Storm Drains	75
• Roads	40
• Buildings and Improvements	40
• Wells, Water and Sewer Mains	30
• Treatment Plants	30
• Traffic Signals	25
• Land Improvements	20
• Leasehold Improvements	20
• Furniture and Equipment	4-5
• Vehicles	3-5

Compensated Absences

It is the government's policy to permit employees to accumulate earned but unused vacation and sick leave benefits up to certain limits. There is also a policy whereby the government pays the employees, upon termination, for their allowed accumulated leave. Therefore there is a liability on the government-wide financial statements for this unpaid accumulated leave. When the amount is actually paid upon termination the expenditure is recorded within the governmental fund.

The County also has contractual employment agreements with certain department heads. Some of these contracts contain separation agreements with compensation due at conclusion of the relationship.

Deferred Revenues

In the fund financial statements, deferred revenues are resource inflows that do not yet meet the criteria for revenue recognition. 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.

Arapahoe County, Colorado
Notes to the Financial Statements
December 31, 2009

Long Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Assets. Long-term debt premiums and discounts and issuance costs are deferred and amortized over the term of the long-term debt. Long-term debt payable is reported net of the applicable unamortized premiums or discounts and losses on refunding. Long-term debt issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, the face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs are reported as debt service expenditures.

Fund Equity

In the fund financial statements, reserved fund balances indicate that a portion of fund equity is not available for appropriation, as in the case of reserves for prepaid expenses, inventories, or a portion of fund equity legally segregated for a specific future use, as in the case of payment of pension benefits, payment of debt service or restrictions made by a donor on use of a gift. The accompanying financial statements include fund balances reserved for all these purposes.

Designated fund balances indicate tentative plans for the future use of fund balances. The subsequent year designations are uses of fund balance in the subsequent year budget. The undesignated fund balance is the portion of the fund balance is available for appropriations in future periods.

Net Assets

Net assets in the Government-wide Statement of Net Assets are reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulators of other governments. All other net assets are reported as unrestricted.

The Other Restrictions line includes the total fund balance for special revenue funds that have limitations imposed.

Reclassifications

Certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant estimates in the financial statements include the value of the hedge and real estate funds. Significant estimates affecting the Pension Plan include the actuarial assumptions relating to investment rates of return and mortality tables. Actual results could differ from those estimates. There are significant estimates made in the other postemployment benefits calculations.

Arapahoe County, Colorado
Notes to the Financial Statements

December 31, 2009

NOTE 2: RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets.

The Governmental Fund Balance Sheet includes a reconciliation between fund balance – total governmental funds and net assets – governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that “long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.” The details of this \$252,182,769 difference are as follows:

Bonds and Certificates of Participation Payable	\$ 168,910,000
Less: Deferred Charge on Refunding (to be amortized as interest expense)	(2,092,036)
Less: Issuance Discount (to be amortized as interest expense)	(25,072)
Note Payable	40,068,022
Plus: Premium on Note Payable	1,164,812
Capital Leases Payable	17,489,736
Compensated Absences	10,610,734
Total Long Term Debt	<u>236,126,196</u>
Deferred Charge on Issuance Costs (to be amortized over life of debt)	(4,583,320)
Accrued Interest Payable	1,459,434
Net Pension Obligation	18,620,203
Social Services Advance from State	<u>560,256</u>
Net adjustment to reduce fund balance - total governmental funds to arrive at net assets - governmental activities.	<u><u>\$ 252,182,769</u></u>

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities.

The government fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances-total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.” The details of this \$20,675,814 difference are as follows:

Capital Outlay	\$ 34,635,718
Depreciation Expense	<u>(13,959,904)</u>
Net adjustment to increase net changes in fund balances-total governmental funds to arrive at changes in net assets of governmental activities	<u><u>\$ 20,675,814</u></u>

Arapahoe County, Colorado

Notes to the Financial Statements

December 31, 2009

Another element of that reconciliation states that "the net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net assets." A detail of the difference is as follows:

In the statement of activities, only the total net gain or loss on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net assets differs from the change in fund balance by the net book value of the capital assets sold.

\$ 11,846

Developer contributions of capital assets increase net assets in the statement of activities, but do not appear in governmental funds because they are not financial resources.

5,044,544

Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities.

\$ 5,056,390

Another element of that reconciliation states that "Some expenses reported in the statement of activities do not require the use of current financial resources and therefore, are not reported as expenditures in governmental funds." The details of this \$(8,973,661) difference are as follows:

Compensated Absences Expense
Pension Expense
OPEB - Net Change
OPEB - Reversal of Liability
Accrued Interest Expense
Amortization Expense

(235,044)
(5,998,651)
(2,771,186)
160,451
351,363
(480,594)

Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities.

\$ (8,973,661)

Another element of that reconciliation states that "some revenues reported in the governmental funds have been reported in the statement of activities in prior periods." The details of this difference are as follows:

Lease Purchase Payment from Airport Authority
Total

\$ 1,185,000
\$ 1,185,000

Arapahoe County, Colorado
Notes to the Financial Statements
December 31, 2009

NOTE 3: LEGAL COMPLIANCE - BUDGETS

Budgets for the General, Special Revenue, Debt Service, and Capital Projects Funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America (US GAAP).

The budgets for the Proprietary Funds are not adopted on a basis consistent with accounting principles generally accepted in the United States of America (US GAAP), as capital outlay and debt service are budgeted as expenditures and bond proceeds, contributed capital and equity transfers are budgeted as revenues.

Arapahoe County utilizes the encumbrance method of recording commitments related to unperformed contracts for goods and services during the year. Due to the County's integrated accounting and budgetary control system, appropriations are considered to lapse at year-end. Related amounts are reappropriated in the following year. Outstanding encumbrances at year-end are recorded as a reservation of fund balance.

On or before August 15th of each year, elected officers, directors and department heads submit revenue estimates and expenditure requests to the Budget Manager, the official charged with organizing an overall County budget for submission to the Board of County Commissioners. On or before August 25th of each year, the County Assessor submits the current total assessed valuations for all taxing entities in the County and the factors needed to compute the statutory property tax revenue limits. The Budget Manager then submits a balanced budget to the Board on or before October 15th.

The Board of County Commissioners posts and publishes notice that the budget has been received and is open for inspection by the public and notice of the date of the scheduled public hearing at which any elector of the County may register an objection to the proposed budget. The budget must be adopted by December 15th of each year.

All property tax mill levies must be certified by the Board of County Commissioners on or before December 22nd of each year. Prior to the beginning of the next fiscal year, the Board of County Commissioners enacts an appropriating resolution to approve the total budget and departmental expenditures. Expenditures for each fund may not legally exceed budgeted expenditures at the individual fund level. By County policy, expenditures in the General Fund cannot exceed the appropriated departmental level. Neither the Board of County Commissioners nor any County officers can expend money for any of the purposes set out in the appropriation resolution in excess of the amount appropriated. The Budget Manager may transfer budget amounts between line items as long as the total budget for the fund or General Fund department is not exceeded. Any revisions to the total appropriation of any fund must be approved by a supplemental appropriation resolution by the Board of County Commissioners. During 2008, a few supplemental appropriation resolutions were enacted and filed with the Division of Local Government, State of Colorado. Supplemental appropriations for the current year have been approved by the Board of County Commissioners in the following year.

Arapahoe County, Colorado

Notes to the Financial Statements

December 31, 2009

NOTE 4: CASH, DEPOSITS, INVESTMENTS, AND RESTRICTED ASSETS

A summary of Cash and Investments for the Primary Government and Fiduciary Funds, (excluding the Retirement Trust Fund – see Note 14) and discrete component units are as follows:

	Primary Government	Discrete Component Units	Agency Fund	Total Reporting Entity
Cash and Investments	\$ 161,610,461	\$ 29,189,981	\$ 31,150,737	\$ 221,951,179
Restricted Cash and Investments	93,063,978	85,082,671	-	178,146,649
Total Cash and Investments	\$ 254,674,439	\$ 114,272,652	\$ 31,150,737	\$ 400,097,828
Total Cash Deposits (including CD's)				\$ 136,932,549
Total Investments				263,165,279
Total Cash Deposits and Investments: (Book Balance)				\$ 400,097,828

Restricted Cash is recorded for the following purposes:

Debt Reserves	\$ 1,838,122
Debt Proceeds	60,744,992
Legal/Contractual obligations	30,480,864
Total Restricted Cash	\$ 93,063,978

Deposits

Colorado State Statutes, specifically the Public Deposit Protection Act (PDPA) of 1989, require all public monies to be deposited in financial institutions that have been designated as eligible public depositories. Eligible public depositories must pledge eligible collateral for any amounts in excess of the required Federal Deposit Insurance Corporation (FDIC) amount, as promulgated by the Colorado Division of Banking, having a market value in excess of 102% of the aggregate uninsured public deposits. Of the bank balances totaling \$30,567,375, \$2,659,970 was covered by FDIC and \$27,907,405 was covered by PDPA. Additionally, \$16,487,465 was covered by financial institutions participating in the FDIC Temporary Liquidity Guarantee Program which expires June 30, 2010 unless the financial institution elects to opt out earlier.

Investments

Significant portions of cash in the discretely presented component units and the agency funds are pooled with primary government cash and then invested in the most advantageous manner to the reporting entity as a whole. It is not possible to determine how much component unit cash was invested in a certain way. Therefore, this investment section is presented for the entire reporting entity, including the Agency Funds.

Arapahoe County, Colorado

Notes to the Financial Statements

December 31, 2009

Credit Risk

The County has adopted a formal investment policy that limits the County's investments to investments within the confines of Sections 24-75-601.1 and 30-10-708 of the Colorado Revised Statutes. Investments authorized under these statutes include:

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

The local government investment pools, which includes the Colorado Local Government Liquid Asset Trust (Colotrust) are rated AAAM by Standard & Poor's. The other investments, and ratings thereon, held by the County include United States Treasury Notes and Strips (AAA by Standard & Poor's), United States Agency Strips (AAA by Standard & Poor's), Federal Home Loan Bank Notes (AAA by Standard & Poor's), Federal National Mortgage Association Notes (AAA by Standard & Poor's), Federal Home Loan Mortgage Corporation Notes (AAA by Standard & Poor's), Guaranteed Investment Contracts (Not Rated), and Repurchase Agreements (Not Rated). In addition, the County had \$10,851,205 invested in various money market funds which were not rated.

Interest Rate Risk

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of County Commissioners. The Board of County Commissioners has authorized the County Treasurer to invest no more than ten percent (10%) of the County's assets for periods greater than five (5) years but not exceeding ten (10) years. The ten percent (10%) shall be calculated as a percentage of the one-year average of assets held in the prior year. The one-year average of investments held in the prior year amounted to \$201,076,840.

Arapahoe County, Colorado
Notes to the Financial Statements
December 31, 2009

As of December 31, 2009, the County had the following investments:

Investment	Maturity of 5 Years or Less	Maturity of 5 Years to 10 Years	Maturity of more than 10 Years	Total
COLOTRUST	\$ 81,433,782			\$ 81,433,782
Federal Farmers Credit Bank	63,279,110			63,279,110
Federal National Mortgage Association	39,674,362			39,674,362
Federal Home Loan Mortgage Corporation	29,508,223			29,508,223
Federal Home Loan Bank	22,705,091			22,705,091
Corporate	15,061,765			15,061,765
Various Money Market Funds	10,851,205			10,851,205
Investment Strips	218,230	122,567	160,943	501,741
Other Investments	150,000			150,000
Total Investments	\$ 262,881,768	\$ 122,567	\$ 160,943	\$ 263,165,279

As of December 31, 2009, the County had invested in the Colorado Local Government Liquid Asset Trust (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds (Local Investment Pools). The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust operates similarly to a money market fund and each share is equal in value to \$1.00. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both portfolios may invest in U.S. Treasury securities, Federal Instrumentality Securities, Agency Securities, Collateralized Bank Deposits, Repurchase Agreements, and Tri-Party Repurchase Agreements. COLOTRUST PLUS+ may also invest in Commercial Paper that, at the time of purchase, is rated in its highest rating category by one or more nationally recognized organizations which regularly rate such obligations. A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. As of December 31, 2009, the County had \$81,433,782 invested in COLOTRUST.

Arapahoe County, Colorado

Notes to the Financial Statements

December 31, 2009

Concentrations Risk

The County has a policy that directs the Treasurer to diversify assets held in cash and pooled investments to minimize the risk of loss resulting from over-concentration of assets in a specific maturity, a specific issuer, or a specific class of securities. The policy does not specify specific limits. More than 5% of the County's investments are concentrated in the following issuers:

Investment	Fair Value	Percent of Investment Portfolio
COLOTRUST	\$ 81,433,782	31%
Federal Farmers Credit Bank	63,279,110	24%
Federal National Mortgage Association	39,674,362	15%
Federal Home Loan Mortgage Corporation	29,508,223	11%
Federal Home Loan Bank	22,705,091	9%
Corporate	15,061,765	6%

NOTE 5: INTERFUND RECEIVABLE AND PAYABLE BALANCES AND TRANSFERS

Interfund receivable and payable balances arise due to short-term cash flow needs in certain non-major government funds. At December 31, 2009, the balances are as follows:

	Due To	Due From
General Fund	\$ 886,589	\$ -
Non Major Funds	-	886,589
Total	\$ 886,589	\$ 886,589

During 2009, the County transferred monies among various funds, the principal reason for the transfers was to support the ongoing operations of the receiving fund. The transfers between funds are as follows:

	Transfer In	Transfer Out
General Fund	\$ 2,816,000	\$ 22,566,041
Social Services	13,630	2,821,543
Road and Bridge	2,200	2,616
Open Space	273	66,905
Building Finance Corporation	3,908,925	-
Internal Service Funds	2,122,381	78,273
Non Major Funds	22,547,224	5,875,255
Total	\$ 31,410,633	\$ 31,410,633

Arapahoe County, Colorado
Notes to the Financial Statements

December 31, 2009

NOTE 6: CAPITAL ASSETS

Primary Government

Capital asset activity for the Arapahoe County primary government for the year ended December 31, 2009 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets Not Being Depreciated:				
Land	\$ 33,572,793	\$ 1,270,374	\$ -	\$ 34,843,167
Right of Ways	306,632,240	2,034,956	-	308,667,196
Construction in Progress	53,334,440	23,391,723	(40,527,592)	36,198,571
Total Capital Assets Not Being Depreciated	<u>393,539,473</u>	<u>26,697,053</u>	<u>(40,527,592)</u>	<u>379,708,934</u>
Capital Assets Being Depreciated:				
Land Improvements	4,077,566	-	-	4,077,566
Buildings	229,634,026	10,811,392	-	240,445,418
Furniture and Equipment	53,430,597	5,327,590	(2,150,321)	56,607,866
Infrastructure	287,120,251	40,803,743	-	327,923,994
Total Capital Assets Being Depreciated	<u>574,262,440</u>	<u>56,942,725</u>	<u>(2,150,321)</u>	<u>629,054,844</u>
Less Accumulated Depreciation:				
Land Improvements	(579,312)	(198,400)	-	(777,712)
Buildings	(76,726,142)	(6,167,325)	-	(82,893,467)
Furniture and Equipment	(41,238,734)	(5,069,402)	2,106,583	(44,201,553)
Infrastructure	(80,851,837)	(6,748,478)	-	(87,600,315)
Total Accumulated Depreciation	<u>(199,396,025)</u>	<u>(18,183,605)</u>	<u>2,106,583</u>	<u>(215,473,047)</u>
Total Capital Assets Being Depreciated, Net	<u>374,866,415</u>	<u>38,759,120</u>	<u>(43,738)</u>	<u>413,581,797</u>
Total Primary Government Capital Assets, Net	<u>\$ 768,405,888</u>	<u>\$ 65,456,173</u>	<u>\$ (40,571,330)</u>	<u>\$ 793,290,731</u>

Depreciation expense was charged to functions/programs of the primary government during the year ended December 31, 2009 as follows:

Governmental Activities

General Government	\$ 3,015,170
Public Safety	5,201,981
Health and Welfare	1,045,369
Highways and Streets	6,509,088
Water and Wastewater	1,852,356
Culture and Recreation	559,641
Total Governmental Activities Depreciation Expense	<u>\$ 18,183,605</u>

Arapahoe County, Colorado

Notes to the Financial Statements

December 31, 2009

Discretely presented component units

Capital asset activity for the E-911 Authority for the year ended December 31, 2009 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets Being Depreciated:				
Furniture and Equipment	\$ 3,356,363	\$ 904,325	\$ -	\$ 4,260,688
Total Capital Assets Being Depreciated	<u>3,356,363</u>	<u>904,325</u>	<u>-</u>	<u>4,260,688</u>
Less Accumulated Depreciation:				
Furniture and Equipment	<u>(1,495,572)</u>	<u>(669,984)</u>	<u>-</u>	<u>(2,165,556)</u>
Total Accumulated Depreciation	<u>(1,495,572)</u>	<u>(669,984)</u>	<u>-</u>	<u>(2,165,556)</u>
Total E-911 Capital Assets, Net	<u>\$ 1,860,791</u>	<u>\$ 234,341</u>	<u>\$ -</u>	<u>\$ 2,095,132</u>

Capital asset activity for the Arapahoe County Public Airport Authority for the year ended December 31, 2009 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Business Activities				
Capital Assets Not Being Depreciated:				
Land and Improvements	\$ 23,509,578	\$ 159,592	\$ -	\$ 23,669,170
Construction in Progress	<u>1,694,985</u>	<u>8,987,848</u>	<u>2,633,662</u>	<u>8,049,171</u>
Total Capital Assets Not Being Depreciated	<u>25,204,563</u>	<u>9,147,440</u>	<u>2,633,662</u>	<u>31,718,341</u>
Capital Assets Being Depreciated:				
Land Improvements	1,010,963	-	-	1,010,963
Buildings and Improvements	15,259,681	36,780	-	15,296,461
Runways and Access Roads	26,185,797	1,508,504	-	27,694,301
Furniture and Equipment	<u>4,336,391</u>	<u>1,101,187</u>	<u>38,821</u>	<u>5,398,757</u>
Total Capital Assets Being Depreciated	<u>46,792,832</u>	<u>2,646,471</u>	<u>38,821</u>	<u>49,400,482</u>
Less Accumulated Depreciation:				
Land Improvements	(415,434)	(25,262)	-	(440,696)
Buildings and Improvements	(13,038,237)	(290,651)	-	(13,328,888)
Runways and Access Roads	(12,582,559)	(1,965,627)	-	(14,548,186)
Furniture and Equipment	<u>(2,646,838)</u>	<u>(490,373)</u>	<u>(38,821)</u>	<u>(3,098,390)</u>
Total Accumulated Depreciation	<u>(28,683,068)</u>	<u>(2,771,913)</u>	<u>(38,821)</u>	<u>(31,416,160)</u>
Total Capital Assets Being Depreciated, Net	<u>18,109,764</u>	<u>(125,442)</u>	<u>-</u>	<u>17,984,322</u>
Total Airport Authority Capital Assets, Net	<u>\$ 43,314,327</u>	<u>\$ 9,021,998</u>	<u>\$ 2,633,662</u>	<u>\$ 49,702,663</u>

Arapahoe County, Colorado

Notes to the Financial Statements

December 31, 2009

Capital Asset Activity for the Arapahoe County Water and Wastewater Authority for the year ended December 31, 2009, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities:				
Capital Assets Not Being Depreciated:				
Land	\$ 2,063,196	\$ -	\$ -	\$ 2,063,196
Construction in Progress	995,252	5,817,548	(4,777,559)	2,035,241
Total Capital Assets Not Being Depreciated	<u>3,058,448</u>	<u>5,817,548</u>	<u>(4,777,559)</u>	<u>4,098,437</u>
Other Capital Assets:				
Water System	11,485,905	4,014,187	-	15,500,092
Sewer System	13,095,626	327,677	-	13,423,303
Stormwater System	903,504	300,000	-	1,203,504
Buildings, Equipments, and Projects	2,421,761	537,544	-	2,959,305
Total Other Capital Assets	<u>27,906,796</u>	<u>5,179,408</u>	<u>-</u>	<u>33,086,204</u>
Less Accumulated Depreciation:				
Water System	(2,999,243)	(791,641)	-	(3,790,884)
Sewer System	(5,836,614)	(659,575)	-	(6,496,189)
Stormwater System	(263,843)	(57,537)	-	(321,380)
Buildings, Equipments, and Projects	(547,918)	(241,095)	-	(789,013)
Total Accumulated Depreciation	<u>(9,647,618)</u>	<u>(1,749,848)</u>	<u>-</u>	<u>(11,397,466)</u>
Water Rights	40,092,432	25,940,940	-	66,033,372
Less: Depletion	<u>(927,451)</u>	<u>(149,226)</u>	<u>-</u>	<u>(1,076,677)</u>
Net Water Rights	<u>39,164,981</u>	<u>25,791,714</u>	<u>-</u>	<u>64,956,695</u>
Total Business-Type Activities, Capital Assets, Net	<u>\$ 60,482,607</u>	<u>\$35,038,822</u>	<u>\$ (4,777,559)</u>	<u>\$ 90,743,870</u>

NOTE 7: CAPITAL COMMITMENTS

The County has contractual commitments for capital construction projects, professional services, rents and miscellaneous services, and information technology and communications contracts. As of December 31, 2009, these commitments have not been paid or recorded as a liability in the financial statements. The amounts of these commitments are as follow:

Commitment Type	Commitment Type Amount
Capital Construction Project Contracts	\$ 11,621,157
Professional Services Contracts	503,825
Miscellaneous Services and Rent Contracts	276,325
Information Technology and Communications Contracts	2,723,947
	<u>15,125,254</u>

Arapahoe County, Colorado

Notes to the Financial Statements

December 31, 2009

Developers contribute funds to the County to help pay for capital projects in their developments. These contributions are recorded as revenue in the capital project funds. The projects in the developers' developments are usually completed after the contributions are received and recorded as revenue. The probability that the County will ultimately fail to complete a project for which a developer has contributed funds is remote and does not justify the recording of a liability in the financial statements. During 2009, \$585,425 has been contributed to the county by developers and recorded as revenue for which development improvement projects must be completed by the county in the future.

NOTE 8: DEFERRED COMPENSATION PLANS

The County offers its employees an opportunity to participate voluntarily in a deferred compensation plan. This plan, created in accordance with Internal Revenue Code Section 457, is maintained by a third party administrator, International City Management Association Retirement Corporation (ICMA-RC). The plan permits employees to defer a portion of their salary until future years. In 2009, employees could voluntarily elect to have amounts withheld from their compensation up to age of 50 of \$16,500 per year and above the age of 50 to \$22,000 per year. The withheld amounts are deposited to each participant's account, according to each participants investment direction, making the plan funded. The deferred compensation balance is not available to employees until termination, retirement, death, or an unforeseeable emergency.

In accordance with GASB Statement No. 32, Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans, the County established trusts to hold the assets of the plans' and modified the documents to state that the plan is "held in trust for the exclusive benefit of participants and their beneficiaries." As such, the plans' assets are no longer the property and right of the County, and therefore, are not reflected in the government-wide financial statements of the County.

Arapahoe County, Colorado
Notes to the Financial Statements

December 31, 2009

NOTE 9: CHANGES IN LONG-TERM LIABILITIES

Long-term liability activity for the year ended December 31, 2009 is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Bonds payable					
ACWWA PID General Obligation Bonds	\$ 59,870,000	\$ 56,075,000	\$ -	\$ 115,945,000	\$ 605,000
Less - Deferred amounts for issuance discounts on bonds payable	(805,870)	(396,671)	(33,320)	(1,169,221)	-
Total Bonds Payable	59,064,130	55,678,329	(33,320)	114,775,779	605,000
Note payable					
ACWWA PID -2005	26,270,000	-	-	26,270,000	-
ACWWA PID -2006	14,590,885	-	792,863	13,798,022	220,239
Plus - Deferred amounts related to issuance premiums on notes payable	1,247,306	-	82,494	1,164,812	-
Total Notes Payable	42,108,191	-	875,357	41,232,834	220,239
Certificates of participation payable					
Judicial Complex Refunding	10,740,000	-	1,135,000	9,605,000	1,185,000
Recreational Facility	405,000	-	195,000	210,000	210,000
2006 Refunding of 2000 Building Project	45,850,000	-	2,700,000	43,150,000	2,805,000
Less: Deferred amounts for issuance					
Discounts/Premiums	1,233,094	-	88,945	1,144,149	-
On Refunding	(2,288,818)	-	(196,782)	(2,092,036)	-
Total Certificates of Participation Payable	55,939,276	-	3,922,163	52,017,113	4,200,000
Capital leases					
Energy Conservation Equipment Schedule 001	4,835,377	-	394,893	4,440,484	441,076
Energy Conservation Equipment Schedule 002	3,869,180	-	325,102	3,544,078	336,800
Fairgrounds Event & Livestock Facility	1,839,988	-	235,944	1,604,044	244,392
Water Facility	499,798	-	53,668	446,130	56,979
Parkland	2,600,000	-	-	2,600,000	-
District Attorney Office Building	5,300,000	-	445,000	4,855,000	455,000
Total Capital Leases	18,944,343	-	1,454,607	17,489,736	1,534,247
Compensated absences	10,387,541	9,566,516	9,343,323	10,610,734	1,047,343
Total Long-term Liabilities	\$ 186,443,481	\$ 65,244,845	\$ 15,562,130	\$ 236,126,196	\$ 7,606,829

The Arapahoe County Water and Wastewater Public Improvement District (PID) Bonds are paid out of a Capital Projects Fund. All other General Long-Term Debt (except compensated absences) is paid out of Debt Service Funds. The County will liquidate compensated absences in the General, Social Services, Arapahoe Law Enforcement Authority District, Arapahoe/Douglas Works, Road & Bridge, Sheriff's Commissary, Housing and Community Development, Grant and Open Space Funds.

Bonds

Arapahoe County Water and Wastewater Public Improvement District 2002 Series A & B Bonds

On April 1, 2002, the Arapahoe County Water and Wastewater Public Improvement District Bonds Series 2002 were issued in the amount of \$63,870,000 with fixed interest rates between 3.00% and 5.75%. The bonds were issued to construct, install and acquire new water and wastewater improvements. Future debt payments are as follows:

Arapahoe County, Colorado
Notes to the Financial Statements
December 31, 2009

Date	Principal	Interest	Total
2010	\$ 605,000	\$ 3,105,119	\$ 3,710,119
2011	80,000	3,077,894	3,157,894
2012	250,000	3,074,294	3,324,294
2013	375,000	3,059,919	3,434,919
2014	570,000	3,038,356	3,608,356
2015-2019	5,630,000	14,500,919	20,130,919
2020-2024	12,125,000	12,299,431	24,424,431
2025-2029	21,390,000	8,328,106	29,718,106
2030-2032	18,845,000	1,990,806	20,835,806
Total	<u>\$ 59,870,000</u>	<u>\$ 52,474,844</u>	<u>\$ 112,344,844</u>

Arapahoe County Water and Wastewater Public Improvement District 2009 Series A & B Bonds

On December 16, 2009, the Arapahoe County Water and Wastewater Public Improvement District 2009 Series A & B Bonds were issued in the amount of \$ 56,075,000 with fixed interest rates between 4.25% and 6.48%. The bonds were issued to finance the construction and acquisition of water and sewer improvements and capitalize interest and the costs of issuing the bonds. Future debt payments are as follows:

Date	Principal	Interest	Total
2010	\$ -	\$ 3,386,652	\$ 3,386,652
2011	-	3,533,898	3,533,898
2012	-	3,533,897	3,533,897
2013	-	3,533,898	3,533,898
2014	-	3,533,897	3,533,897
2015-2019	-	17,669,488	17,669,488
2020-2024	-	17,669,487	17,669,487
2025-2029	1,870,000	17,541,776	19,411,776
2030-2034	4,100,000	16,956,918	21,056,918
2035-2039	50,105,000	11,386,656	61,491,656
Total	<u>\$ 56,075,000</u>	<u>\$ 98,746,567</u>	<u>\$ 154,821,567</u>

Notes Payable

Arapahoe County Water and Wastewater Public Improvement District 2005 Colorado Water Resources and Power Development Authority Long Term Note Payable

The Arapahoe County Water and Wastewater Public Improvement District entered into a long term note payable with the Colorado Water Resources and Power Development Authority on November 1, 2005. The long term note will finance the expansion of the capacity of the sewer treatment plant that serves the District, a new lift station,

Arapahoe County, Colorado

Notes to the Financial Statements

December 31, 2009

force main, gravity sewer and an effluent return pipeline, and will allow for future development and growth. The note was for \$26,270,000 with an average interest rate of 4.665%. Future note payments are as follows:

Date	Principal	Interest	Total
2010	\$ -	\$ 1,297,906	\$ 1,297,906
2011	-	1,297,906	1,297,906
2012	-	1,297,906	1,297,906
2013	-	1,297,906	1,297,906
2014	-	1,297,906	1,297,906
2015-2019	-	6,489,530	6,489,530
2020-2024	2,495,000	6,432,003	8,927,003
2025-2029	-	5,943,750	5,943,750
2030-2034	15,460,000	5,566,500	21,026,500
2035	8,315,000	415,750	8,730,750
Total	\$ 26,270,000	\$ 31,337,063	\$ 57,607,063

Arapahoe County Water and Wastewater Public Improvement District 2006 Colorado Water Resources and Power Development Authority Drinking Water Fund Long Term Note Payable

The Arapahoe County Water and Wastewater Public Improvement District entered into a long term note payable with the Colorado Water Resources and Power Development Authority on November 1, 2006. This long term note payable will finance a joint water purification project being constructed with the Cottonwood Water and Sanitation District, including production wells, a pumping station and transmission pipelines, and will allow for future development and growth. The note was for \$16,049,975 with an average interest rate of 4.075%.

Date	Principal	Interest	Total
2010	\$ 220,240	\$ 469,450	\$ 689,690
2011	980,068	464,952	1,445,020
2012	1,002,092	444,932	1,447,024
2013	1,018,610	424,464	1,443,074
2014	1,040,632	401,346	1,441,978
2015-2019	5,676,680	1,557,566	7,234,246
2020-2024	3,859,700	480,159	4,339,859
Total	\$ 13,798,022	\$ 4,242,869	\$ 18,040,891

Arapahoe County, Colorado
Notes to the Financial Statements
December 31, 2009

Certificates of Participation

All Certificates of Participation are recorded in the Arapahoe County Building Finance Corporation fund.

Judicial Complex Refunding Certificates of Participation

On September 3, 2002, the Judicial Complex Refunding Certificates of Participation were issued by the Arapahoe County Building Finance Corporation in the amount of \$15,760,000 with an average interest rate of 4.57% to refund the existing Certificates of Participation in the amount of \$14,850,000 for the purpose of lowering interest rates. The Certificates are secured by the County Judicial Complex and are an obligation of the County. The revenue source to pay the Certificates is outlined in an agreement with the Arapahoe County Airport Authority. In the event that the Airport Authority could not meet the payment schedule, the County would still need to make the payments on the Certificates to avoid a default. Future debt payments are as follows:

Date	Principal	Interest	Total
2010	\$ 1,185,000	\$ 482,675	\$ 1,667,675
2011	1,240,000	429,350	1,669,350
2012	1,300,000	370,450	1,670,450
2013	1,360,000	308,700	1,668,700
2014	1,430,000	237,300	1,667,300
2015-2016	3,090,000	245,438	3,335,438
Total	<u>\$ 9,605,000</u>	<u>\$ 2,073,913</u>	<u>\$ 11,678,913</u>

Recreational Facility Lease Purchase

On May 2, 1996, the Arapahoe County Recreation District issued \$2,290,000 in Refunding Certificates of Participation, Series 1996 with an average interest rate of 5.23% to advance refund \$1,900,000 of outstanding Certificates of Participation, Series 1990 with an average interest rate of 7.46%. Future lease payments on the Certificates of Participation are as follows:

Date	Principal	Interest	Total
2010	\$ 210,000	\$ 11,550	\$ 221,550
Total	<u>\$ 210,000</u>	<u>\$ 11,550</u>	<u>\$ 221,550</u>

2006 Refunding Certificates of Participation – Advance Refunding

On February 14, 2006, the Arapahoe County Building Finance Corporation issued \$50,945,000 in Refunding Certificates of Participation Series 2006 to purchase U.S. Government securities with an average interest rate of 4.2845%. These securities were placed in an irrevocable trust with an escrow agent to provide for the redemption of the Series 2000 Certificates of Participation. The balance of the outstanding defeased debt as of December 31, 2009 is \$42,035,000.

Arapahoe County, Colorado
Notes to the Financial Statements
December 31, 2009

Future debt payments are as follows:

Date	Principal	Interest	Total
2010	\$ 2,805,000	\$ 1,793,987	\$ 4,598,987
2011	2,915,000	1,678,575	4,593,575
2012	3,035,000	1,559,575	4,594,575
2013	3,160,000	1,425,175	4,585,175
2014	3,315,000	1,283,300	4,598,300
2015-2019	19,020,000	3,990,988	23,010,988
2020-2021	8,900,000	378,000	9,278,000
Total	<u>\$ 43,150,000</u>	<u>\$ 12,109,600</u>	<u>\$ 55,259,600</u>

Capital Leases

The following is an analysis of assets acquired through capital leases (as of December 31, 2009):

Energy Conservation Equipment

The County entered into a lease purchase agreement with Citimortgage, Incorporated for the purchase and installation of energy conserving equipment on November 18, 2005. This lease purchase agreement is comprised of two separate agreements identified as Schedules Number 1 and 2. The original amounts of these lease agreements are for \$5,892,870 and \$4,635,335 respectively. In 2008, residual amounts remaining in the construction trust accounts were applied to outstanding principal balances and future lease payments were adjusted accordingly.

The County capitalized a total of \$9,572,529 for these energy conservation projects.

The interest rate averages 3.54% per annum. Future lease payments are as follows.

Energy Conservation Lease Purchase-Schedule No. 1

Date	Principal	Interest	Total
2010	\$ 441,076	\$ 150,127	\$ 591,203
2011	474,856	133,946	608,802
2012	413,314	117,989	531,303
2013	434,234	103,157	537,391
2014	464,890	87,291	552,181
2015-2019	2,212,114	168,567	2,380,681
Total	<u>\$ 4,440,484</u>	<u>\$ 761,077</u>	<u>\$ 5,201,561</u>

Arapahoe County, Colorado
Notes to the Financial Statements
December 31, 2009

Energy Conversation Lease Purchase Schedule No. 2

Date	Principal	Interest	Total
2010	\$ 336,800	\$ 120,030	\$ 456,830
2011	348,917	107,913	456,830
2012	361,472	95,358	456,830
2013	374,478	82,352	456,830
2014	387,951	68,879	456,830
2015-2019	1,734,460	130,930	1,865,390
Total	<u>\$ 3,544,078</u>	<u>\$ 605,462</u>	<u>\$ 4,149,540</u>

Arapahoe County Fairgrounds Event and Livestock Facility

On November 2, 2005, the County entered into a lease purchase agreement with Chase Equipment Leasing, Incorporated for the purchase and installation of a Fairgrounds Event and Livestock Facility. Accordingly, the County capitalized \$2,500,000 for this facility in its fixed assets records.

The agreement was for \$2,500,000. The average interest rate is 3.549% per annum. Future lease payments are as follows:

Date	Principal	Interest	Total
2010	\$ 244,392	\$ 54,778	\$ 299,170
2011	253,142	46,028	299,170
2012	262,206	36,964	299,170
2013	271,594	27,576	299,170
2014	281,319	17,851	299,170
2015	291,391	7,779	299,170
Total	<u>\$ 1,604,044</u>	<u>\$ 190,976</u>	<u>\$ 1,795,020</u>

Water Facilities at the Arapahoe County Fairgrounds-Pure Cycle Corporation

The County entered into a lease purchase agreement with Pure Cycle Corporation on July 25, 2005, to finance, acquire, design, construct, operate and maintain certain water facilities located at the Arapahoe County Fairgrounds site. The agreement required that the water facility constructed by Pure Cycle would be paid for in the following manner. The County made initial cash payment of \$397,235, entered into a lease payment agreement for \$607,858 and, further, the County would convey rights to groundwater with an estimated value of \$240,075. In 2008 the value of these groundwater rights was settled in a Water Court decision and the lease payments and future lease payments were modified and adjusted accordingly.

The County has capitalized \$857,947 for this water facility in its fixed assets records.

Arapahoe County, Colorado

Notes to the Financial Statements

December 31, 2009

The interest rate imposed on the renegotiated amount remains at 6% per annum, compounded monthly. The amortization period is 120 months. Future lease payments are as follows:

Date	Principal	Interest	Total
2010	\$ 56,979	\$ 25,218	\$ 82,197
2011	60,493	21,704	82,197
2012	64,224	17,973	82,197
2013	68,185	14,012	82,197
2014	72,391	9,806	82,197
2015-2016	123,858	6,286	130,144
Total	<u>\$ 446,130</u>	<u>\$ 94,999</u>	<u>\$ 541,129</u>

Parkland Lease Purchase-Zions First National Bank

The County entered into a lease purchase agreement with Zions First National Bank on November 14, 2007. The lease financed the purchase of park and open space site in the Dove Valley subdivision. The total purchase was \$3,234,376 of which \$2,600,000 was financed by the lease.

The average interest rate is 4.829% per annum. The amortization period is 240 months. Future lease payments are as follows:

Date	Principal	Interest	Total
2010	-	125,580	125,580
2011	101,602	124,368	225,970
2012	106,568	119,402	225,970
2013	111,778	114,192	225,970
2014	117,242	108,728	225,970
2015-2019	677,989	451,858	1,129,847
2020-2024	860,713	269,134	1,129,847
2025-2027	624,108	53,801	677,909
Total	<u>\$ 2,600,000</u>	<u>\$ 1,367,063</u>	<u>\$ 3,967,063</u>

District Attorney Office Building Lease Purchase

The County entered into a lease agreement with JPMorgan Chase Bank, N.A. on September 17, 2008. The lease financed the purchase of the District Attorney Office Building located at 6450 South Revere Parkway, Englewood, Colorado. The total purchase was \$5,325,084 of which \$5,300,000 was financed by the lease.

The average interest rate is 4.36% per annum. The amortization period is 120 months. Future lease payments are as follows:

Arapahoe County, Colorado
Notes to the Financial Statements
December 31, 2009

Date	Principal	Interest	Total
2010	\$ 455,000	\$ 206,773	\$ 661,773
2011	470,000	186,826	656,826
2012	495,000	166,007	661,007
2013	515,000	144,207	659,207
2014	535,000	121,535	656,535
2015-2018	2,385,000	240,018	2,625,018
Total	\$ 4,855,000	\$ 1,065,366	\$ 5,920,366

NOTE 10: DISCRETELY PRESENTED COMPONENT UNIT DEBT

Details of the debt for each of the component units can be found in their individual financial statements. Following is a discussion of the debt that is particularly relevant to the relationship between the component unit and the Primary Government.

Arapahoe County Airport Authority

Long-term liability activity for the year ended December 31, 2009, is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Capital Lease Payable	\$ 10,740,000	\$ -	\$ 1,135,000	\$ 9,605,000	\$ 1,185,000
Less: Deferral Amounts of Refunding	(3,395,197)	-	(428,867)	(2,966,330)	-
Note Payable	5,098,516	-	526,315	4,572,201	540,871
Total Long-Term Debt	\$ 12,443,319	\$ -	\$ 1,232,448	\$ 11,210,871	\$ 1,725,871

Capital Lease

This capital lease is payable to Arapahoe County, Colorado, dated November 1, 1986, and renegotiated September 3, 2002, principal and interest due in varying semi-annual amounts through 2016. The capital lease bears a varying interest rate of 3.25% to 5.25%. Payments of principal and interest are due on a semiannual basis through 2016. This lease is secured by land. The total assets purchased with these capital lease funds is \$26,083,745. There are a number of covenants contained in the lease agreement. At December 31, 2009 the Authority believes it was in compliance with these restrictive covenants.

Schedule of capital lease principal and interest payments are as follows:

Arapahoe County, Colorado

Notes to the Financial Statements

December 31, 2009

Date	Principal	Interest	Total
2010	\$ 1,185,000	\$ 482,675	\$ 1,667,675
2011	1,240,000	429,350	1,669,350
2012	1,300,000	370,450	1,670,450
2013	1,360,000	308,700	1,668,700
2014	1,430,000	237,300	1,667,300
2015-2016	3,090,000	245,438	3,335,438
Total	<u>\$ 9,605,000</u>	<u>\$ 2,073,913</u>	<u>\$ 11,678,913</u>

Note Payable

In 2002, the Authority obtained a loan in the amount of \$400,000 from the Colorado Dept. of Transportation, (CDOT) for the east area drainage project. The note bears an interest at the rate of 2% and matures March 2012.

In 2007, the Authority obtained a loan in the amount of \$5,400,000 from the Colorado Department of Transportation (CDOT) for the purchase of land and a restrictive covenant on land. The loan shall bear interest at the rate of 3% on the unpaid balance, compounded annually. The Authority will make ten annual installments with the first payment made October 4, 2008. The loan is secured by a security interest in the Authority's fuel tax refund revenue.

Scheduled note principal and interest payments are as follows:

Date	Principal	Interest	Total
2010	\$ 540,871	\$ 135,881	\$ 676,752
2011	557,524	120,051	677,575
2012	573,822	103,753	677,575
2013	546,070	86,975	633,045
2014	562,452	70,593	633,045
2015-2017	1,791,462	108,496	1,899,958
Total	<u>\$ 4,572,201</u>	<u>\$ 625,749</u>	<u>\$ 5,197,950</u>

Commitments and Contingencies-Rental Agreements

The Authority has operating rental agreements with the fixed base operators and subleases for rental of land and subleases for rental of land and buildings owned by the Authority. These agreements stipulate that upon termination, title of any leasehold improvements will pass to the Authority. The following is an estimate, by year, of minimum future rental revenue under these agreements:

Arapahoe County, Colorado
Notes to the Financial Statements

December 31, 2009

2010	\$	1,722,861
2011		1,715,950
2012		1,748,149
2013		1,768,392
2014		1,788,968
Thereafter		171,236,907
		\$ 179,981,227

Revenues under these leases amounted to \$1,995,081 during 2009.

The Authority has entered into lease agreements with the FAA to lease approximately 2,100 square feet of the Authority's tower, and approximately 2,300 square feet of the Authority's administrative office building. The tower lease had an expiration date of July 9, 2006. The FAA did not exercise the option to purchase the tower. The lease was renegotiated at an amount equivalent to the tower repairs and maintenance. The office space lease is renewable in 2010. Rental income under this lease amounted to \$89,635 during 2009. The earning stream from this agreement is included in the minimum future rental revenue.

Defeased Debt

During 2002, the Authority, in conjunction with Arapahoe County, refunded Certificates of Participation totaling \$15,760,000. As a result, payments under the refunded capital leases are considered as defeased, and the liability has been removed from the books. At December 31, 2009 the Authority's share of the amount of defeased debt outstanding is \$11,620,506.

Arapahoe County Water and Wastewater Authority

Changes in Long-term Debt

Changes in the Authority's long-term obligations consist of the following for the year ended December 31, 2009:

Business-Type Activities	1/1/2009	Additions	Reductions	12/31/2009	in One Year
Revenue Bonds, Series 2006	\$ 22,940,000	\$ -	\$ 530,000	\$ 22,410,000	\$ 555,000
Revenue Bonds, Series 2007	18,185,000	-	415,000	17,770,000	430,000
Revenue Bonds, Series 2009A	-	91,545,000	-	91,545,000	-
Revenue Bonds, Series 2009B	-	5,625,000	-	5,625,000	-
Compensated absences	203,398	111,696	52,286	262,808	105,124
Total	\$ 41,328,398	\$ 97,281,696	\$ 997,286	\$137,612,808	\$ 1,090,124

Arapahoe County, Colorado

Notes to the Financial Statements

December 31, 2009

The net bonds payable are reported as follows:

Total revenue bonds outstanding at 12/31/09	\$ 137,350,000
Add: Premium	<u>469,664</u>
Net revenue bonds outstanding at 12/31/09	137,819,664
Less current portion	<u>(985,000)</u>
Long-term portion	<u>\$ 136,834,664</u>

Over the years, ACWWA has issued revenue bonds with pledged revenues as collateral. The revenue bonds have been issued as utilities revenue bonds. These bonds were issued to finance various construction projects within the enterprise fund, with the pledged revenue coming from the enterprise fund.

	<u>Amount Pledged</u>	<u>Term of Commitment</u>
Utilities Revenue Bonds	\$ 297,625,935	2010-2039

For 2009, the ratio of pledged revenue recognized to total principal and interest paid was 36%. The total pledged revenue is not estimable in comparison to pledged debt in that revenues are uncertain as to future amounts. However, the debt coverage requirement for each issue must be met or the bonds will be in default. This provides sufficient coverage each year for the pledged debt.

Series 2009A Revenue Bonds

On December 8, 2009, ACWWA issued \$91,545,000, in Taxable Water and Wastewater Revenue Direct Pay Build America Bonds (BAB) with interest rates ranging from 3.61% to 6.68%. The revenue refunding and improvement bonds are due in annual principal and interest installments of \$5,516,894 to \$15,804,642 until December 2039. ACWWA is eligible to receive a 35% interest subsidy credit on its interest payments for these bonds subject to Section 6431 of the Internal Revenue Code. To receive BAB credits, ACWWA must file a Form 8038-CP between 45 and 90 days prior to the corresponding interest payment date. Such credits, if received by ACWWA, are required by the bond resolution to be deposited to the Build America Interest Account of the Build America Bond Fund. There is no assurance, however, that ACWWA will receive all or any of the BAB credits which it expects to receive. ACWWA will be required to pay interest on the 2009A bonds regardless of whether BAB payments are received.

Series 2009B Revenue Bonds

On December 8, 2009, ACWWA issued \$5,625,000 in water and wastewater revenue bonds with interest rates ranging from 2.00% to 2.50%. The revenue refunding and improvement bonds are due in annual principal and interest installments of \$131,960 to \$2,224,250 until December 2014.

Outstanding Bonds

Annual debt service requirements to amortize all obligations outstanding, as of December 31, 2009, follows:

Arapahoe County, Colorado
Notes to the Financial Statements
December 31, 2009

Year	Principal	Interest	Total
2010	\$ 985,000	\$ 7,467,543	\$ 8,452,543
2011	1,375,000	7,673,310	9,048,310
2012	2,605,000	7,625,310	10,230,310
2013	2,675,000	7,551,910	10,226,910
2014	3,320,000	7,472,298	10,792,298
2015-2019	15,295,000	35,586,477	50,881,477
2020-2024	18,410,000	31,655,791	50,065,791
2025-2029	22,570,000	26,331,733	48,901,733
2030-2034	28,055,000	19,317,079	47,372,079
2035-2039	42,060,000	9,594,484	51,654,484
Total	<u>\$137,350,000</u>	<u>\$160,275,935</u>	<u>\$297,625,935</u>

Series 2007 Revenue Refunding and Improvement Bonds

On August 23, 2007, the Authority issued \$18,760,000, with a discount of \$70,654, in Water and Wastewater Revenue Refunding and Improvement Bonds with interest rates ranging from 4% to 5%. The bonds were issued to advance refund \$8,405,000 of outstanding revenue bond series 2003C with variable interest rates. Funds were placed in an escrow trust account that will be used to meet remaining payment requirements. As a result, the 2003C series bond is considered to be defeased and is not included in the Authority's financial statements.

The advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$707,720. This difference is being charged to operations through the year 2027 using the effective-interest method.

The advance refunding resulted in a net economic gain (difference between the present values of the old and new debt service payments) of \$3,172,311.

Series 2006 Refunding Bonds

On December 28, 2006, the Authority issued \$22,940,000 with a premium of \$441,801 in Revenue Bonds with interest rates ranging from 4% to 5%. The bonds were issued to advance refund \$23,095,000 of outstanding revenue bonds series 2003A and 2003B with variable interest rates. As a result, the 2003A and 2003B Series bonds are considered to be defeased and the liability for those bonds has been removed from the statement of net assets.

The advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$2,263,859. This difference, reported as a deduction from bonds payable, is being charged to operations through the year 2033 using the effective-interest method. The advance refunding resulted in a net economic gain (difference between the present values of the old and new debt service payments) of \$1,139,814.

Principal and interest payments related to the Authority's revenue bonds and capital leases are financed from income derived from the operation of the water and wastewater systems.

The compensated absences liability will be paid from the fund from which the employees' salaries are paid, normally the enterprise fund.

Arapahoe County, Colorado

Notes to the Financial Statements

December 31, 2009

NOTE 11: OPERATING LEASES

The County leases office facilities and other equipment under non-cancelable operating leases. The following is a summary of the County's operating leases:

<u>City Center Market Place</u>	
Future Maturities	
2010	87,061
2011	44,504
	<u>\$ 131,565</u>

<u>5500 So. Quebec Street, Suite 175</u>	
Future Maturities	
2010	565,563
2011	580,884
2012	596,203
2013	611,526
2014	626,844
2015	52,343
	<u>\$ 3,033,363</u>

Rent expense for 2009 under the lease was \$634,798.

NOTE 12: SELF INSURANCE PLANS

Self Insurance Liability Plan - In 1982, Arapahoe County established a self-insurance plan to provide liability and property coverage for County assets and operations. The plan is administered by the County. When appropriate, the County utilizes third-party consultants and attorneys to handle bodily injury claims and certain other claims. Excess insurance is maintained that limits the County's liability to certain levels depending on the nature of the claim. The estimate liability claims was determined by an actuarial analysis of current claims and an estimate of incurred but not reported (IBNR) claims at December 31, 2009. This plan is an internal service fund.

Self Insurance Worker's Compensation Plan – In 1990, the County established a self-insurance plan to pay losses from worker's compensation claims. The County administers the plan, however the County utilizes third-party consultants, attorneys and service providers in the administration of the plan. Excess insurance coverage is maintained to limit the loss of any individual claim. The plan assesses other funds for estimates of current claims based on historical claims. The estimated claim liability at December 31, 2009 was determined by an actuarial analysis. The actuarial analysis includes estimated costs of known claims and estimates of incurred but not reported (IBNR) claims. This plan is an internal service fund.

Self Insurance Dental Plan - This fund was originally established on January 1, 1986, and included both medical and dental plans. A decision was made in 1991 to discontinue the County plan for medical insurance effective January 1, 1992. The County continued the self-insured dental plan. Dental claims, as well as administrative costs, are paid directly out of this fund, which is funded by contributions made by the County and

Arapahoe County, Colorado

Notes to the Financial Statements

December 31, 2009

its employees. All claims are reviewed and approved for payment by Delta Dental, in accordance with their administrative services agreement with the County. The County's plan is fully self-insured with the County assuming all liability risks. The County is not a part of a public entity risk pool. The County estimates liabilities for unpaid claims through a combination of analyzing payments in subsequent years, historical trends, and industry guidelines. This plan is an internal service fund.

The County employs a full-time Risk Manager to oversee all aspects of the County's insurance needs and to assess the County's potential liabilities. The County's Human Resources Department administers the Self-Insurance Dental Plan. Changes in the balances of claims liabilities follow:

	Liability	Workers Comp	Dental	Total
Unpaid Claims, January 1, 2008	\$ 988,000	\$ 1,949,000	\$ 77,000	\$ 3,014,000
Incurred Claims (including IBNR)	124,212	720,437	1,220,288	2,064,937
Claim Payments	<u>(141,212)</u>	<u>(864,437)</u>	<u>(1,255,288)</u>	<u>(2,260,937)</u>
Unpaid Claims, December 31, 2008	971,000	1,805,000	42,000	2,818,000
Incurred Claims (including IBNR)	247,484	1,146,029	1,377,170	2,770,683
Claim Payments	<u>(263,484)</u>	<u>(761,029)</u>	<u>(1,357,170)</u>	<u>(2,381,683)</u>
Unpaid Claims, December 31, 2009	<u>\$ 955,000</u>	<u>\$ 2,190,000</u>	<u>\$ 62,000</u>	<u>\$ 3,207,000</u>
Claims Expected to be Paid in 2010	\$ 313,000	\$ 999,000	\$ 62,000	\$ 1,374,000
Claims Expected to be Paid after 2010	<u>642,000</u>	<u>1,191,000</u>	<u>-</u>	<u>1,833,000</u>
Unpaid Claims, December 31, 2009	<u>\$ 955,000</u>	<u>\$ 2,190,000</u>	<u>\$ 62,000</u>	<u>\$ 3,207,000</u>

Unpaid claim estimates do not include non-incremental claim adjustment expenses.

Claims have not exceeded the County's insurance coverage for the previous three years.

NOTE 13: RETIREMENT PLAN

Plan Description

The Arapahoe County Retirement Plan (the Plan) is a single employer defined benefit pension plan established by the Arapahoe County Board of County Commissioners to provide pension benefits for its employees. The Plan is administered by the Arapahoe county Retirement Board consisting of five people: the Arapahoe County Treasurer, two Plan members elected by the Plan members, and two Arapahoe County citizens appointed by the Board of County Commissioners. The Plan issues a complete stand-alone set of financial statements that meet all the reporting requirements of GAAP. These financial statements are publicly available at the following address: Arapahoe County Retirement Plan, 5334 S. Prince St., Littleton, Colorado 80166-0001.

Plan Summary of Significant Accounting Policies

The financial statements of the Plan are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. The government's contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits and

Arapahoe County, Colorado

Notes to the Financial Statements

December 31, 2009

refunds are recognized when due and payable in accordance with the terms of the plan. All plan investments are reported at fair value. Securities traded on national or international exchanges are valued at the last reported sales price on the government's balance sheet date. Investments that do not have an established market value are reported at estimated fair value. The fair value of real estate investments is based on independent appraisals. Investments for which market quotations are not readily available are valued at their fair values as determined by the custodian under the direction of the Plan with the assistance of a valuation service. The custodian of the hedge fund determines the value of those investments.

Funding Policy

The contribution requirements of plan members are established by the Retirement Board in agreement with the Board of County Commissioners, which establishes the employer contribution. The employer must at least match the contribution of the employee. Both parties of this plan contribute the same percentage. In 2009 the contribution rate was 6.5% of covered payroll. For 2010 the rate increased to 7.0%.

Annual Pension Cost and Net Pension Obligation

Funded Status and Funding Progress

	2009	2008	2007
Annual required contribution (ARC)	\$ 12,408,298	\$ 8,924,396	\$ 8,393,081
Interest on net pension obligation	946,616	738,777	521,771
Adjust to annual required contributions	(901,205)	(703,336)	(467,810)
Annual pension cost (APC)	12,453,709	8,959,837	8,447,042
Contributions made	(6,455,058)	(6,188,651)	(5,553,621)
Inc (Dec) in Net Pension Obligation	5,998,651	2,771,186	2,893,421
NPO beginning of year	12,621,552	9,850,366	6,956,945
NPO end of year	<u>\$ 18,620,203</u>	<u>\$ 12,621,552</u>	<u>\$ 9,850,366</u>
Percentage of APC Contributed	51.8%	69.1%	65.7%

As of January 1, 2009, the most recent actuarial valuation date, the Plan was 68.0% funded. The actuarial accrued liability for benefits was \$305,587,064 and the actuarial value of assets was \$207,669,753, resulting in an unfunded actuarial accrued liability of \$97,017,311. The covered payroll (annual payroll of active employees covered by the plan) was \$98,242,489 and the ratio of unfunded actuarial accrued liability to covered payroll was 99.7%.

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

Actuarial Methods and Assumptions

In the January 1, 2009 actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions included (a) 7.5% investment rate of return (net of administrative expenses) and (b) projected salary increases ranging from 3.8% to 6.3% per year. A 2.5% rate of inflation was used in the calculations. No cost of living increases are included in the assumptions. The actuarial value of assets was determined using techniques

Arapahoe County, Colorado

Notes to the Financial Statements

December 31, 2009

that spread the effects of short-term volatility in the market value over a five year period. The UAAL is being amortized as a level percentage of projected payroll on an open basis over a 20 year amortization period.

Plan Assets

The following presents investments that represent five percent or more of the Plan's net assets as of December 31, 2009 and 2008:

	2009	2008
Reams Asset Management	\$ -	\$ 27,439,198
Blackstone Alternative Asset Management	29,927,719	20,823,851
T. Rowe Price Structured Research Common Trust	23,022,915	17,680,587
Artisan International Institutional Shares Fund	21,329,111	17,485,033
Bernstein Int. Value Delaware Bus TR	20,965,310	14,386,457
JPMorgan Chase Commingled Pension	14,836,128	-
PIMCO Total Return Fund	14,712,649	-
UBS Realty Investors LLC	11,274,853	15,307,576
Eaton Vance Large Cap Value Fund	11,201,871	9,619,697
Artio-Global Equity Fund	10,373,502	-
Vanguard Institutional Index	-	17,861,644

NOTE 14: CONTINGENCIES

The County is currently named in numerous lawsuits. In the opinion of the County Attorney, none of the current litigation is expected to result in a material liability or have a material impact on the County's financial position. The excess insurance coverage available in the self-insurance liability plan also limits potential liability for the County.

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the state government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the County expects such amounts, if any, to be immaterial.

NOTE 15: TAX SPENDING AND DEBT LIMITATIONS

Colorado voters passed an Amendment to the State Constitution, Article X, Section 20 (TABOR), which contains several limitations, including revenue raising, reserve requirements, and election requirements.

The County's financial activity provides the basis for calculation of limitations adjusted for allowable increases tied to inflation and local growth of assessed value of new construction.

The Amendment excludes enterprises from its provisions. Enterprises are defined as government-owned businesses that are authorized to issue revenue bonds and that receive less than 10% of their annual revenue from all state and local governments combined. The County is of the opinion that the following component units are enterprises and, therefore, qualify for this exclusion: Arapahoe County Water & Wastewater Authority, Arapahoe County Public Airport Authority, and the Arapahoe County E-911 Authority.

Arapahoe County, Colorado

Notes to the Financial Statements

December 31, 2009

Additionally, the Employee Flexible Benefit Fund, Self Insurance Dental Plan, Conservation Trust Fund, Employee Retirement Trust Fund, and the Treasurer's Agency Fund have been excluded from the compliance calculation. These funds have been excluded from the compliance calculation because these funds exist for the employees benefit, have been excluded from the calculation by the Amendment, or have been excluded by a Colorado Supreme Court decision.

Fiscal year spending is defined as "all expenditures and reserve increases except as to both, those for refunds made in the current or next fiscal year or those from gifts, federal funds, collections for another government, pension contributions by employees, and pension fund earnings, reserve transfers or expenditures, damage awards or property sales." In effect, it has been generally interpreted that fiscal year spending is non-exempt revenue. Calculations have been made that show that the County, and the non-exempt component units have not exceeded the fiscal year limits imposed by the Amendment.

The Amendment requires, with certain exceptions, voter approval prior to imposing new taxes, increasing tax rates, increasing a mill levy above that for the prior year, extending an expiring tax, or implementing a tax policy change directly causing a net tax revenue gain to any local government. The County levied 16.973 mills as the base mill levy in 1997, but in 1998 permanently reduced it to 15.821 mills.

The Law Enforcement Authority levied 4.982 mills in 2009 and 2008.

The Amendment requires that emergency reserves be established. These reserves must be at least three percent of fiscal year spending. Emergency reserves at or in excess of three percent of calculated fiscal year spending have been established and presented as a reservation of fund balance for the County and for the nonexempt component units. The Board of County Commissioners designates another 8.0% of the current years initial adopted operational budget for emergency purposes.

Based upon Arapahoe County's interpretation of the above Amendment the County believes it falls within the TABOR limits for 2009.

NOTE 16: LANDFILL

The County previously owned and operated a landfill. The County did not estimate or accrue post-closure costs while the landfill was in operation. This landfill was closed in 1987 and is no longer in operation. The County shares post closure monitoring costs with Waste Management Inc. The County pays 75% of the costs. Each year Waste Management bills the County when actual costs have been determined. The County's cost for the past year was \$130,187. The County is only funding this liability on a "pay-as-you-go" basis. Substantially all remediation costs for the landfill have been paid. The required term to monitor the landfill is not known and a long-term liability is not recorded. The County's current liability was determined to be immaterial and not recorded.

NOTE 17: 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.

Arapahoe County, Colorado

Notes to the Financial Statements

December 31, 2009

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. Accordingly, the bonds are not reflected in the records or financial statements of the County.

The amount outstanding at December 31, 2009 in total is approximately \$66,640,319. Individual issues are as follows:

- Adjustable Rate Industrial Development Revenue Refunding Bonds, (Denver Jetcenter, Inc. Project) Series 1997; \$3,500,000 Dated September 1, 1997 - refunded original 1983 issue of \$3,500,000. Amount outstanding December 31, 2009, \$3,500,000.
- Convertible GNMA Collateralized Single Family Mortgage Refunding Revenue Bond, Series 1997; \$4,195,002 Dated December 1, 1997 – refunded original August 1, 1988, issue of \$25,000,000. Amount outstanding December 31, 2009, \$103,080.
- Adjustable Rate Revenue (Excelsior Youth Centers, Inc), Series 2001; \$5,200,000 Dated March 1, 2001. Amount outstanding December 31, 2009, approximately \$3,600,000.
- Adjustable Rate Industrial Development Revenue Bonds, (Cottrell Printing Company, Inc. Project) Series 1999; \$3,975,000 Dated August 3, 1999. Amount outstanding December 31, 2009, approximately \$3,130,000.
- Variable Rate Demand Multifamily Rental Housing Revenue Refunding Bonds (Hunter's Run Project) Series 2001; \$25,600,000 Dated August 1, 2001. Amount outstanding December 31, 2009, approximately \$25,600,000.
- Variable Rate Multifamily Housing Revenue Refunding Bonds (Highline Oaks Apartment Project) Series 2002; \$7,100,000 Dated July 25, 2002. Amount outstanding December 31, 2009, approximately \$7,100,000.
- Variable Rate Multifamily Housing Revenue Bonds (Centennial East Apartments Project Phase II) Series 2000; \$4,660,000 Dated January 1, 2001 Amount outstanding December 31, 2009, approximately \$4,585,000.
- Variable Rate Multifamily Housing Development Revenue Bonds (Reserve at South Creek Apartments Project) Series 2000; \$14,125,000 Dated June 1, 2000. Amount outstanding December 31, 2009 approximately \$13,475,000.
- Revenue Bonds (Arapahoe/Douglas Mental Health Network Project) Series 2004, \$6,000,000 dated May 5, 2004. Amount outstanding December 31, 2009, approximately \$5,547,239.

**REQUIRED SUPPLEMENTAL
INFORMATION**

ARAPAHOE COUNTY RETIREMENT PLAN
REQUIRED SUPPLEMENTAL SCHEDULES

SCHEDULE OF EMPLOYER CONTRIBUTIONS

	<u>Year ended December 31,</u>								
	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
Annual contributions	\$6,455,058	\$6,188,651	\$5,847,228	\$5,127,586	\$4,736,887	\$4,648,252	\$4,504,398	\$4,298,635	\$4,058,125
Annual required contributions	\$12,408,298	\$8,924,369	\$8,393,081	\$7,853,983	\$7,608,309	\$7,343,755	\$6,635,041	\$4,233,336	\$3,569,424
Contributions as a percent of annual required contributions	52%	69%	70%	65%	62%	63%	68%	101%	114%

ARAPAHOE COUNTY RETIREMENT PLAN
SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded (Overfunded)	Funded Ratio (%)	Covered Payroll	UAAL as a Percentage of Covered Payroll (%)
	(a)	(b)	(b-a)	(a/b)	(c)	(b-a/c)
1/1/2006	184,740,932	228,029,274	43,288,342	81%	82,413,819	52.5%
1/1/2007	203,380,043	254,096,172	50,716,129	80%	87,793,057	57.8%
1/1/2008	229,898,148	281,233,693	51,335,545	82%	94,903,465	54.1%
1/1/2009	207,669,753	305,587,064	97,917,311	68%	98,242,489	99.7%

¹ This schedule is based on the actuarial valuation as of 1/1/09.

* Prior to January 1, 2006, the Plan utilized the aggregate cost method which does not develop an actuarial liability or unfunded actuarial liability. A schedule of funding progress is not required for the aggregate cost method.

SUPPLEMENTAL INFORMATION
REQUIRED BY THE
STATE OF COLORADO

Arapahoe County Department of Human Services
EBT Authorization Schedule
For Calendar Year 2009

	A	B	C	D	E
Program	<u>County EBT Authorizations per Whole Year Report</u>	<u>County Share of Authorizations</u>	<u>Expenditures By County Warrant</u>	<u>County EBT Authorizations plus Expenditures by County Warrant (Col. A + Col. C)</u>	<u>Total Expenditures (Col. B + Col. C)</u>
Colorado Works (TANF)	\$ 5,938,744	\$ 1,138,860	\$ 7,141,091	13,079,835	8,279,951
CHATS/Child Care Direct EBT	8,221,533	754,338		8,221,533	754,338
Child Care Administration			678,598	678,598	678,598
Child Care TANF Transfer			918,402	918,402	918,402
Child Welfare Administration 100%			2,705,247	2,705,247	2,705,247
Child Welfare Administration 80/20%			9,941,687	9,941,687	9,941,687
Child Welfare Residential Mental Health	5,588,377	566,240		5,588,377	566,240
Child Welfare Case Services	169,319	44,359	30,005	199,324	74,364
Child Welfare Out-of-Home (OOH)	5,093,551	1,027,768		5,093,551	1,027,768
Child Welfare Related Child Care	285,593	57,119	8,989	294,582	66,108
Child Welfare Subsidized Adoption	5,984,404	1,242,880		5,984,404	1,242,880
Regular Administration			7,391,076	7,391,076	7,391,076
Non-Allocated Programs	205,348	37,010	1,016,715	1,222,063	1,053,725
Core Services:				-	-
Mental Health	94,560	184		94,560	184
ADAD	436,651	557		436,651	557
SEA			30,936	30,936	30,936
Other FICF	956,846	(4,583)	58,258	1,015,104	53,675
80/20%	480,047	96,009	2,137,597	2,617,644	2,233,606
HB 1414 Activities	75,708		69,572	145,280	69,572
Low-Income Energy Assistance	5,735,740		447,615	6,183,355	447,615
Aid to the Blind	(2,939)	(588)		(2,939)	(588)
Aid to Needy Disabled	915,277	183,055		915,277	183,055
Home Care Allowance EBT	978,628	48,931		978,628	48,931
Old Age Pension	15,691,402		220,170	15,911,572	220,170
Food Assistance-EBT & Fraud Administration	53,653,978		153,302	53,807,280	153,302
Food Assistance Job Search			450,253	450,253	450,253
Title XX Caseworker Training			5,320	5,320	5,320
Adoption incentive Grant			40,071	40,071	40,071
CHP+			4,844	4,844	4,844
IV-E Independent Living			160,437	160,437	160,437
County Wide Cost Allocation Plan Pass-Through			5,399,080	5,399,080	5,399,080
Audit Adjustments	(14,044)	11,946		(14,044)	11,946
Medicaid Collections	(1,468)	-	-	(1,468)	-
Total Net EBT Authorizations/Subtotal	110,487,255	5,204,085	39,009,265	149,496,520	44,213,350
State Adjustments/ NON-EBT				-	-
Child Welfare RTC/CHRP adjustments	387,706	77,541		387,706	77,541
IV-D Retained State Collections	(910,656)	(182,131)		(910,656)	(182,131)
Child Support Enforcement	388,695	392,774	4,629,415	5,018,110	5,022,189
Other Local Sources			250,442	250,442	250,442
Excess Parental Fees			263,088	263,088	263,088
Grand Totals	\$ 110,353,000	\$ 5,492,269	\$ 44,152,210	\$ 154,505,210	\$ 49,644,479
			*** CONTROL TOTALS	\$ 154,505,210	\$ 47,778,921
Differences noted:					
Net Increase to Total Expenditures due to accruals					503,348
Net decrease to Total Expenditures due to County Wide Cost Allocation Plan costs not recorded to Fund 11					(5,806,091)
Net increase to Total Expenditures due to county expenditures not recorded to County Financial Management System (CFMS)					529,515
Net increase to Total Expenditures due to Fund to Fund transfers not recorded to CFMS					2,821,543
Net decrease to Total Expenditures due to IV-D balance sheet items and refunds					(363,327)
Net increase to Total Expenditures due to collection items recorded in revenue and not as offset to expenditure					449,454
County Human Services Total					\$ 47,778,921
A. Assistance payments authorized by the Arapahoe County Department of Human Services. These county authorizations are paid by the Colorado Department of Human Services via QUEST debit cards - Electronic Benefit Transfer. These amounts include EBT adjustments such as payment returns and collections. The amounts can be isolated in CFMS by adding up the account code sequences 65793-65799, 53940-53945 and 65788-65789.					
B. Net County Share of EBT authorizations. These amounts are settled monthly by a reduction of the Due To/From State settlement payment made to Arapahoe County at the end of the month following the period close. These amounts correspond to county share amounts of the EBT net authorizations paid (see A above). Amounts can be isolated by adding up account code 11320 figures for EBT program and function code combinations.					
C. Expenditures made by county warrant or other county payment methods.					
D. This represents the total cost of the assistance programs that are administered by the Arapahoe County Department of Human Services.					
E. The amount is reconcilable to the expenditures on the Social Services Fund-Statement of Revenues, Expenditures and Changes in Fund Balance.					
*** Control figures for column D taken from the CFMS Expenditure/Revenue-Whole Year Report "total expenditure" column. For column E, the County SAP G/L Detail for expenditure accounts. The difference between Grand Total of column E and Control Total of column E is shown in Differences Noted.					

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

LOCAL HIGHWAY FINANCE REPORT

City or County:

Arapahoe

YEAR ENDING :

December 2009

This Information From The Records Of (example - City of _ or County of) Prepared By: Rhonda Robinson
Phone: 720-874-6822

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)	4,386,462
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	6,709,213
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	485,658
2. General fund appropriations	10,030,040	b. Snow and ice removal	1,562,755
3. Other local imposts (from page 2)	6,354,478	c. Other	0
4. Miscellaneous local receipts (from page 2)	2,361,246	d. Total (a. through c.)	2,048,413
5. Transfers from toll facilities	0	4. General administration & miscellaneous	979,206
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	751,591
a. Bonds - Original Issues		6. Total (1 through 5)	14,874,885
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	
7. Total (1 through 6)	18,745,764	b. Redemption	
B. Private Contributions	5,103,331	c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	8,245,602	2. Notes:	
D. Receipts from Federal Government (from page 2)	0	a. Interest	
E. Total receipts (A.7 + B + C + D)	32,094,697	b. Redemption	
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	0
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	
			14,874,885

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

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

V. LOCAL ROAD AND STREET FUND BALANCE

A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
44,169,514	32,094,697	14,874,885	61,389,326	0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT		STATE: Colorado	
		YEAR ENDING (mm/yy): December 2009	
II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments	5,946,002	a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	408,476	g. Other Misc. Receipts	
6. Total (1. through 5.)	408,476	h. Other	2,361,246
c. Total (a. + b.)	6,354,478	i. Total (a. through h.)	2,361,246
	(Carry forward to page 1)		(Carry forward to page 1)
III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	7,961,158	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	284,444	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	284,444	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	8,245,602	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
b. Engineering Costs			0
c. Construction:			
(1). New Facilities		476,518	476,518
(2). Capacity Improvements		3,219,536	3,219,536
(3). System Preservation		0	0
(4). System Enhancement & Operation		690,408	690,408
(5). Total Construction (1) + (2) + (3) + (4)	0	4,386,462	4,386,462
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	4,386,462	4,386,462
			(Carry forward to page 1)
Notes and Comments:			

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expend for particular purposes.

Electronic Filing Technology Fund – This fund, which began on September 1, 2002, is used to account for a surcharge on recording fees to be used by the Clerk and Recorder to acquire technology to accept electronic filings.

Cash-In-Lieu Fund – This fund is used to account for monies received in lieu of land to be dedicated for parks and other public purposes. Each land subdivider must provide to the County a minimum of 10% of the total gross acreage of the subdivision or a sum of money equal to a minimum of 10% of the current market value of the total zoned (but unimproved) land; or a combination of land or money equal to the total 10% requirement. All funds are limited to use for public improvements.

Law Enforcement Authority Fund – This fund is used to account for the operations of law enforcement services in the unincorporated area of Arapahoe County. Most of the financing is provided by property tax revenue.

Arapahoe/Douglas Works! Fund – This fund is used to account for the operations of various Workforce Investment Act and related grants, i.e., summer youth employment, adult training, displaced workers, veterans and related grants. Financing is mainly provided by federal grants and various other local sources.

Conservation Trust Fund – This fund is used to account for the County share of the state lottery program. The monies may be expended only for the acquisition, development, and maintenance of parks, and other public recreational facilities.

Contingent Fund – This fund is used to account for the expenditure of monies set aside for emergencies. These funds can be authorized only for (1) an act of God; (2) use against public enemies; or (3) something “which could not have been reasonably foreseen at the time of adoption of the budget”. The expenditure resolution must be adopted by a 2/3 vote of the governing body and must clearly be an “emergency” use of the funds.

Communications Network Replacement Fund – This fund was established in 1994 by an intergovernmental agreement with the City of Greenwood Village. The purpose of the fund is to provide funding for a future replacement of the County Radio Communication System.

Sheriff Commissary Fund – This fund is used to account for operations of a commissary for prisoners at the detention center. It is funded by inmate purchases.

Community Development Fund – This fund is used to account for the Community Development Block Grant. The grant is used to improve housing conditions for low/moderate income people.

Forfeited Property Fund – This fund is used to account for funds received from drug related seizures.

Board Designated Fund - This fund is used to accumulate the County operating capital reserve as designated by the Board of County Commissioners.

Developmental Disabilities Fund – This fund is used to account for monies received to purchase services for residents in Arapahoe County with developmental disabilities. It is funded by a 1.000 mill levy.

NONMAJOR GOVERNMENTAL FUNDS (continued)

Grants Fund – This fund is used to account for monies received and used in administering various grants received by the County.

Homeland Security Grant Fund – This fund is used to account for the receipt and disbursement of grant funds distributed through the State of Colorado.

Building Maintenance Administration Fund – This fund is to account for funds obtained and disbursed to improve County buildings energy costs.

Fair and Fairgrounds Fund-This fund is to account for funds collected and disbursed for the operation of the Arapahoe County Fair and other events.

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

Law Enforcement Capital Improvement Fund – This fund is used to account for the construction of a major expansion to the County Detention Facility and to repay debt service incurred for the expansion of the County Detention Facility.

Capital Expenditure Fund is used to account for the purchase and/or construction of major capital projects. Capital projects include, but are not limited to such items as major office remodeling, handicap improvements, building rehabilitation, roadway construction, communication systems construction, and purchase of property.

Infrastructure Fund is used as a fund that accounts for construction costs of various County road projects. Financing for the fund is provided from within the County, other governmental units, and developers. The revenue received for the projects is equal to the expenditures anticipated for that specific project. Most road construction projects are multi-year in nature and are reappropriated in the next fiscal year.

Arapahoe County Recreation District Fund – This fund is used to account for a district formed to provide recreational facilities. These facilities include a community park, an ecological park, a passive park, historical property and various trails. The District is located between I-25 and Smoky Hill Road and between I-225 and the Arapahoe-Douglas County Line. Financing is provided by property taxes, which are capped at 1.000 mill, and by intergovernmental agreements with the Parker Jordan and Dove Valley Metropolitan Districts.

NONMAJOR GOVERNMENTAL FUNDS
(continued)

DEBT SERVICE FUNDS

Debt Service Funds are used for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

Equipment Lease Purchase Fund – This fund is used to account for capital lease purchases. In 2008, the following leases were accounted for in this fund:

1. Fairgrounds Event and Livestock Facility Lease purchase agreement through Chase Equipment Leasing Incorporated in the amount of \$2,500,000 entered into in 2005 and maturing in 2015.
2. Energy Conservation Equipment Lease purchase agreements with Citimortgage, Incorporated. Schedule 001 is in the amount of \$5,892,870 and Schedule 002 is in the amount of \$4,635,335. Both schedules were entered into in 2005 and matures in 2019.
3. Fairgrounds Water Facility Lease purchase agreement with Purecycle Water in the amount of \$607,858 entered into in 2006 and maturing in 2016. This lease was renegotiated in 2007 and again in 2008. The renegotiated lease amount was \$616,976 and will also mature in 2016.
4. Parkland lease purchase agreement with Zion National Bank in the amount of \$2,600,000 was entered into in November 2007 and matures in 2027.
5. District Attorney Office Building lease purchase agreement with JPMorgan Chase Bank, N.A. in the amount of \$5,300,000 entered into in 2008 and maturing in 2018.

**Arapahoe County, Colorado
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2009**

	Nonmajor Special Revenue			
	Electronic Filing	Cash-In-Lieu	Law Enforc. Authority	Arapahoe/Doug. Works!
Assets				
Cash and investments	\$ 660,943	\$ 339,855	\$ 8,933,951	\$ 224,775
Accounts receivable	578	-	58,436	1,529,031
Taxes receivable	-	-	5,312,489	-
Prepaid items	-	-	768	742
Inventories	-	-	-	-
Total assets	\$ 661,521	\$ 339,855	\$ 14,305,644	\$ 1,754,548
Liabilities and fund balances				
Liabilities				
Accounts payable	\$ 8,226	\$ -	\$ 57,621	\$ 45,853
Accrued expenditures	-	-	247,252	219,381
Due to other funds	-	-	-	384,285
Deferred revenues	-	-	5,312,489	1,105,029
Total liabilities	8,226	-	5,617,362	1,754,548
Fund balances				
Reserved for prepaid items	-	-	768	-
Reserved for encumbrances	152,245	-	4,614	-
Reserved for inventories	-	-	-	-
Reserved for TABOR	-	-	184,764	-
Reserved for debt service	-	-	-	-
Unreserved - designated for:				
Subsequent year's expenditures	501,050	171,477	5,150	-
Unreserved, undesignated	-	168,378	8,492,986	-
Total fund balances	653,295	339,855	8,688,282	-
Total liabilities and fund balances	\$ 661,521	\$ 339,855	\$ 14,305,644	\$ 1,754,548

Nonmajor Special Revenue

Conservation Trust	Contingent	Comm. Network Replacement	Sheriff's Commissary	Community Development	Forfeited Property
\$ 426,650	\$ 713,106	\$ 344,117	\$ 1,329,686	\$ -	\$ 41,477
-	-	32,432	110,864	123,226	7,802
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 426,650</u>	<u>\$ 713,106</u>	<u>\$ 376,549</u>	<u>\$ 1,440,550</u>	<u>\$ 123,226</u>	<u>\$ 49,279</u>
\$ -	\$ -	\$ 8,332	\$ 74,130	\$ 68,994	\$ -
-	-	-	13,072	12,715	-
-	-	-	-	4,174	-
-	-	-	-	37,343	-
-	-	8,332	87,202	123,226	-
-	-	-	-	-	-
-	-	16,045	865	-	-
-	-	-	-	-	-
-	-	-	-	-	-
426,650	-	352,172	697,550	-	49,279
-	713,106	-	654,933	-	-
<u>426,650</u>	<u>713,106</u>	<u>368,217</u>	<u>1,353,348</u>	<u>-</u>	<u>49,279</u>
<u>\$ 426,650</u>	<u>\$ 713,106</u>	<u>\$ 376,549</u>	<u>\$ 1,440,550</u>	<u>\$ 123,226</u>	<u>\$ 49,279</u>

(continued)

Arapahoe County, Colorado
Combining Balance Sheet
Nonmajor Governmental Funds (continued)
December 31, 2009

	Nonmajor Special Revenue			
	Board Designated	Developmental Disability	Grants	Homeland Security Grant
Assets				
Cash and investments	\$ 16,822,393	\$ 16,075	\$ 1,691,411	\$ -
Accounts receivable	-	-	464,624	859,108
Taxes receivable	-	7,733,541	-	-
Prepaid items	-	-	392	-
Inventories	-	-	63,139	-
Total assets	\$ 16,822,393	\$ 7,749,616	\$ 2,219,566	\$ 859,108
Liabilities and fund balances				
Liabilities				
Accounts payable	\$ -	\$ 12,153	\$ 552,199	\$ 88,934
Accrued expenditures	-	-	107,983	5,669
Due to other funds	-	-	-	498,130
Deferred revenues	-	7,733,541	1,504,967	266,375
Total liabilities	-	7,745,694	2,165,149	859,108
Fund balances				
Reserved for prepaid items	-	-	392	-
Reserved for encumbrances	-	-	-	-
Reserved for inventories	-	-	54,025	-
Reserved for TABOR	5,667,368	-	-	-
Reserved for debt service	-	-	-	-
Unreserved - designated for:				
Subsequent year's expenditures	-	3,922	-	-
Unreserved, undesignated	11,155,025	-	-	-
Total fund balances	16,822,393	3,922	54,417	-
Total liabilities and fund balances	\$ 16,822,393	\$ 7,749,616	\$ 2,219,566	\$ 859,108

Building Maintenance Administration	Fairgrounds	Nonmajor Special Revenue		Nonmajor Capital Projects	
		Total	Law Enforcement Capital Improvement	Capital Expenditure	Infrastructure
\$ 1,542,349	\$ 104,846	\$ 33,191,634	\$ -	\$ 16,741,729	\$ 28,495,486
-	3,550	3,189,651	-	388	40,535
-	-	13,046,030	-	4,465,504	-
-	-	1,902	-	-	-
-	-	63,139	-	-	-
<u>\$ 1,542,349</u>	<u>\$ 108,396</u>	<u>\$ 49,492,356</u>	<u>\$ -</u>	<u>\$ 21,207,621</u>	<u>\$ 28,536,021</u>
\$ 113,658	\$ 944	\$ 1,031,044	\$ -	\$ 1,360,660	\$ 264,103
-	-	606,072	-	-	-
-	-	886,589	-	-	-
-	-	15,959,744	-	4,465,504	2,714,977
<u>113,658</u>	<u>944</u>	<u>18,483,449</u>	<u>-</u>	<u>5,826,164</u>	<u>2,979,080</u>
-	-	1,160	-	-	-
222,655	-	396,424	-	4,357,163	7,408,201
-	-	54,025	-	-	-
-	-	5,852,132	-	-	-
-	-	-	-	-	-
108,192	107,452	2,422,894	-	10,604,602	15,811,547
1,097,844	-	22,282,272	-	419,692	2,337,193
<u>1,428,691</u>	<u>107,452</u>	<u>31,008,907</u>	<u>-</u>	<u>15,381,457</u>	<u>25,556,941</u>
<u>\$ 1,542,349</u>	<u>\$ 108,396</u>	<u>\$ 49,492,356</u>	<u>\$ -</u>	<u>\$ 21,207,621</u>	<u>\$ 28,536,021</u>

(continued)

Arapahoe County, Colorado
Combining Balance Sheet
Nonmajor Governmental Funds (continued)
December 31, 2009

	Arap. County Rec. District	Nonmajor Capital Total	Nonmajor Debt Service Equipment Lease Purchase	Total Nonmajor Governmental
Assets				
Cash and investments	\$ 899,821	\$ 46,137,036	\$ 60,688	\$ 79,389,358
Accounts receivable	158,475	199,398	-	3,389,049
Taxes receivable	817,262	5,282,766	-	18,328,796
Prepaid items	-	-	-	1,902
Inventories	-	-	-	63,139
Total assets	\$ 1,875,558	\$ 51,619,200	\$ 60,688	\$ 101,172,244
Liabilities and fund balances				
Liabilities				
Accounts payable	\$ 22,768	\$ 1,647,531	\$ -	\$ 2,678,575
Accrued expenditures	13,750	13,750	-	619,822
Due to other funds	-	-	-	886,589
Deferred revenues	817,262	7,997,743	-	23,957,487
Total liabilities	853,780	9,659,024	-	28,142,473
Fund balances				
Reserved for prepaid items	-	-	-	1,160
Reserved for encumbrances	14,134	11,779,498	-	12,175,922
Reserved for inventories	-	-	-	54,025
Reserved for TABOR	33,613	33,613	-	5,885,745
Reserved for debt service	-	-	60,688	60,688
Unreserved - designated for:				
Subsequent year's expenditures	-	26,416,149	-	28,839,043
Unreserved, undesignated	974,031	3,730,916	-	26,013,188
Total fund balances	1,021,778	41,960,176	60,688	73,029,771
Total liabilities and fund balances	\$ 1,875,558	\$ 51,619,200	\$ 60,688	\$ 101,172,244

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Arapahoe County, Colorado
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended December 31, 2009

	Nonmajor Special Revenue			
	Electronic Filing	Cash-In-Lieu	Law Enforc. Authority	Arapahoe/Doug. Works!
Revenues				
Taxes				
Property taxes	\$ -	\$ -	\$ 5,199,705	\$ -
Other taxes	-	-	369,519	-
Licenses and permits	-	-	-	-
Intergovernmental	-	-	76,401	8,816,727
Charges for services	135,280	144,321	223,196	279,220
Fines	-	-	831,674	-
Investment earnings	-	-	-	-
Interfund revenues and rentals	-	-	-	50,070
Developer contributions	-	-	-	-
Miscellaneous	-	-	-	43,917
Total revenue	<u>135,280</u>	<u>144,321</u>	<u>6,700,495</u>	<u>9,189,934</u>
Expenditures				
Current				
General government	31,458	-	-	-
Public safety	-	-	5,559,875	-
Health and welfare	-	-	-	9,191,697
Highways and streets	-	-	-	-
Culture and recreation	-	-	-	-
Total current	<u>31,458</u>	<u>-</u>	<u>5,559,875</u>	<u>9,191,697</u>
Capital				
General government	194,804	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Highways and streets	-	-	-	-
Culture and recreation	-	-	-	-
Total capital	<u>194,804</u>	<u>-</u>	<u>-</u>	<u>-</u>
Debt				
Principal	-	-	-	-
Interest	-	-	-	-
Total debt service	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>226,262</u>	<u>-</u>	<u>5,559,875</u>	<u>9,191,697</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(90,982)</u>	<u>144,321</u>	<u>1,140,620</u>	<u>(1,763)</u>
Other financing sources (uses)				
Transfers in	-	-	2,230	1,763
Transfers out	-	-	(2,599)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(369)</u>	<u>1,763</u>
Net change in fund balance	(90,982)	144,321	1,140,251	-
Fund balance - beginning	744,277	195,534	7,548,031	-
Fund balance - ending	<u>\$ 653,295</u>	<u>\$ 339,855</u>	<u>\$ 8,688,282</u>	<u>\$ -</u>

Nonmajor Special Revenue

Conservation Trust	Contingent	Comm. Network Replacement	Sheriff's Commissary	Community Development	Forfeited Property
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
503,927	-	60,900	-	1,910,124	-
-	-	-	1,415,560	-	-
5,813	-	-	-	-	13,704
-	-	-	-	-	1,827
-	-	-	-	173,174	-
<u>509,740</u>	<u>-</u>	<u>60,900</u>	<u>1,415,560</u>	<u>2,083,298</u>	<u>15,531</u>
-	-	88,531	-	-	-
-	-	-	1,649,228	-	2,505
-	-	-	-	2,113,355	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>88,531</u>	<u>1,649,228</u>	<u>2,113,355</u>	<u>2,505</u>
-	-	14,325	-	-	-
-	-	-	-	-	24,200
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>14,325</u>	<u>-</u>	<u>-</u>	<u>24,200</u>
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>102,856</u>	<u>1,649,228</u>	<u>2,113,355</u>	<u>26,705</u>
<u>509,740</u>	<u>-</u>	<u>(41,956)</u>	<u>(233,668)</u>	<u>(30,057)</u>	<u>(11,174)</u>
-	-	33,103	133	30,057	-
<u>(381,370)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(381,370)</u>	<u>-</u>	<u>33,103</u>	<u>133</u>	<u>30,057</u>	<u>-</u>
128,370	-	(8,853)	(233,535)	-	(11,174)
298,280	713,106	377,070	1,586,883	-	60,453
<u>\$ 426,650</u>	<u>\$ 713,106</u>	<u>\$ 368,217</u>	<u>\$ 1,353,348</u>	<u>\$ -</u>	<u>\$ 49,279</u>

(continued)

Arapahoe County, Colorado
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Governmental Funds (continued)
For the Year Ended December 31, 2009

	Nonmajor Special Revenue			
	Board Designated	Developmental Disability	Grant	Homeland Security Grant
Revenues				
Taxes				
Property taxes	\$ -	\$ 7,693,684	\$ -	\$ -
Other taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	-	706	10,122,697	4,310,331
Charges for services	-	-	134,558	-
Fines	-	-	-	-
Investment earnings	-	-	-	-
Interfund revenues and rentals	-	-	-	-
Developer contributions	-	-	-	-
Miscellaneous	-	-	7,039	-
Total revenue	-	7,694,390	10,264,294	4,310,331
Expenditures				
Current				
General government	-	-	-	-
Public safety	-	-	13,406	4,310,331
Health and welfare	-	7,694,390	9,908,679	-
Highways and streets	-	-	-	-
Culture and recreation	-	-	-	-
Total current	-	7,694,390	9,922,085	4,310,331
Capital				
General government	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	340,935	-
Highways and streets	-	-	-	-
Culture and recreation	-	-	-	-
Total capital	-	-	340,935	-
Debt				
Principal	-	-	-	-
Interest	-	-	-	-
Total debt service	-	-	-	-
Total expenditures	-	7,694,390	10,263,020	4,310,331
Excess (deficiency) of revenues over (under) expenditures	-	-	1,274	-
Other financing sources (uses)				
Transfers in	310,000	-	1,164	-
Transfers out	-	-	-	-
Total other financing sources (uses)	310,000	-	1,164	-
Net change in fund balance	310,000	-	2,438	-
Fund balance - beginning	16,512,393	3,922	51,979	-
Fund balance - ending	\$ 16,822,393	\$ 3,922	\$ 54,417	\$ -

Building Maintenance Administration	Fairgrounds	Nonmajor Special Revenue	Law Enforcement Capital Improvement	Nonmajor Capital	Infrastructure
		Total		Capital Expenditure	
\$ -	\$ -	\$ 12,893,389	\$ -	\$ 4,535,292	\$ -
-	-	369,519	-	318,321	-
-	-	-	-	-	50,372
-	-	25,801,813	-	-	2,424,872
-	295,598	2,627,733	-	-	881
-	-	845,378	-	-	-
-	-	7,640	3,270	-	437,694
-	-	50,070	-	-	-
-	-	-	-	-	585,425
-	11,842	235,972	-	34,947	432,152
-	307,440	42,831,514	3,270	4,888,560	3,931,396
1,618,967	303,895	2,042,851	-	411,775	-
-	-	11,535,345	-	-	-
-	-	28,908,121	-	-	-
-	-	-	-	-	1,708,888
-	-	-	-	37,055	-
1,618,967	303,895	42,486,317	-	448,830	1,708,888
-	-	209,129	-	10,212,352	-
-	-	24,200	551,705	953,498	-
-	-	340,935	-	-	-
-	-	-	-	-	6,216,234
-	-	-	-	-	-
-	-	574,264	551,705	11,165,850	6,216,234
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,618,967	303,895	43,060,581	551,705	11,614,680	7,925,122
(1,618,967)	3,545	(229,067)	(548,435)	(6,726,120)	(3,993,726)
2,100,000	48,540	2,526,990	-	8,935,179	8,900,000
(456,831)	-	(840,800)	-	(4,700,000)	-
1,643,169	48,540	1,686,190	-	4,235,179	8,900,000
24,202	52,085	1,457,123	(548,435)	(2,490,941)	4,906,274
1,404,489	55,367	29,551,784	548,435	17,872,398	20,650,667
\$ 1,428,691	\$ 107,452	\$ 31,008,907	\$ -	\$ 15,381,457	\$ 25,556,941

(continued)

Arapahoe County, Colorado
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Governmental Funds (continued)
For the Year Ended December 31, 2009

	Arap. County Rec. District	Nonmajor Capital Total	Nonmajor Debt Service Equipment Lease Purchase	Total Nonmajor Governmental
Revenues				
Taxes				
Property taxes	\$ 810,039	\$ 5,345,331	\$ -	\$ 18,238,720
Other taxes	57,907	376,228	-	745,747
Licenses and permits	-	50,372	-	50,372
Intergovernmental	266,229	2,691,101	-	28,492,914
Charges for services	32,581	33,462	-	2,661,195
Fines	-	-	-	845,378
Investment earnings	-	440,964	-	448,604
Interfund revenues and rentals	-	-	-	50,070
Developer contributions	-	585,425	-	585,425
Miscellaneous	15,060	482,159	1	718,132
Total revenue	<u>1,181,816</u>	<u>10,005,042</u>	<u>1</u>	<u>52,836,557</u>
Expenditures				
Current				
General government	-	411,775	-	2,454,626
Public safety	-	-	-	11,535,345
Health and welfare	-	-	-	28,908,121
Highways and streets	-	1,708,888	-	1,708,888
Culture and recreation	741,665	778,720	-	778,720
Total current	<u>741,665</u>	<u>2,899,383</u>	<u>-</u>	<u>45,385,700</u>
Capital				
General government	-	10,212,352	-	10,421,481
Public safety	-	1,505,203	-	1,529,403
Health and welfare	-	-	-	340,935
Highways and streets	-	6,216,234	-	6,216,234
Culture and recreation	2,366	2,366	-	2,366
Total capital	<u>2,366</u>	<u>17,936,155</u>	<u>-</u>	<u>18,510,419</u>
Debt				
Principal	-	-	1,454,607	1,454,607
Interest	-	-	729,795	729,795
Total debt service	<u>-</u>	<u>-</u>	<u>2,184,402</u>	<u>2,184,402</u>
Total expenditures	<u>744,031</u>	<u>20,835,538</u>	<u>2,184,402</u>	<u>66,080,521</u>
Excess (deficiency) of revenues over (under) expenditures	<u>437,785</u>	<u>(10,830,496)</u>	<u>(2,184,401)</u>	<u>(13,243,964)</u>
Other financing sources (uses)				
Transfers in	-	17,835,179	2,185,055	22,547,224
Transfers out	(334,455)	(5,034,455)	-	(5,875,255)
Total other financing sources (uses)	<u>(334,455)</u>	<u>12,800,724</u>	<u>2,185,055</u>	<u>16,671,969</u>
Net change in fund balance	103,330	1,970,228	654	3,428,005
Fund balance - beginning	918,448	39,989,948	60,034	69,601,766
Fund balance - ending	<u>\$ 1,021,778</u>	<u>\$ 41,960,176</u>	<u>\$ 60,688</u>	<u>\$ 73,029,771</u>

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Arapahoe County, Colorado
Electronic Filing Technology
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance
	Original	Final		with Final Budget Positive/(Negative)
Revenues				
Charges for services	\$ 170,000	\$ 132,100	\$ 135,280	\$ 3,180
Total revenue	<u>170,000</u>	<u>132,100</u>	<u>135,280</u>	<u>3,180</u>
Expenditures				
Current				
General government	-	744,277	31,458	712,819
Capital				
General government	170,000	132,100	194,804	(62,704)
Total expenditures	<u>170,000</u>	<u>876,377</u>	<u>226,262</u>	<u>650,115</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(744,277)</u>	<u>(90,982)</u>	<u>653,295</u>
Fund balance - beginning	744,277	744,277	744,277	-
Fund balance - ending	<u>\$ 744,277</u>	<u>\$ -</u>	<u>\$ 653,295</u>	<u>\$ 653,295</u>

Arapahoe County, Colorado
Cash-In-Lieu
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance
	Original	Final		with Final Budget Positive/(Negative)
Revenues				
Charges for services	\$ -	\$ 144,320	\$ 144,321	\$ 1
Total revenue	\$ -	\$ 144,320	\$ 144,321	\$ 1
Expenditures				
Current				
General government	\$ 166,788	\$ 338,265	\$ -	\$ 338,265
Total expenditures	166,788	338,265	-	338,265
Excess (deficiency) of revenues over (under) expenditures	(166,788)	(193,945)	144,321	338,266
Fund balance - beginning	195,534	195,534	195,534	-
Fund balance - ending	\$ 28,746	\$ 1,589	\$ 339,855	\$ 338,266

**Arapahoe County, Colorado
Law Enforcement Authority District
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2009**

	Budgeted Amounts		Actual	Variance
	Original	Final		with Final Budget Positive/(Negative)
Revenues				
Taxes				
Property taxes	\$ 5,215,510	\$ 5,215,510	\$ 5,199,705	\$ (15,805)
Other taxes	400,000	400,000	369,519	(30,481)
Intergovernmental	71,600	71,600	76,401	4,801
Charges for services	125,195	125,195	223,196	98,001
Fines	346,500	346,500	831,674	485,174
Total revenue	<u>6,158,805</u>	<u>6,158,805</u>	<u>6,700,495</u>	<u>541,690</u>
Expenditures				
Current				
Public safety	5,980,151	6,001,799	5,559,875	441,924
Total expenditures	<u>5,980,151</u>	<u>6,001,799</u>	<u>5,559,875</u>	<u>441,924</u>
Excess (deficiency) of revenues over (under) expenditures	<u>178,654</u>	<u>157,006</u>	<u>1,140,620</u>	<u>983,614</u>
Other financing sources (uses)				
Transfers in	-	2,230	2,230	-
Transfers out	(2,599)	(2,599)	(2,599)	-
Total other financing sources (uses)	<u>(2,599)</u>	<u>(369)</u>	<u>(369)</u>	<u>-</u>
Net change in fund balance	176,055	156,637	1,140,251	983,614
Fund balance - beginning	<u>7,548,031</u>	<u>7,548,031</u>	<u>7,548,031</u>	<u>-</u>
Fund balance - ending	<u>\$ 7,724,086</u>	<u>\$ 7,704,668</u>	<u>\$ 8,688,282</u>	<u>\$ 983,614</u>

Arapahoe County, Colorado
Arapahoe / Douglas Works!
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance
	Original	Final		with Final Budget Positive/(Negative)
Revenues				
Intergovernmental	\$ 7,675,259	\$ 12,129,576	\$ 8,816,727	\$ (3,312,849)
Charges for services	-	53,336	279,220	225,884
Interfund revenues and rentals	63,274	63,274	50,070	(13,204)
Miscellaneous	24,300	24,300	43,917	19,617
Total revenue	<u>7,762,833</u>	<u>12,270,486</u>	<u>9,189,934</u>	<u>(3,080,552)</u>
Expenditures				
Current				
Health and welfare	7,762,833	12,272,249	9,191,697	3,080,552
Total expenditures	<u>7,762,833</u>	<u>12,272,249</u>	<u>9,191,697</u>	<u>3,080,552</u>
Excess (deficiency) of revenues over (under) expenditures	-	(1,763)	(1,763)	-
Other financing sources (uses)				
Transfers in	-	1,763	1,763	-
Total other financing sources (uses)	-	1,763	1,763	-
Net change in fund balance	-	-	-	-
Fund balance - beginning	-	-	-	-
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Arapahoe County, Colorado
Conservation Trust
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2009**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Positive/(Negative)
Revenues				
Intergovernmental	\$ 510,000	\$ 510,000	\$ 503,927	\$ (6,073)
Investment earnings	-	-	5,813	5,813
Total revenue	<u>510,000</u>	<u>510,000</u>	<u>509,740</u>	<u>(260)</u>
Expenditures				
Capital				
Culture and recreation	-	298,280	-	298,280
Total expenditures	<u>-</u>	<u>298,280</u>	<u>-</u>	<u>298,280</u>
Excess (deficiency) of revenues over (under) expenditures	<u>510,000</u>	<u>211,720</u>	<u>509,740</u>	<u>298,020</u>
Other financing sources (uses)				
Transfers out	(381,370)	(381,370)	(381,370)	-
Total other financing sources (uses)	<u>(381,370)</u>	<u>(381,370)</u>	<u>(381,370)</u>	<u>-</u>
Net change in fund balance	128,630	(169,650)	128,370	298,020
Fund balance - beginning	298,280	298,280	298,280	-
Fund balance - ending	<u>\$ 426,910</u>	<u>\$ 128,630</u>	<u>\$ 426,650</u>	<u>\$ 298,020</u>

Arapahoe County, Colorado
Contingent
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance
	Original	Final		with Final Budget Positive/(Negative)
Revenues				
Total revenue	\$ -	\$ -	\$ -	\$ -
Expenditures				
Current				
General government	713,106	713,106	-	713,106
Total expenditures	713,106	713,106	-	713,106
Excess (deficiency) of revenues over (under) expenditures	(713,106)	(713,106)	-	713,106
Fund balance - beginning	713,106	713,106	713,106	-
Fund balance - ending	\$ -	\$ -	\$ 713,106	\$ 713,106

Arapahoe County, Colorado
Communications Network Replacement
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance
	Original	Final		with Final Budget Positive/(Negative)
Revenues				
Intergovernmental	\$ 52,469	\$ 52,469	\$ 60,900	\$ 8,431
Total revenue	<u>52,469</u>	<u>52,469</u>	<u>60,900</u>	<u>8,431</u>
Expenditures				
Current				
General government	85,572	462,641	88,531	374,110
Capital				
General government	-	-	14,325	(14,325)
Total expenditures	<u>85,572</u>	<u>462,641</u>	<u>102,856</u>	<u>359,785</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(33,103)</u>	<u>(410,172)</u>	<u>(41,956)</u>	<u>368,216</u>
Other financing sources (uses)				
Transfers in	33,103	33,103	33,103	-
Total other financing sources (uses)	<u>33,103</u>	<u>33,103</u>	<u>33,103</u>	<u>-</u>
Net change in fund balance	-	(377,069)	(8,853)	368,216
Fund balance - beginning	377,070	377,070	377,070	-
Fund balance - ending	<u>\$ 377,070</u>	<u>\$ 1</u>	<u>\$ 368,217</u>	<u>\$ 368,216</u>

Arapahoe County, Colorado
Sheriff's Commissary
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance
	Original	Final		with Final Budget Positive/(Negative)
Revenues				
Charges for services	\$ 1,353,900	\$ 1,353,900	\$ 1,415,560	\$ 61,660
Total revenue	<u>1,353,900</u>	<u>1,353,900</u>	<u>1,415,560</u>	<u>61,660</u>
Expenditures				
Current				
Public safety	2,010,664	2,940,916	1,649,228	1,291,688
Total expenditures	<u>2,010,664</u>	<u>2,940,916</u>	<u>1,649,228</u>	<u>1,291,688</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(656,764)</u>	<u>(1,587,016)</u>	<u>(233,668)</u>	<u>1,353,348</u>
Other financing sources (uses)				
Transfers in	-	133	133	-
Total other financing sources (uses)	<u>-</u>	<u>133</u>	<u>133</u>	<u>-</u>
Net change in fund balance	<u>(656,764)</u>	<u>(1,586,883)</u>	<u>(233,535)</u>	<u>1,353,348</u>
Fund balance - beginning	1,586,883	1,586,883	1,586,883	-
Fund balance - ending	<u>\$ 930,119</u>	<u>\$ -</u>	<u>\$ 1,353,348</u>	<u>\$ 1,353,348</u>

**Arapahoe County, Colorado
Community Development
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2009**

	Budgeted Amounts		Actual	Variance
	Original	Final		with Final Budget Positive/(Negative)
Revenues				
Intergovernmental	\$ 4,834,442	\$ 5,140,864	\$ 1,910,124	\$ (3,230,740)
Miscellaneous	110,000	160,000	173,174	13,174
Total revenue	<u>4,944,442</u>	<u>5,300,864</u>	<u>2,083,298</u>	<u>(3,217,566)</u>
Expenditures				
Current				
Health and welfare	4,974,442	5,330,921	2,113,355	3,217,566
Total expenditures	<u>4,974,442</u>	<u>5,330,921</u>	<u>2,113,355</u>	<u>3,217,566</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(30,000)</u>	<u>(30,057)</u>	<u>(30,057)</u>	<u>-</u>
Other financing sources (uses)				
Transfers in	30,000	30,057	30,057	-
Total other financing sources (uses)	<u>30,000</u>	<u>30,057</u>	<u>30,057</u>	<u>-</u>
Net change in fund balance	-	-	-	-
Fund balance - beginning	-	-	-	-
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Arapahoe County, Colorado
Forfeited Property
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance
	Original	Final		with Final Budget Positive/(Negative)
Revenues				
Fines	\$ -	\$ -	\$ 13,704	\$ 13,704
Investment earnings	-	-	1,827	1,827
Total revenue	<u>-</u>	<u>-</u>	<u>15,531</u>	<u>15,531</u>
Expenditures				
Current				
Public safety	-	60,453	2,505	57,948
Capital				
Public safety	-	-	24,200	(24,200)
Total expenditures	<u>-</u>	<u>60,453</u>	<u>26,705</u>	<u>33,748</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(60,453)</u>	<u>(11,174)</u>	<u>49,279</u>
Fund balance - beginning	<u>60,453</u>	<u>60,453</u>	<u>60,453</u>	<u>-</u>
Fund balance - ending	<u>\$ 60,453</u>	<u>\$ -</u>	<u>\$ 49,279</u>	<u>\$ 49,279</u>

Arapahoe County, Colorado
Board Designated
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance
	Original	Final		with Final Budget Positive/(Negative)
Revenues				
Total revenue	\$ -	\$ -	\$ -	\$ -
Expenditures				
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
Other financing sources (uses)				
Transfers in	310,000	310,000	310,000	-
Total other financing sources (uses)	310,000	310,000	310,000	-
Net change in fund balance	310,000	310,000	310,000	-
Fund balance - beginning	16,512,393	16,512,393	16,512,393	-
Fund balance - ending	\$ 16,822,393	\$ 16,822,393	\$ 16,822,393	\$ -

Arapahoe County, Colorado
Developmental Disability
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance
	Original	Final		with Final Budget Positive/(Negative)
Revenues				
Taxes				
Property taxes	\$ 7,656,664	\$ 7,694,664	\$ 7,693,684	\$ (980)
Intergovernmental	-	-	706	706
Total revenue	<u>7,656,664</u>	<u>7,694,664</u>	<u>7,694,390</u>	<u>(274)</u>
Expenditures				
Current				
Health and welfare	7,656,664	7,698,586	7,694,390	4,196
Total expenditures	<u>7,656,664</u>	<u>7,698,586</u>	<u>7,694,390</u>	<u>4,196</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(3,922)</u>	<u>-</u>	<u>3,922</u>
Fund balance - beginning	3,922	3,922	3,922	-
Fund balance - ending	<u>\$ 3,922</u>	<u>\$ -</u>	<u>\$ 3,922</u>	<u>\$ 3,922</u>

Arapahoe County, Colorado
Grants
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance
	Original	Final		with Final Budget Positive/(Negative)
Revenues				
Intergovernmental	\$ 10,900,102	\$ 12,933,199	\$ 10,122,697	\$ (2,810,502)
Charges for services	175,000	185,000	134,558	(50,442)
Miscellaneous	-	63,694	7,039	(56,655)
Total revenue	<u>11,075,102</u>	<u>13,181,893</u>	<u>10,264,294</u>	<u>(2,917,599)</u>
Expenditures				
Current				
Public safety	-	-	13,406	(13,406)
Health and welfare	10,931,642	12,801,341	9,908,679	2,892,662
Capital				
Health and welfare	149,460	387,716	340,935	46,781
Total expenditures	<u>11,081,102</u>	<u>13,189,057</u>	<u>10,263,020</u>	<u>2,926,037</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(6,000)</u>	<u>(7,164)</u>	<u>1,274</u>	<u>8,438</u>
Other financing sources (uses)				
Transfers in	-	1,164	1,164	-
Total other financing sources (uses)	<u>-</u>	<u>1,164</u>	<u>1,164</u>	<u>-</u>
Net change in fund balance	<u>(6,000)</u>	<u>(6,000)</u>	<u>2,438</u>	<u>8,438</u>
Fund balance - beginning	<u>51,979</u>	<u>51,979</u>	<u>51,979</u>	<u>-</u>
Fund balance - ending	<u>\$ 45,979</u>	<u>\$ 45,979</u>	<u>\$ 54,417</u>	<u>\$ 8,438</u>

**Arapahoe County, Colorado
Homeland Security Grant
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2009**

	Budgeted Amounts		Actual	Variance
	Original	Final		with Final Budget Positive/(Negative)
Revenues				
Intergovernmental	\$ -	\$ 11,224,643	\$ 4,310,331	\$ (6,914,312)
Total revenue	<u>-</u>	<u>11,224,643</u>	<u>4,310,331</u>	<u>(6,914,312)</u>
Expenditures				
Current				
Public safety	-	11,224,643	4,310,331	6,914,312
Total expenditures	<u>-</u>	<u>11,224,643</u>	<u>4,310,331</u>	<u>6,914,312</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Arapahoe County, Colorado
Building Maintenance Administration
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance
	Original	Final		with Final Budget Positive/(Negative)
Revenues				
Total revenue	-	-	-	-
Expenditures				
Current				
General government	1,617,836	1,929,618	1,618,967	310,651
Total expenditures	1,617,836	1,929,618	1,618,967	310,651
Excess (deficiency) of revenues over (under) expenditures	(1,617,836)	(1,929,618)	(1,618,967)	310,651
Other financing sources (uses)				
Transfers in	2,100,000	2,100,000	2,100,000	-
Transfers out	(474,676)	(456,831)	(456,831)	-
Total other financing sources (uses)	1,625,324	1,643,169	1,643,169	-
Net change in fund balance	7,488	(286,449)	24,202	310,651
Fund balance - beginning	1,404,489	1,404,489	1,404,489	-
Fund balance - ending	\$ 1,411,977	\$ 1,118,040	\$ 1,428,691	\$ 310,651

Arapahoe County, Colorado
Fairgrounds
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance
	Original	Final		with Final Budget Positive/(Negative)
Revenues				
Charges for services	\$ 185,400	\$ 226,400	\$ 295,598	\$ 69,198
Miscellaneous	4,600	4,600	11,842	7,242
Total revenue	<u>190,000</u>	<u>231,000</u>	<u>307,440</u>	<u>76,440</u>
Expenditures				
Current				
General government	225,000	329,905	303,895	26,010
Total expenditures	<u>225,000</u>	<u>329,905</u>	<u>303,895</u>	<u>26,010</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(35,000)</u>	<u>(98,905)</u>	<u>3,545</u>	<u>102,450</u>
Other financing sources (uses)				
Transfers in	40,000	48,540	48,540	-
Total other financing sources (uses)	<u>40,000</u>	<u>48,540</u>	<u>48,540</u>	<u>-</u>
Net change in fund balance	5,000	(50,365)	52,085	102,450
Fund balance - beginning	55,367	55,367	55,367	-
Fund balance - ending	<u>\$ 60,367</u>	<u>\$ 5,002</u>	<u>\$ 107,452</u>	<u>\$ 102,450</u>

Arapahoe County, Colorado
Law Enforcement Capital Improvement
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance
	Original	Final		with Final Budget Positive/(Negative)
Revenues				
Investment earnings	\$ -	\$ 3,270	\$ 3,270	\$ -
Total revenue	<u>-</u>	<u>3,270</u>	<u>3,270</u>	<u>-</u>
Expenditures				
Capital				
Public safety	-	551,705	551,705	-
Total expenditures	<u>-</u>	<u>551,705</u>	<u>551,705</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(548,435)</u>	<u>(548,435)</u>	<u>-</u>
Fund balance - beginning	<u>548,435</u>	<u>548,435</u>	<u>548,435</u>	<u>-</u>
Fund balance - ending	<u>\$ 548,435</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Arapahoe County, Colorado
Capital Expenditure
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance
	Original	Final		with Final Budget Positive/(Negative)
Revenues				
Taxes				
Property taxes	\$ 4,532,745	\$ 4,532,745	\$ 4,535,292	\$ 2,547
Other taxes	400,000	400,000	318,321	(81,679)
Miscellaneous	-	33,092	34,947	1,855
Total revenue	<u>4,932,745</u>	<u>4,965,837</u>	<u>4,888,560</u>	<u>(77,277)</u>
Expenditures				
Current				
General government	753,536	1,543,515	411,775	1,131,740
Culture and recreation	-	-	37,055	(37,055)
Capital				
General government	7,996,388	23,365,247	10,212,352	13,152,895
Public safety	85,000	1,847,687	953,498	894,189
Culture and recreation	-	45,056	-	45,056
Total expenditures	<u>8,834,924</u>	<u>26,801,505</u>	<u>11,614,680</u>	<u>15,186,825</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,902,179)</u>	<u>(21,835,668)</u>	<u>(6,726,120)</u>	<u>15,109,548</u>
Other financing sources (uses)				
Transfers in	8,602,179	8,935,179	8,935,179	-
Transfers out	(4,700,000)	(4,700,000)	(4,700,000)	-
Total other financing sources (uses)	<u>3,902,179</u>	<u>4,235,179</u>	<u>4,235,179</u>	<u>-</u>
Net change in fund balance	-	(17,600,489)	(2,490,941)	15,109,548
Fund balance - beginning	17,872,398	17,872,398	17,872,398	-
Fund balance - ending	<u>\$ 17,872,398</u>	<u>\$ 271,909</u>	<u>\$ 15,381,457</u>	<u>\$ 15,109,548</u>

**Arapahoe County, Colorado
Infrastructure
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2009**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Positive/(Negative)
Revenues				
Licenses and permits	\$ -	\$ -	\$ 50,372	\$ 50,372
Intergovernmental	-	-	2,424,872	2,424,872
Charges for services	-	-	881	881
Investment earnings	-	-	437,694	437,694
Developer contributions	-	422,700	585,425	162,725
Miscellaneous	-	1,961,683	432,152	(1,529,531)
Total revenue	-	2,384,383	3,931,396	1,547,013
Expenditures				
Current				
Highways and streets	2,250,000	26,735,051	1,708,888	25,026,163
Capital				
Highways and streets	2,450,000	4,200,000	6,216,234	(2,016,234)
Total expenditures	4,700,000	30,935,051	7,925,122	23,009,929
Excess (deficiency) of revenues over (under) expenditures	(4,700,000)	(28,550,668)	(3,993,726)	24,556,942
Other financing sources (uses)				
Transfers in	4,700,000	8,900,000	8,900,000	-
Total other financing sources (uses)	4,700,000	8,900,000	8,900,000	-
Net change in fund balance	-	(19,650,668)	4,906,274	24,556,942
Fund balance - beginning	20,650,667	20,650,667	20,650,667	-
Fund balance - ending	\$ 20,650,667	\$ 999,999	\$ 25,556,941	\$ 24,556,942

Arapahoe County, Colorado
Arapahoe County Recreation District
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance
	Original	Final		with Final Budget Positive/(Negative)
Revenues				
Taxes				
Property taxes	\$ 820,623	\$ 820,623	\$ 810,039	\$ (10,584)
Other taxes	63,000	63,000	57,907	(5,093)
Intergovernmental	210,300	210,300	266,229	55,929
Charges for services	26,500	26,500	32,581	6,081
Miscellaneous	-	-	15,060	15,060
Total revenue	<u>1,120,423</u>	<u>1,120,423</u>	<u>1,181,816</u>	<u>61,393</u>
Expenditures				
Current				
Culture and recreation	822,189	872,274	741,665	130,609
Capital				
Culture and recreation	-	-	2,366	(2,366)
Total expenditures	<u>822,189</u>	<u>872,274</u>	<u>744,031</u>	<u>128,243</u>
Excess (deficiency) of revenues over (under) expenditures	<u>298,234</u>	<u>248,149</u>	<u>437,785</u>	<u>189,636</u>
Other financing sources (uses)				
Transfers out	<u>(334,455)</u>	<u>(334,455)</u>	<u>(334,455)</u>	<u>-</u>
Total other financing sources (uses)	<u>(334,455)</u>	<u>(334,455)</u>	<u>(334,455)</u>	<u>-</u>
Net change in fund balance	<u>(36,221)</u>	<u>(86,306)</u>	<u>103,330</u>	<u>189,636</u>
Fund balance - beginning	<u>918,448</u>	<u>918,448</u>	<u>918,448</u>	<u>-</u>
Fund balance - ending	<u>\$ 882,227</u>	<u>\$ 832,142</u>	<u>\$ 1,021,778</u>	<u>\$ 189,636</u>

Arapahoe County, Colorado
Arapahoe County Water and Wastewater PID
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance
	Original	Final		with Final Budget Positive/(Negative)
Revenues				
Taxes				
Property taxes	\$ 5,337,086	\$ 5,337,086	\$ 5,223,941	\$ (113,145)
Other taxes	400,000	400,000	380,775	(19,225)
Intergovernmental	-	-	327,882	327,882
Investment earnings	415,000	415,000	35,958	(379,042)
Miscellaneous	-	-	234,790	234,790
Total revenue	<u>6,152,086</u>	<u>6,152,086</u>	<u>6,203,346</u>	<u>51,260</u>
Expenditures				
Current				
Water and wastewater	81,356	81,356	579,638	(498,282)
Capital				
Water and wastewater	19,291,900	75,571,455	13,797,084	61,774,371
Debt				
Principal	792,863	792,863	792,863	-
Interest	4,760,271	4,760,271	4,888,491	(128,220)
Debt issuance costs	129,400	308,791	154,750	154,041
Total expenditures	<u>25,055,790</u>	<u>81,514,736</u>	<u>20,212,826</u>	<u>61,301,910</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(18,903,704)</u>	<u>(75,362,650)</u>	<u>(14,009,480)</u>	<u>61,353,170</u>
Other financing sources (uses)				
Issuance of bonds payable	-	56,075,000	56,075,000	-
Premium (discount) on bonds	-	(396,672)	(396,671)	(1)
Total other financing sources (uses)	<u>-</u>	<u>55,678,328</u>	<u>55,678,329</u>	<u>(1)</u>
Net change in fund balance	<u>(18,903,704)</u>	<u>(19,684,322)</u>	<u>41,668,849</u>	<u>61,353,171</u>
Fund balance - beginning	<u>19,793,079</u>	<u>19,793,079</u>	<u>19,793,079</u>	<u>-</u>
Fund balance - ending	<u>\$ 889,375</u>	<u>\$ 108,757</u>	<u>\$ 61,461,928</u>	<u>\$ 61,353,171</u>

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

Arapahoe County, Colorado
Equipment Lease Purchase
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance
	Original	Final		with Final Budget Positive/(Negative)
Revenues				
Miscellaneous	-	-	1	1
Total revenue	-	-	1	1
Expenditures				
Current				
Culture and recreation	650	650	-	650
Debt				
Principal	1,492,040	1,454,610	1,454,607	3
Interest	746,216	729,795	729,795	-
Total expenditures	2,238,906	2,185,055	2,184,402	653
Excess (deficiency) of revenues over (under) expenditures	(2,238,906)	(2,185,055)	(2,184,401)	654
Other financing sources (uses)				
Transfers in	2,238,906	2,185,055	2,185,055	-
Total other financing sources (uses)	2,238,906	2,185,055	2,185,055	-
Net change in fund balance	-	-	654	654
Fund balance - beginning	60,034	60,034	60,034	-
Fund balance - ending	\$ 60,034	\$ 60,034	\$ 60,688	\$ 654

Arapahoe County, Colorado
Arapahoe County Building Finance Corporation
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance
	Original	Final		with Final Budget Positive/(Negative)
Revenues				
Investment earnings	\$ 160,000	\$ 160,000	\$ 123,543	\$ (36,457)
Interest on loan to component unit	1,600,000	1,600,000	1,595,034	(4,966)
Total revenue	<u>1,760,000</u>	<u>1,760,000</u>	<u>1,718,577</u>	<u>(41,423)</u>
Expenditures				
Current				
Health and welfare	1,300	1,300	2,715	(1,415)
Airport	650	650	650	-
Culture and recreation	650	650	25	625
Debt				
Principal	4,030,000	4,030,000	4,030,000	-
Interest	2,461,125	2,461,125	2,461,125	-
Debt issuance costs	2,800	3,500	2,625	875
Total expenditures	<u>6,496,525</u>	<u>6,497,225</u>	<u>6,497,140</u>	<u>85</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,736,525)</u>	<u>(4,737,225)</u>	<u>(4,778,563)</u>	<u>(41,338)</u>
Other financing sources (uses)				
Transfers in	3,908,225	3,908,925	3,908,925	-
Total other financing sources (uses)	<u>3,908,225</u>	<u>3,908,925</u>	<u>3,908,925</u>	<u>-</u>
Net change in fund balance	<u>(828,300)</u>	<u>(828,300)</u>	<u>(869,638)</u>	<u>(41,338)</u>
Fund balance - beginning	2,717,840	2,717,840	2,717,840	-
Fund balance - ending	<u>\$ 1,889,540</u>	<u>\$ 1,889,540</u>	<u>\$ 1,848,202</u>	<u>\$ (41,338)</u>

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

PROPRIETARY FUNDS

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the County on a cost reimbursement basis.

Central Services Fund – This fund provides an internal service function to the County departments. It provides office supplies, materials, gas and oil, equipment and vehicles to the County for an intergovernmental fee.

Self-Insurance Liability Fund – This fund is used to account for the self-funded program that covers losses under our retention and claims for which there is no excess insurance coverage.

Employee Flex Benefit Fund – This fund allows employees to have a portion of their pre-tax salaries set aside in this fund to be used to reimburse the employee for qualified health or dependent care expenses. The costs are paid by interest earned on deposited and forfeited employee contributions.

Workers Compensation Fund – This fund is used to account for the self-funded program that collects worker compensation dollars from appropriate County funds and pays for the workers compensation losses in lieu of an outside agency.

Self-Insured Fund – Dental – This fund is used to account for the County's self-insured employee dental care plan, which is fully funded by premiums charged to employees and employer matching contributions.

**Arapahoe County Government
Combining Statement of Net Assets
Proprietary Funds
December 31, 2009**

	Governmental Activities - Internal Service Funds			
	Central Service	Self Insurance Liability	Employee Flex Benefit	Worker's Compensation
Assets				
Current assets:				
Cash and investments	\$ 15,204,343	\$ 2,966,855	\$ 87,671	\$ 2,449,479
Accounts receivable	-	-	78,000	-
Inventory	354,466	-	-	-
Total current assets	<u>15,558,809</u>	<u>2,966,855</u>	<u>165,671</u>	<u>2,449,479</u>
Noncurrent assets:				
Capital assets:				
Vehicles and equipment	28,561,921	-	-	-
Computer systems	9,993,066	-	-	-
Furniture and office equipment	107,751	-	-	-
Less: accumulated depreciation	<u>(29,636,914)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total noncurrent assets (net of accum. dep.)	<u>9,025,824</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>24,584,633</u>	<u>2,966,855</u>	<u>165,671</u>	<u>2,449,479</u>
Liabilities				
Current liabilities				
Accounts payable	344,824	6,407	37,199	59,059
Estimated claims payable	-	313,000	-	999,000
Flex benefits payable	-	-	32,936	-
Noncurrent claims payable	-	642,000	-	1,191,000
Total liabilities	<u>344,824</u>	<u>961,407</u>	<u>70,135</u>	<u>2,249,059</u>
Net assets				
Invested in capital assets	9,025,824	-	-	-
Unrestricted	15,213,985	2,005,448	95,536	200,420
Total net assets	<u>\$ 24,239,809</u>	<u>\$ 2,005,448</u>	<u>\$ 95,536</u>	<u>\$ 200,420</u>

Self Insurance Dental	Total
\$ 1,410,757	\$ 22,119,105
-	78,000
-	354,466
<u>1,410,757</u>	<u>22,551,571</u>
-	28,561,921
-	9,993,066
-	107,751
-	<u>(29,636,914)</u>
-	9,025,824
<u>1,410,757</u>	<u>31,577,395</u>
53,114	500,603
62,000	1,374,000
-	32,936
-	1,833,000
<u>115,114</u>	<u>3,740,539</u>
-	9,025,824
1,295,643	18,811,032
<u>\$ 1,295,643</u>	<u>\$ 27,836,856</u>

Arapahoe County Government
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets
Proprietary Funds
For the Year Ended December 31, 2009

	Governmental Activities - Internal Service Funds			
	Central Service	Self Insurance Liability	Employee Flex Benefit	Worker's Compensation
Operating revenues				
Charges for sales and service	\$ 5,327,850	\$ 350,547	\$ 920,059	\$ 1,399,847
Total operating revenue	<u>5,327,850</u>	<u>350,547</u>	<u>920,059</u>	<u>1,399,847</u>
Operating expenses				
Cost of sales and services	1,086,653	536,904	902,631	1,297,603
Administration	-	49,688	-	145,098
Depreciation	4,223,702	-	-	-
Total operating expenses	<u>5,310,355</u>	<u>586,592</u>	<u>902,631</u>	<u>1,442,701</u>
Operating income (loss)	<u>17,495</u>	<u>(236,045)</u>	<u>17,428</u>	<u>(42,854)</u>
Nonoperating revenue				
Gain on sale of assets	242,723	-	-	-
Income before contributions and transfers	<u>260,218</u>	<u>(236,045)</u>	<u>17,428</u>	<u>(42,854)</u>
Transfers in	2,059,041	-	30,000	-
Transfers out	-	(78,273)	-	-
Change in net assets	<u>2,319,259</u>	<u>(314,318)</u>	<u>47,428</u>	<u>(42,854)</u>
Total net assets - beginning	<u>21,920,550</u>	<u>2,319,766</u>	<u>48,108</u>	<u>243,274</u>
Total net assets - ending	<u>\$ 24,239,809</u>	<u>\$ 2,005,448</u>	<u>\$ 95,536</u>	<u>\$ 200,420</u>

Self Insurance Dental	Total
\$ 1,606,638	\$ 9,604,941
<u>1,606,638</u>	<u>9,604,941</u>
1,568,248	5,392,039
-	194,786
-	<u>4,223,702</u>
<u>1,568,248</u>	<u>9,810,527</u>
38,390	(205,586)
-	242,723
<u>38,390</u>	<u>37,137</u>
33,340	2,122,381
-	(78,273)
<u>71,730</u>	<u>2,081,245</u>
1,223,913	25,755,611
<u>\$ 1,295,643</u>	<u>\$ 27,836,856</u>

Arapahoe County, Colorado
Combining Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2009

	Governmental Activities - Internal Service Funds			
	Central Services	Self Insurance Liability	Employee Flex Benefit	Worker's Compensation
Cash flows from operating activities				
Cash received for interfund services provided	\$ 5,346,184	\$ 350,547	\$ 920,059	\$ 1,399,847
Cash payments for services and supplies	(1,179,578)	(605,331)	(940,744)	(1,157,948)
Net cash provided (used) by operating activities	<u>4,166,606</u>	<u>(254,784)</u>	<u>(20,685)</u>	<u>241,899</u>
Cash flows from noncapital financing activities				
Transfers in from other funds	2,059,041	-	30,000	-
Transfers out to other funds	-	(78,273)	-	-
Net cash provided by non capital financing activities	<u>2,059,041</u>	<u>(78,273)</u>	<u>30,000</u>	<u>-</u>
Cash flows from capital and related financing activities				
Acquisition of property and equipment	(3,431,918)	-	-	-
Proceeds from sale of capital assets	286,459	-	-	-
Net cash (used) by capital and related financing activities	<u>(3,145,459)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash flows from investing activities				
Interest received	-	-	-	-
Net cash provided by investing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net increase (decrease) in cash and investments	3,080,188	(333,057)	9,315	241,899
Cash and investments, January 1, 2009	12,124,155	3,299,912	78,356	2,207,580
Cash and investments, December 31, 2009	<u>\$ 15,204,343</u>	<u>\$ 2,966,855</u>	<u>\$ 87,671</u>	<u>\$ 2,449,479</u>
Reconciliation of operating income to net cash provided (used) by operating activities:				
Operating income (loss)	\$ 17,495	\$ (236,045)	\$ 17,428	\$ (42,854)
Adjustments to reconcile operating income to Net cash provided (used) by operating activities:				
Depreciation	4,223,702	-	-	-
Decrease in accounts receivable	18,334	-	-	-
Decrease in inventory	6,535	-	-	-
Increase (decrease) in accounts payable	(99,460)	(2,739)	(26,456)	(100,247)
Increase (decrease) in claims payable	-	(16,000)	-	385,000
(Decrease) in flex benefits payable	-	-	(11,657)	-
Total adjustments	<u>4,149,111</u>	<u>(18,739)</u>	<u>(38,113)</u>	<u>284,753</u>
Net cash provided (used) by operating activities	<u>\$ 4,166,606</u>	<u>\$ (254,784)</u>	<u>\$ (20,685)</u>	<u>\$ 241,899</u>

Self Insurance Dental	Total
\$ 1,606,638 (1,530,134)	\$ 9,623,275 (5,413,735)
<u>76,504</u>	<u>4,209,540</u>
33,340 -	2,122,381 (78,273)
<u>33,340</u>	<u>2,044,108</u>
- -	(3,431,918) 286,459
<u>-</u>	<u>(3,145,459)</u>
- -	- -
109,844 1,300,913	3,108,189 19,010,916
<u>\$ 1,410,757</u>	<u>\$ 22,119,105</u>
\$ 38,390	\$ (205,586)
- - - 18,114 20,000 -	4,223,702 18,334 6,535 (210,788) 389,000 (11,657)
<u>38,114</u>	<u>4,415,126</u>
<u>\$ 76,504</u>	<u>\$ 4,209,540</u>

FIDUCIARY FUNDS

AGENCY FUNDS

Agency Fund - Treasurer - Established to record transactions relating to assets held by the County in the capacity of trustee, custodian or agent for individuals, governmental entities and non-public organizations.

Arapahoe County Public Trustee - An intermediary and recorder for foreclosures and releases of deeds in the Arapahoe County area. Although the Public Trustee is appointed by the Governor, budgetary control over the office is exercised by Arapahoe County.

Inmate Sentencing Fund - Established to record transactions relating to cash held by the county on behalf of prison inmates. Funds are returned to inmates through alternative work release programs or completion of prison terms.

**Combining Statement of Changes in Assets and Liabilities
Fiduciary Funds
For the Year Ended December 31, 2009**

	Agency Funds			Ending Balance 12/31/2008
	Beginning Balance 1/1/2009	Additions	Deletions	
<u>TREASURER'S AGENCY FUND</u>				
Assets				
Cash and investments	\$ 28,194,563	\$ 37,613,093,685	\$ 37,612,341,534	\$ 28,946,714
Total assets	<u>\$ 28,194,563</u>	<u>\$ 37,613,093,685</u>	<u>\$ 37,612,341,534</u>	<u>\$ 28,946,714</u>
Liabilities				
Due to other governments	\$ 16,481,454	\$ 1,408,961,131	\$ 1,405,549,893	\$ 19,892,692
Other deposits payable	8,130,495	2,950,642,087	2,953,455,521	5,317,061
Warrants payable	3,582,614	138,803,719	138,649,372	3,736,961
Total liabilities	<u>\$ 28,194,563</u>	<u>\$ 4,498,406,937</u>	<u>\$ 4,497,654,786</u>	<u>\$ 28,946,714</u>
<u>ARAPAHOE COUNTY PUBLIC TRUSTEE</u>				
Assets				
Cash and investments	\$ 1,364,445	\$ 83,146,958	\$ 83,899,158	\$ 612,245
Restricted escrow	1,436,591	2,251,939	2,219,198	1,469,332
Total assets	<u>\$ 2,801,036</u>	<u>\$ 85,398,897</u>	<u>\$ 86,118,356</u>	<u>\$ 2,081,577</u>
Liabilities				
Other deposits payable	\$ 1,364,445	\$ 83,146,958	\$ 83,899,158	\$ 612,245
Due to other governments	1,436,591	2,251,939	2,219,198	1,469,332
Total liabilities	<u>\$ 2,801,036</u>	<u>\$ 85,398,897</u>	<u>\$ 86,118,356</u>	<u>\$ 2,081,577</u>
<u>INMATE SENTENCING AGENCY FUND</u>				
Assets				
Cash and investments	\$ 101,628	\$ 222,247	\$ 201,429	\$ 122,446
Total assets	<u>\$ 101,628</u>	<u>\$ 222,247</u>	<u>\$ 201,429</u>	<u>\$ 122,446</u>
Liabilities				
Other deposits payable	\$ 101,628	\$ 65,045	\$ 44,227	\$ 122,446
Total liabilities	<u>\$ 101,628</u>	<u>\$ 65,045</u>	<u>\$ 44,227</u>	<u>\$ 122,446</u>
<u>TOTAL AGENCY FUNDS</u>				
Assets				
Cash and investments	\$ 29,660,636	\$ 37,696,462,890	\$ 37,696,442,121	\$ 29,681,405
Restricted escrow	1,436,591	2,251,939	2,219,198	1,469,332
Total assets	<u>\$ 31,097,227</u>	<u>\$ 37,698,714,829</u>	<u>\$ 37,698,661,319</u>	<u>\$ 31,150,737</u>
Liabilities				
Due to other governments	\$ 17,918,045	\$ 1,411,213,070	\$ 1,407,769,091	\$ 21,362,024
Other deposits payable	9,596,568	3,033,854,090	3,037,398,906	6,051,752
Warrants payable	3,582,614	138,803,719	138,649,372	3,736,961
Total liabilities	<u>\$ 31,097,227</u>	<u>\$ 4,583,870,879</u>	<u>\$ 4,583,817,369</u>	<u>\$ 31,150,737</u>

Arapahoe County, Colorado
E-911 Authority-Component Unit
Governmental Funds Balance Sheet/Statement of Net Assets
December 31, 2009

	General	Adjustments	Statement of Net Assets
Assets			
Cash	\$ 7,521,962	\$ -	\$ 7,521,962
Accounts receivable	366,630	-	366,630
Total current assets	<u>7,888,592</u>	<u>-</u>	<u>7,888,592</u>
Capital assets, depreciable	-	4,260,688	4,260,688
Less accumulated depreciation	<u>-</u>	<u>(2,165,556)</u>	<u>(2,165,556)</u>
Net capital assets	<u>-</u>	<u>2,095,132</u>	<u>2,095,132</u>
Total assets	<u><u>7,888,592</u></u>	<u><u>2,095,132</u></u>	<u><u>9,983,724</u></u>
Liabilities and fund balance/net assets			
Liabilities			
Accounts payable	<u>27,356</u>	-	<u>27,356</u>
Total liabilities	<u>27,356</u>	<u>-</u>	<u>27,356</u>
Fund balances			
Unreserved, undesignated	<u>7,861,236</u>	<u>(7,861,236)</u>	<u>-</u>
Total fund balance	<u>7,861,236</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balances	<u>7,888,592</u>	<u>-</u>	<u>27,356</u>
Net assets			
Invested in capital assets net of related debt	-	2,095,132	2,095,132
Unrestricted	<u>-</u>	<u>7,861,236</u>	<u>7,861,236</u>
Total net assets	<u><u>\$ -</u></u>	<u><u>\$ 9,956,368</u></u>	<u><u>\$ 9,956,368</u></u>

The accompanying notes are an integral part of the financial statements.

Arapahoe County, Colorado
 E-911 Authority- Component Unit
 Statement of Governmental Fund Revenues
 Expenditures, and Changes in Fund Balance/
 Statement of Activities
 For the Year Ended December 31, 2009

Expenditures/expenses	<u>General</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Governmental activities			
Public safety	\$ 1,007,062	-	\$ 1,007,062
Capital	904,325	(904,325)	-
Depreciation	-	669,984	669,984
Total expenditures/ expenses	<u>1,911,387</u>	<u>(234,341)</u>	<u>1,677,046</u>
Program revenues			
Charges for services	<u>2,314,451</u>	-	<u>2,314,451</u>
General revenues			
Interest earnings	<u>263,104</u>	-	<u>263,104</u>
Total revenues	<u>2,577,555</u>	-	<u>2,577,555</u>
Excess of revenues over expenditures	666,168	(666,168)	-
Changes in net assets	-	(900,509)	900,509
Fund balance/ net assets- beginning	<u>7,195,068</u>	-	<u>9,055,859</u>
Fund balance/ net assets- ending	<u>\$ 7,861,236</u>	<u>-</u>	<u>\$ 9,956,368</u>

The accompanying notes are an integral part of the financial statements.

Arapahoe County, Colorado
E-911 Authority - Component Unit
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance
	Original	Final		With Final Budget Positive/(Negative)
Revenues				
Charges for services	\$ 2,428,394	\$ 2,428,394	\$ 2,314,451	\$ (113,943)
Investment earnings	200,000	200,000	263,104	63,104
Total revenues	<u>2,628,394</u>	<u>2,628,394</u>	<u>2,577,555</u>	<u>(50,839)</u>
Expenditures				
Current				
Public safety	1,307,000	1,307,000	1,007,062	299,938
Capital				
Public safety	1,351,912	1,351,912	904,325	447,587
Total expenditures	<u>2,658,912</u>	<u>2,658,912</u>	<u>1,911,387</u>	<u>747,525</u>
Excess of revenues over expenditures	(30,518)	(30,518)	666,168	696,686
Fund balance - beginning	7,195,068	7,195,068	7,195,068	-
Fund balance - ending	<u>\$ 7,164,550</u>	<u>\$ 7,164,550</u>	<u>\$ 7,861,236</u>	<u>\$ 696,686</u>

Arapahoe County, Colorado

Statistical Section Index

This part of the Arapahoe County comprehensive annual financial report presents additional detailed information and a historical perspective to assist with understanding the financial statements, notes to the statements, and the required supplementary information about the County's economic condition.

Financial Trends

These schedules contain trend information to assist the reader in understanding how the County's financial position has changed over time.

Table 1	Net Assets by Component.....	E-2
Table 2	Changes in Net Assets.....	E-4
Table 3	Fund Balances, Governmental Funds.....	E-6
Table 4	Changes in Fund Balances, Governmental Funds.....	E-8

Revenue Capacity

These schedules contain information to assist the reader in assessing the County's most significant sources of revenue.

Table 5	Assessed Value and Actual Value of Taxable Property	E-10
Table 6	Direct and Overlapping Property Tax Rates.....	E-12
Table 7	Principal Property Tax Payers.....	E-14
Table 8	Property Tax Levies and Collections.....	E-15

Debt Capacity

These schedules contain information to assist the reader in analyzing the County's current level of debt and the County's ability to issue debt in the future.

Table 9	Ratios of General Bonded Debt Outstanding	E-16
Table 10	Computation of Direct and Overlapping Debt.....	E-18
Table 11	Legal Debt Margin Information	E-21

Demographic and Economic Information

These schedules offer demographic and economic indicators to assist the reader in understanding the environment in which the County's financial activities take place.

Table 12	Demographic and Economic Statistics.....	E-22
Table 13	Principal Employers.....	E-23

Operating Information

These schedules contain service and infrastructure indicators to assist the reader in ascertaining how the information in the County's financial statements relate to the services the County provides and the activities it performs.

Table 14	Full-time Equivalent County Government Employees by Function/Program.....	E-24
Table 15	Operating Indicators by Function/Program.....	E-25
Table 16	Capital Assets Statistics by Function/Program.....	E-26

Data Source:

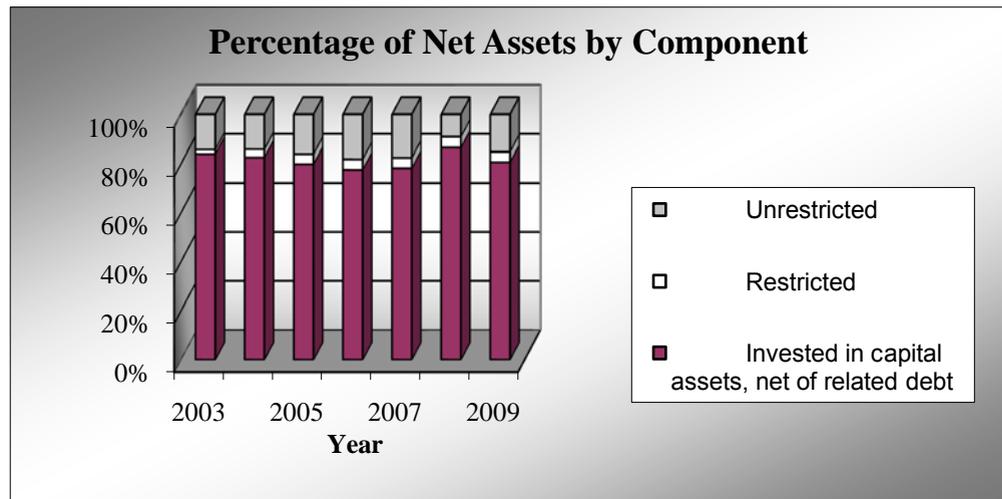
Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The County implemented GASB Statement No. 34 in the calendar year 2002 therefore schedules presenting government-wide financial data do not precede that year.

ARAPAHOE COUNTY, COLORADO

Table 1

**Net Assets by Component
Last Eight Fiscal Years
December 31, 2009**

	Fiscal Year							
	2002	2003	2004	2005	2006	2007	2008	2009
Governmental Activities								
Invested in capital assets, net of related debt	\$ 433,720,700	\$ 492,653,115	\$ 508,843,066	\$ 511,632,144	\$ 527,670,594	\$ 598,362,162	\$ 671,821,630	\$ 627,194,683
Restricted	88,706,206	10,529,815	20,473,808	26,366,686	29,162,660	32,165,309	33,953,349	32,785,071
Unrestricted	32,077,261	83,917,756	87,258,836	103,255,358	124,149,948	134,927,706	70,408,488	118,420,367
Total governmental activities net assets	\$ 554,504,167	\$ 587,100,686	\$ 616,575,710	\$ 641,254,188	\$ 680,983,202	\$ 765,455,177	\$ 776,183,467	\$ 778,400,121



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ARAPAHOE COUNTY, COLORADO

Table 2

**Changes in Net Assets
Last Eight Fiscal Years
December 31, 2009**

	Fiscal Year							
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Expenses								
Governmental activities:								
General Government	\$ 65,523,336	\$ 58,438,742	\$ 62,518,202	\$ 59,820,890	\$ 57,700,314	\$ 63,300,479	\$ 64,476,171	\$ 70,545,770
Public Safety	56,928,062	59,161,145	60,518,504	63,539,291	67,080,316	71,309,677	73,524,951	76,796,036
Judicial Services	13,202,917	9,916,808	10,387,736	10,747,046	10,602,243	11,622,405	10,479,953	12,654,389
Health & Welfare	59,090,187	65,014,698	64,064,480	64,882,465	65,316,053	68,886,438	74,537,601	82,651,797
Highways & Streets	23,049,902	18,571,817	19,938,280	21,389,942	20,060,450	25,004,995	22,850,253	21,286,170
Water & Wastewater	754,895	1,047,314	1,095,717	1,372,651	2,208,123	1,675,251	1,833,715	1,712,077
Airport	2,153,515	364,888	364,888	364,888	364,888	374,688	365,538	365,538
Culture & Recreation	602,376	749,128	6,814,316	13,069,857	13,922,358	15,887,027	16,668,608	18,619,791
Interest on long-term debt	6,756,315	7,633,007	7,348,480	7,339,414	8,047,712	8,121,674	8,233,227	8,124,717
Total governmental activities expenses	\$ 228,061,505	\$ 220,897,547	\$ 233,050,603	\$ 242,526,444	\$ 245,302,457	\$ 266,182,634	\$ 272,970,017	\$ 292,756,285
Program Revenues								
Governmental activities:								
Charges for Services:								
General Government	\$ 39,094,596	\$ 43,846,900	\$ 44,545,871	\$ 28,024,828	\$ 27,655,416	\$ 26,745,753	\$ 24,227,058	\$ 23,745,686
Public Safety	4,550,951	4,384,751	4,175,224	21,571,124	22,630,096	23,628,766	24,272,267	24,543,218
Judicial Services	-	-	-	-	-	-	-	-
Health & Welfare	319,307	445,334	470,913	444,138	476,029	485,962	636,986	520,950
Highways & Streets	2,641,076	1,450,058	2,115,008	2,074,511	1,983,898	3,396,200	2,325,654	375,448
Water & Wastewater	-	-	-	500	-	-	-	-
Airport	-	-	-	-	-	-	-	-
Culture & Recreation	157,404	169,404	166,158	281,466	194,051	188,358	218,445	218,911
Operating Grants and Contributions:								
General Government	\$ 901,188	\$ 225,509	\$ 292,993	\$ 462,424	\$ 362,847	\$ 726,253	\$ 233,812	\$ 369,616
Public Safety	1,073,288	760,035	592,983	3,891,460	3,068,921	4,060,388	2,947,398	5,059,275
Judicial Services	3,162,331	-	-	-	-	-	-	-

Health & Welfare	38,368,371	43,595,483	39,777,911	41,787,067	44,288,002	45,916,061	49,692,183	57,471,628
Highways & Streets	8,495,907	6,788,227	9,640,030	8,376,773	13,926,298	10,267,441	7,370,732	10,388,780
Water & Wastewater	5,907,492	-	-	372,215	3,232,516	4,142,847	1,988,044	327,882
Airport	-	-	-	-	-	-	-	-
Culture & Recreation	30,856	66,939	76,958	27,599	425,228	26,119	181,278	169,959
Capital grants and Contributions:								
General Government	\$ -	\$ -	\$ -	\$ 110,250	\$ 1,175,424	\$ -	\$ 110,250	\$ -
Public Safety	-	-	101,375	265,117	342,196	6,088	13,843	-
Judicial Services	-	-	-	-	-	-	-	-
Health & Welfare	-	-	-	-	-	20,341	2,323	3,479
Highways & Streets	25,549,312	32,450,033	18,243,885	14,488,068	4,400,241	61,862,505	4,047,852	6,062,121
Water & Wastewater	-	-	-	-	-	-	-	-
Airport	-	-	-	-	-	-	-	-
Culture & Recreation	379,023	413,365	429,154	441,443	699,329	532,286	534,992	503,927
Total governmental activities program revenues	\$ 130,631,102	\$ 134,596,038	\$ 120,628,463	\$ 122,618,983	\$ 124,860,492	\$ 182,005,368	\$ 118,803,117	\$ 129,760,880
Net (Expense)/Revenue								
Governmental activities								
Total primary government net expense	\$ (97,430,403)	\$ (86,301,509)	\$ (112,422,140)	\$ (119,907,461)	\$ (120,441,965)	\$ (84,177,266)	\$ (154,166,900)	\$ (162,995,405)
General Revenues and Other Changes in Net Assets								
Governmental activities:								
Property taxes	\$ 95,148,057	\$ 104,584,825	\$ 107,590,725	\$ 110,046,618	\$ 115,183,174	\$ 119,397,961	\$ 123,865,373	\$ 131,681,792
Sales taxes (1)	-	-	15,174,598	17,877,970	17,842,681	19,306,838	18,209,151	16,496,260
Other taxes	9,048,409	9,339,557	10,539,573	9,109,643	9,570,342	9,928,556	9,115,649	8,663,686
Investment income	5,959,027	2,621,307	4,318,676	5,558,907	11,246,283	15,866,207	13,437,760	5,832,261
Miscellaneous	14,186,931	4,244,082	4,273,592	1,992,801	1,233,574	4,149,679	267,257	2,538,060
Gain (loss) on sale of assets	-	-	-	-	270,050	-	-	-
Total governmental activities	\$ 124,342,424	\$ 120,789,771	\$ 141,897,164	\$ 144,585,939	\$ 155,346,104	\$ 168,649,241	\$ 164,895,190	\$ 165,212,059
Extraordinary item	-	-	-	-	4,275,000	-	-	-
Change in Net Assets								
Governmental activities	\$ 26,912,021	\$ 34,488,262	\$ 29,475,024	\$ 24,678,478	\$ 39,179,139	\$ 84,471,975	\$ 10,728,290	\$ 2,216,654

(1) Sales tax collection began in 2004

ARAPAHOE COUNTY, COLORADO

Table 3

**Fund Balances, Governmental Funds
Last Eight Fiscal Years
December 31, 2009**

	Fiscal Year							
	2002	2003	2004	2005	2006	2007	2008	2009
General Fund								
Reserved	\$ 1,240,677	\$ 1,769,351	\$ 1,166,711	\$ 1,272,994	\$ 1,859,396	\$ 1,428,152	\$ 601,076	1,218,913
Unreserved	6,973,717	7,602,465	9,616,933	17,053,197	27,928,653	48,008,034	39,755,237	30,049,809
Total General Fund	<u>\$ 8,214,394</u>	<u>\$ 9,371,816</u>	<u>\$ 10,783,644</u>	<u>\$ 18,326,191</u>	<u>\$ 29,788,049</u>	<u>\$ 49,436,186</u>	<u>\$ 40,356,313</u>	<u>\$ 31,268,722</u>
All Other Governmental Funds								
Reserved	\$ 53,918,779	\$ 45,918,732	\$ 36,718,121	\$ 55,168,150	\$ 61,566,777	\$ 52,079,074	\$ 34,663,632	77,470,501
Unreserved, reported in:								
Cash flow	9,979,243	23,078,423	-	-	-	-	-	-
Special revenue fund	27,567,769	30,767,300	47,684,879	65,122,484	69,234,684	62,829,567	64,267,115	64,814,855
Capital projects fund	14,399,591	2,275,302	24,290,047	26,824,853	22,362,294	22,277,400	35,361,313	35,299,241
Total all other governmental funds	<u>\$ 105,865,382</u>	<u>\$ 102,039,757</u>	<u>\$ 108,693,047</u>	<u>\$ 147,115,487</u>	<u>\$ 153,163,755</u>	<u>\$ 137,186,041</u>	<u>\$ 134,292,060</u>	<u>\$ 177,584,597</u>

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ARAPAHOE COUNTY, COLORADO

Table 4

**Changes in Fund Balances, Governmental Funds
Last Eight Fiscal Years
December 31, 2009**

	Fiscal Year							
	2002	2003	2004	2005	2006	2007	2008	2009
Revenues								
Taxes	\$ 104,196,466	\$ 113,924,381	\$ 133,304,896	\$ 137,034,229	\$ 142,596,196	\$ 148,633,355	\$ 152,910,622	\$ 156,841,739
Licenses and Permits	5,417,311	4,262,490	5,735,345	4,567,259	4,372,554	4,727,828	4,985,149	5,010,913
Intergovernmental	73,482,498	74,711,367	78,613,243	83,993,103	68,153,764	67,446,760	64,381,138	75,632,862
Charges for Services	20,500,472	22,959,637	21,007,016	21,042,576	47,357,627	46,865,997	41,715,069	39,538,768
Fines	1,507,214	1,093,343	639,077	785,472	808,757	938,603	1,256,099	1,455,525
Investment Earnings	5,958,886	2,621,254	4,318,675	5,558,907	11,246,281	15,866,208	13,437,761	5,832,262
Interfund Revenues and Rentals	2,435,524	2,261,953	2,314,416	2,313,077	2,689,473	3,407,789	2,647,830	2,863,123
Interest on Loan to Component Unit	1,642,691	1,589,643	1,585,696	1,583,945	1,596,898	1,560,383	1,579,686	1,595,034
Developer Contributions	-	-	-	-	1,071,547	163,630	295,749	585,425
Miscellaneous	4,473,996	6,313,565	5,390,856	2,188,342	789,859	3,048,831	1,245,054	2,931,773
Total Revenues	\$ 219,615,058	\$ 229,737,633	\$ 252,909,220	\$ 259,066,910	\$ 280,682,956	\$ 292,659,384	\$ 284,454,157	\$ 292,287,424
Expenditures								
General Government	\$ 54,590,820	\$ 55,592,430	\$ 59,021,795	\$ 56,683,458	\$ 58,883,500	\$ 59,119,225	\$ 62,002,254	\$ 60,274,976
Public Safety	51,658,252	53,471,694	55,067,036	58,825,264	63,285,652	66,225,968	69,733,643	72,770,225
Judicial Services	13,190,708	9,900,252	10,371,758	10,721,527	10,569,358	11,534,723	10,551,071	12,721,751
Health and Welfare	59,615,753	64,769,219	63,855,150	65,460,066	65,146,077	68,384,170	74,338,791	82,671,002
Highways and Streets	26,856,038	14,222,775	15,017,991	15,949,856	16,783,085	19,180,829	17,196,792	16,413,516
Water and Wastewater	90	82,154	53,612	84,478	884,654	80,522	76,053	579,638
Airport	1,500,000	-	-	-	-	9,800	650	650
Culture and Recreation	580,670	716,339	6,840,843	13,021,607	13,228,239	15,506,016	16,163,173	18,094,674
Capital Outlay	70,327,448	20,387,334	18,386,039	19,249,181	37,630,609	34,096,302	34,819,984	33,676,013
Debt Service								
Principal	3,379,219	6,020,183	7,149,738	7,204,173	5,503,094	7,832,487	7,819,177	6,277,470
Interest	6,392,001	8,570,944	7,365,208	7,093,843	7,106,442	8,041,596	8,132,886	8,079,409
Debt Issuance Costs	5,899,441	-	-	-	811,523	3,225	53,284	157,375
Intergovernmental transfer to Centennial	263,858	-	-	-	-	-	-	-
Total Expenditures	\$ 294,254,298	\$ 233,733,324	\$ 243,129,170	\$ 254,293,453	\$ 279,832,233	\$ 290,014,863	\$ 300,887,758	\$ 311,716,699
Excess of revenues over (under) expenditures	\$ (74,639,240)	\$ (3,995,691)	\$ 9,780,050	\$ 4,773,457	\$ 850,723	\$ 2,644,521	\$ (16,433,601)	\$ (19,429,275)
Other Financing Sources (Uses)								
Transfers In	\$ 29,522,725	\$ 14,782,721	\$ 15,801,245	\$ 11,185,836	\$ 16,045,208	\$ 29,598,579	\$ 34,089,983	\$ 29,288,252
Transfers Out	(29,950,725)	(15,969,134)	(17,516,176)	(11,937,188)	(17,415,030)	(31,441,287)	(35,040,486)	(31,332,360)

Capital Leases	2,871,745	288,040	-	13,028,205	-	-	-	-
Capital Contributions	3,164,865	-	-	110,250	-	-	110,250	(396,671)
Sale of Capital Assets	971,240	1,665,605	-	1,614,355	-	-	-	-
Payment to Bond Agent	(15,490,407)	-	-	-	(54,529,516)	(517)	-	-
Debt Issued	15,760,000	-	-	27,190,071	51,552,858	2,600,000	5,300,000	56,075,000
Refunding Bonds Issued	63,870,000	-	-	-	-	-	-	-
Premium (discount) on Bonds	(659,667)	-	-	-	1,706,086	-	-	-
Long-term Notes Payable	-	-	-	-	16,049,975	-	-	-
Total other financing sources (uses)	\$ 70,059,776	\$ 767,232	\$ (1,714,931)	\$ 41,191,529	\$ 13,409,581	\$ 756,775	\$ 4,459,747	\$ 53,634,221
Extraordinary item	-	-	-	-	4,275,000	-	-	-
Net Change in Fund Balances	\$ (4,579,464)	\$ (3,228,459)	\$ 8,065,119	\$ 45,964,986	\$ 18,535,304	\$ 3,401,296	\$ (11,973,854)	34,204,946
Debt service as a percentage of noncapital expenditures	6.99%	6.83%	6.45%	6.08%	5.54%	6.20%	6.02%	5.00%

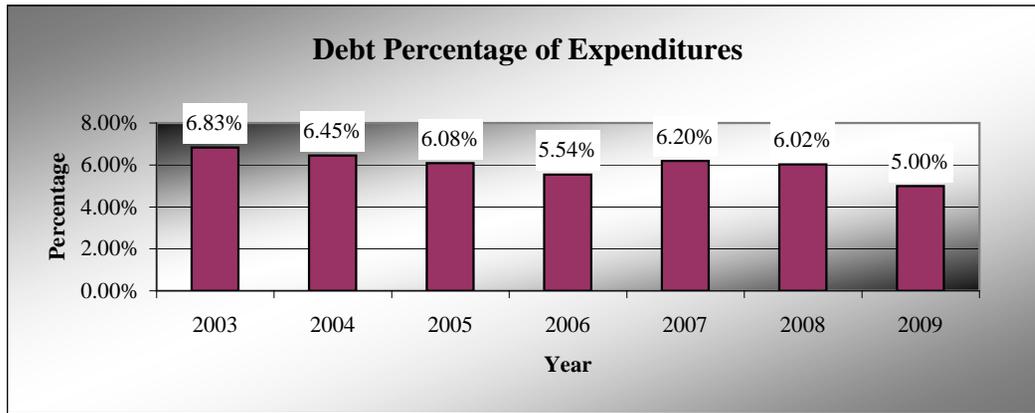


Table 5

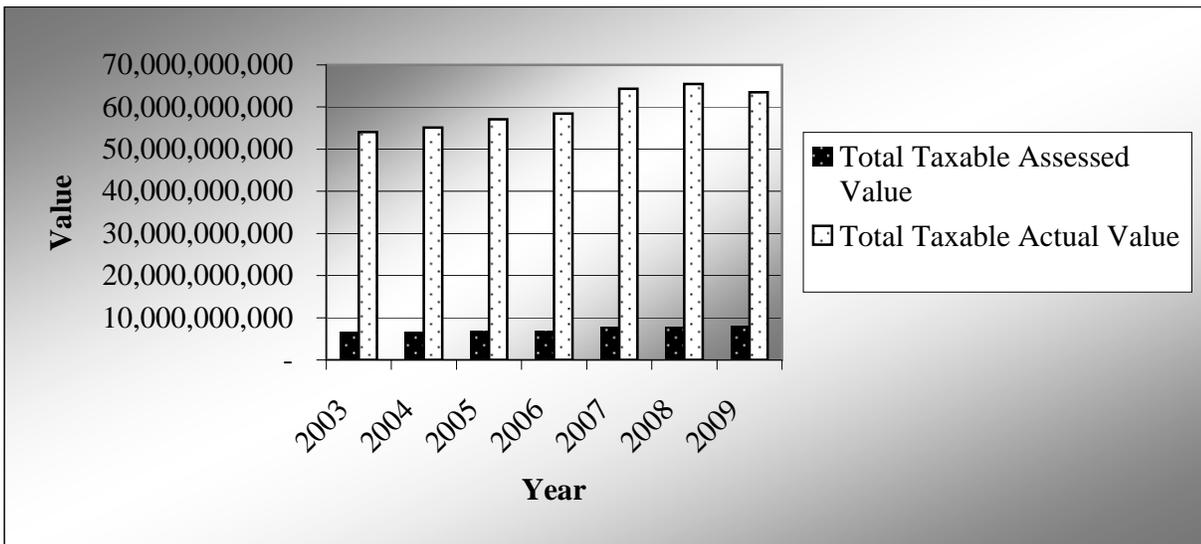
ARAPAHOE COUNTY, COLORADO

Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years
December 31, 2009

Fiscal Year	Residential Property	Commercial Property	Industrial Property	Vacant	Agricultural
2000	2,592,279,870	2,481,724,520	71,742,770	172,401,670	8,398,420
2001	3,264,800,820	2,725,132,250	66,772,730	265,904,750	7,683,210
2002	3,389,682,930	2,675,292,910	56,490,250	267,901,970	7,772,540
2003	3,443,470,550	2,551,708,600	46,622,300	246,271,900	8,569,130
2004	3,525,011,050	2,579,353,950	39,778,480	243,086,960	9,316,020
2005	3,693,248,930	2,510,113,510	38,435,840	253,854,830	9,110,590
2006	3,793,083,480	2,553,086,780	36,574,210	249,054,490	9,343,150
2007	4,149,223,900	2,881,577,130	38,006,330	291,633,820	10,099,980
2008	4,234,534,700	2,907,703,660	37,189,710	262,746,280	10,269,220
2009	\$ 3,954,383,160	\$ 3,360,045,380	\$ 38,952,380	\$ 256,206,470	\$ 10,747,100

Source: Arapahoe County Assessor's Office

Other Natural Resources	State Assessed	Tax-Exempt Property	Total Taxable Assessed Value	Total Taxable Actual Value	Total Direct Tax rate
3,956,460	250,826,000	483,849,940	5,581,329,710	34,547,613,064	22.525
5,258,830	265,377,700	508,676,380	6,600,930,290	35,894,373,313	22.803
4,504,100	316,122,110	583,042,100	6,717,766,810	48,511,866,775	22.692
4,209,220	289,365,900	612,743,630	6,590,217,600	54,103,554,508	22.679
4,845,650	266,765,100	846,509,190	6,668,157,210	55,113,869,001	25.038
5,849,760	283,819,500	946,964,840	6,794,432,960	57,080,798,063	25.333
6,941,710	272,494,000	972,509,970	6,920,577,820	58,423,210,708	25.958



ARAPAHOE COUNTY, COLORADO

Table 6

**Direct and Overlapping Property Tax Rates
(rate per \$1,000 of assessed value)
Last Ten Fiscal Years
December 31, 2009**

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
County Direct Rates							
General	10.327	10.681	9.960	9.960	11.030	11.631	11.998
Special Revenue	3.379	3.332	4.068	4.042	4.110	3.820	4.085
L.E.A.D. & Library	8.819	8.790	8.664	8.677	9.898	9.882	9.875
Total direct rate	22.525	22.803	22.692	22.679	25.038	25.333	25.958
City & Town Rates							
Aurora	11.796	10.594	12.193	11.409	11.161	11.079	10.867
Bennett	-	11.950	11.950	11.950	11.950	11.950	11.950
Bow-Mar	16.416	17.450	14.342	15.224	14.737	15.420	16.378
Centennial	-	-	4.982	4.996	5.015	5.031	5.031
Cherry Hills	7.300	7.300	7.300	7.300	7.300	7.300	13.117
Columbine	11.594	12.203	9.517	9.567	10.086	10.403	10.918
Deer Trail	16.287	17.104	13.615	13.999	15.004	15.905	15.745
Englewood	7.055	7.030	7.438	7.770	8.310	8.320	8.400
Foxfield	4.225	4.450	3.910	30.541	27.232	28.054	27.167
Glendale	8.420	8.420	8.420	8.420	8.420	14.920	18.670
Greenwood Village	2.932	2.932	2.932	2.932	2.932	2.932	2.932
Littleton	6.662	6.662	6.662	6.662	6.662	6.662	6.662
Sheridan	5.536	5.824	5.453	5.453	7.896	7.963	8.145
School Districts							
Aurora	53.799	53.686	49.978	49.825	47.964	47.003	45.745
Bennett	32.397	29.982	29.272	30.121	30.072	37.903	34.156
Byers	49.162	49.093	44.688	44.844	44.560	36.451	33.910
Cherry Creek	53.093	52.397	46.889	47.331	49.654	51.132	51.129
Deer Trail	39.373	37.461	33.689	34.187	33.121	33.000	30.169
Englewood	42.765	42.544	38.842	39.485	39.431	44.419	40.354
Littleton	47.789	47.126	41.290	45.380	45.304	50.515	48.907
Sheridan	37.780	46.641	42.150	43.580	40.836	40.634	39.419
Strasburg	45.030	56.502	52.441	52.821	51.676	49.666	50.631
Special Districts	.028-50.0	.028-47.5	.027-70.0	.026-84.148	.027-76.5	.027-90.0	.027-90.0

Source: Assessor's Abstract of Assessments and Levies

<u>2007</u>	<u>2008</u>	<u>2009</u>
11.398	11.756	11.875
3.819	3.853	3.797
9.796	9.809	9.765
<u>25.013</u>	<u>25.418</u>	<u>25.437</u>
10.701	10.664	10.494
11.950	11.950	11.95
13.901	14.493	14.729
4.958	5.054	5.047
13.117	13.402	13.402
9.810	8.950	9.161
16.573	17.104	17.104
8.173	7.827	7.911
23.728	21.471	21.865
18.670	18.670	18.67
2.932	2.932	2.932
6.662	6.662	6.662
7.981	8.042	7.921
45.530	53.248	53.455
34.246	35.724	33.381
33.603	32.607	32.52
47.397	49.569	48.825
27.432	27.355	27.342
37.211	37.195	37.199
46.791	46.650	46.081
38.294	37.794	37.627
50.631	50.738	49.335
.028-90.0	.029-90.0	.030-90.0

ARAPAHOE COUNTY, COLORADO

Table 7

Principal Property Tax Payers
Current Year and Ten Years Ago
December 31, 2009

Taxpayer	2009			2000		
	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value
Qwest Corp	\$ 98,761,300	1	1.24%	-		-
Xcel Energy	78,901,090	2	0.99%	\$ 68,434,520	2	1.23%
Verizon Wireless	63,603,200	3	0.80%	-		-
Columbia HealthOne LLC	39,150,010	4	0.49%	35,699,010	3	0.64%
Greenwood Property Corp	30,450,000	5	0.38%	23,316,010	5	0.42%
Property Colorado OBJLW	27,550,000	6	0.35%	19,720,000	7	0.36%
Legacy III Centennial LLC	16,965,000	7	0.21%	-		-
CSHV Denver Tech Center LLC	15,080,010	8	0.19%	-		-
National Digital Television	14,893,500	9	0.19%	-		-
5251 DTC Parkway LLC	14,500,010	10	0.18%	-		-
US West Communications	-		-	95,030,300	1	1.71%
RMC Pavilion Towers LLC	-		-	30,619,500	4	0.55%
TCI Natl Digital Television	-		-	14,574,130	8	0.26%
EOP-Millennium LLC	-		-	13,340,101	9	0.24%
OEA Inc	-		-	21,730,700	6	0.39%
Galileo International LLC	-		-	12,764,340	10	0.23%
Total	\$ 399,854,120		5.02%	\$ 335,228,611		6.05%

Source: Assessor's Tax Roll

ARAPAHOE COUNTY, COLORADO

Table 8

**Property Tax Levies and Collections
Last Ten Fiscal Years
December 31, 2009**

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal year of the Levy			Total Collections to Date		
		Amount	Percentage of Levy	Collections in Subsequent Years	Total Taxes Collected	Percentage of Levy	
2000	69,679,037	69,456,064	99.7%	120,000	69,576,064	99.9%	
2001	74,139,696	73,768,998	99.5%	129,000	73,897,998	99.7%	
2002	88,317,015	87,552,162	99.1%	81,000	87,633,162	99.2%	
2003	92,861,237	91,096,873	98.1%	160,000	91,256,873	98.3%	
2004	94,817,283	94,532,831	99.7%	239,000	94,771,831	100.0%	
2005	98,320,667	98,124,026	99.8%	205,000	98,329,026	100.0%	
2006	112,412,499	110,046,616	97.9%	215,000	110,261,616	98.1%	
2007	112,256,249	112,031,736	99.8%	223,000	112,254,736	100.0%	
2008	116,587,568	116,354,393	99.8%	233,000	116,587,393	100.0%	
2009	\$ 119,510,584	\$ 119,032,542	99.6%	\$ 245,000	119,277,542	99.8%	

Sources: Arapahoe County Treasurer's Office
Assessor's Abstract of Assessment and Levies

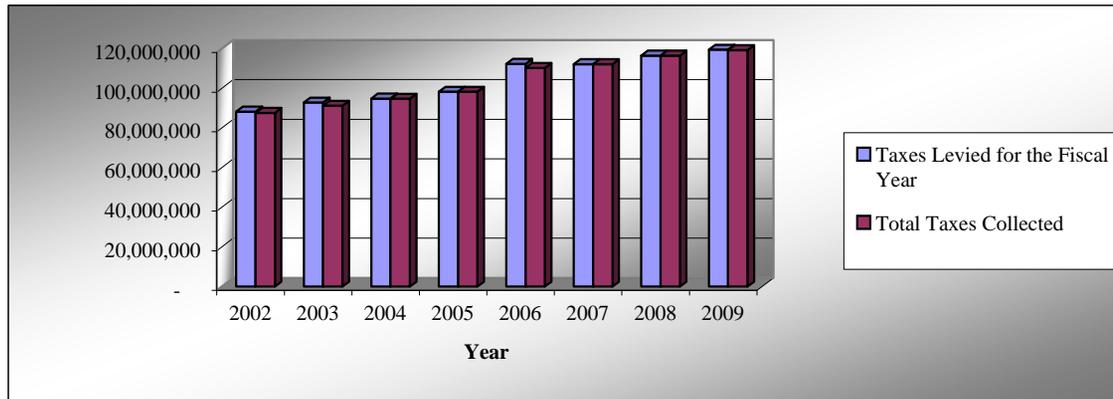


Table 9

ARAPAHOE COUNTY, COLORADO

Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years
December 31, 2009

Fiscal Year	General Obligation Bonds	Less: Amounts Restricted to Repaying Principal	Total	Percentage of Personal Income	Percentage of Actual Value of Taxable Property
2000	-	-	-	-	-
2001	-	-	-	-	-
2002	-	-	-	-	-
2003	-	-	-	-	-
2004	-	-	-	-	-
2005	-	-	-	-	-
2006	-	-	-	-	-
2007	-	-	-	-	-
2008	-	-	-	-	-
2009	-	-	-	-	-

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Table 10

ARAPAHOE COUNTY, COLORADO

Computation of Direct and Overlapping Debt
December 31, 2009

<u>Governmental Unit</u>	<u>General Obligation Debt Outstanding</u>	<u>Percentage Applicable to County</u>	<u>County Share of Direct and Overlapping Debt</u>
Cities & Towns:			
City of Aurora	\$ 27,330,000	81.00%	\$ 22,058,043
Town of Bow Mar	400,000	37.00%	148,000
City of Englewood	10,850,000	100.00%	10,850,000
City of Sheridan	1,045,000	100.00%	1,045,000
Town of Foxfield	1,990,000	100.00%	1,990,000
Total cities & towns			\$ 36,091,043
School Districts:			
Englewood	\$ 22,442,557	100.00%	\$ 22,442,557
Sheridan	20,435,000	100.00%	20,435,000
Chery Creek	450,320,000	100.00%	450,320,000
Littleton	96,025,000	100.00%	96,025,000
Aurora	326,905,000	67.00%	219,026,350
Bennett	9,445,000	50.00%	4,722,500
Strasburg	10,535,000	29.00%	3,055,150
Byers	2,005,000	54.00%	1,082,700
Total school districts			\$ 817,109,257
Special Districts:			
Adonea Metro District #2	\$ 14,260,000	100.00%	\$ 14,260,000
Antelope Water System General Improvement	2,920,000	100.00%	2,920,000
Arapahoe Estates Water	760,543	100.00%	760,544
Arapahoe Lake Public Park	725,000	100.00%	725,000
Arapahoe Park & Recreation	13,845,000	100.00%	13,845,000
Arapahoe Water & Wastewater Public Improvement	156,013,023	99.99%	156,010,839
Antelope Hills General Improvement	4,150,000	100.00%	4,150,000
Aurora Centretech Metro	18,675,000	100.00%	18,675,000
Aspen Grove Business Improvement	9,100,000	100.00%	9,100,000
Beacon Point Metro	17,250,000	100.00%	17,250,000
Bow Mar Water & Sanitation District	395,619	67.00%	265,065
Centennial Downs Metro	12,225,000	100.00%	12,225,000
Centennial 25 Metro	1,895,000	100.00%	1,895,000
Cherry Creek Racquet Club Gen Impv Dist	700,000	100.00%	700,000
Cherry Creek Vista Metro Rec & Park Dist A	5,008,390	100.00%	5,008,390
Cherry Creek Vista Metro Rec & Park Dist B	2,117,813	100.00%	2,117,813

Cherry Hills Heights Water & San District	-	100.00%	-
Cornerstar Metro District	37,000,000	100.00%	37,000,000
Columbia Metro	1,770,000	100.00%	1,770,000
Copperleaf Metro District #2	26,875,000	100.00%	26,875,000
Columbine Water & Sanitation	-	100.00%	-
Conservatory Metro	24,865,000	100.00%	24,865,000
Country Homes Metro District A	75,000	100.00%	75,000
Cross Creek Metro District #2	10,440,000	100.00%	10,440,000
Dove Valley Metro	42,335,000	100.00%	42,335,000
Dove Valley Metro District Bonds	-	100.00%	-
Eagle Bend Metro District #2	36,615,000	100.00%	36,615,000
Eagle's Nest Metro District	2,000,000	100.00%	2,000,000
East Quincy Highlands Metro	3,375,000	100.00%	3,375,000
East Smoky Hill Metro District #1	4,115,000	100.00%	4,115,000
East Smoky Hill Metro District #2	8,815,000	100.00%	8,815,000
East Valley Metro	500,000	100.00%	500,000
Estancia Metro District	3,733,853	100.00%	3,733,853
Fiddler's Green Business Impv District	55,715,000	100.00%	55,715,000
Foxfield Metropolitan District #1	1,625,000	100.00%	1,625,000
Galleria Metro	5,795,000	100.00%	5,795,000
Greenwood Metro District Bonds	3,530,000	98.40%	3,473,520
Goldsmith Metro Blk K	5,270,000	100.00%	5,270,000
Goldsmith Metro	12,905,000	54.00%	6,968,700
Goodman Metro	4,595,000	100.00%	4,595,000
Greenwood Metro District Bonds	3,530,000	98.40%	3,473,520
Heritage Greens Metro	1,175,000	100.00%	1,175,000
Heather Gardens Metro	275,000	100.00%	275,000
High Plains Metro	24,000,000	100.00%	24,000,000
Heather Ridge Metro District #1	5,195,000	100.00%	5,195,000
Highline Business Improvement	3,725,000	100.00%	3,725,000
Highline Glen Metro	200,000	100.00%	200,000
Hills at Cherry Creek Metro	1,660,000	100.00%	1,660,000
Inverness Water & Sanitation District	23,595,000	69.00%	16,280,550
Inverness Metro Improvement District	3,405,000	71.00%	2,417,550
Landmark Metro	1,405,000	100.00%	1,405,000
Liverpool Metro	3,830,000	100.00%	3,830,000
Marin Metro	30,485,000	100.00%	30,485,000
Murphy Creek Metro District No.3	27,600,000	100.00%	27,600,000
Tallgrass Metropolitan District	17,890,000	100.00%	17,890,000
Panorama Metro	7,950,000	100.00%	7,950,000
Parker Jordan Metro	12,445,000	100.00%	12,445,000
Parker Jordan Metro District Bonds Only	4,580,000	100.00%	4,580,000
Piney Creek Village Metro	6,535,000	100.00%	6,535,000
Pioneer Hills Metro	3,285,000	100.00%	3,285,000
Polo Reserve Metro	1,255,000	100.00%	1,255,000

Table 10

ARAPAHOE COUNTY, COLORADO

Computation of Direct and Overlapping Debt
December 31, 2009

<u>Governmental Unit</u>	<u>General Obligation Debt Outstanding</u>	<u>Percentage Applicable to County</u>	<u>County Share of Direct and Overlapping Debt</u>
Sable Altura Fire Protection	5,435,000	90.00%	4,891,500
Saddle Rock Metro	10,680,000	100.00%	10,680,000
Saddle Rock South Metro District #2	5,235,000	100.00%	5,235,000
Saddle Rock South Metro District #3	4,280,000	100.00%	4,280,000
Saddle Rock South Metro District #4	8,075,000	100.00%	8,075,000
Serenity Ridge Metro District #2	6,750,000	100.00%	6,750,000
Smoky Hill Metro	250,000	100.00%	250,000
Sorrel Ranch Metro	14,410,000	100.00%	14,410,000
Southeast Public Improvement Metro	7,180,000	56.00%	4,035,160
Southglenn Metro	85,000,000	100.00%	85,000,000
Southgate At Centennial Metro District	865,000	100.00%	865,000
Southpark Metro	1,880,000	95.00%	1,786,000
Southlands Metro District #1	58,420,000	100.00%	58,420,000
Southshore Metro District #2	10,000,000	100.00%	10,000,000
South Suburban Rec/Park District	28,240,000	78.00%	22,027,200
Sterling Hills Metro	1,835,000	100.00%	1,835,000
Sterling Hills West Metro	14,820,000	100.00%	14,820,000
Sundance Hills Metro District	534,675	100.00%	534,675
Tallyn's Reach Metro District #2	6,087,000	100.00%	6,087,000
Tallyn's Reach Metro District #3	19,095,000	100.00%	19,095,000
Tollgate Crossing Metro District #2	10,213,485	100.00%	10,213,485
Traditions Metro District #2	10,634,732	100.00%	10,634,732
Wheatlands Metro District #2	24,684,000	100.00%	24,684,000
Willow Trace Metro	9,705,000	100.00%	9,705,000
Total special districts			\$ 1,055,839,096
Subtotal, overlapping debt			\$ 1,909,039,396
Total direct debt			-
Total direct and overlapping debt			\$ 1,909,039,396

Source: Arapahoe County Finance Department

ARAPAHOE COUNTY, COLORADO

Table 11

**Legal Debt Margin Information
Last Seven Fiscal Years
December 31, 2009**

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Assessed Value of Property	\$ 6,679,052,920	\$ 6,552,161,630	\$ 6,630,189,550	\$ 6,920,577,820	\$ 7,686,463,510	\$ 7,798,433,580	\$ 7,959,760,080
Statutory Debt Limit 3% (1)	200,371,588	196,564,849	198,905,687	207,617,335	230,593,905	233,953,007	238,792,802
Amount of Debt Applicable to Debt Limit							
General Obligation Bonds	-	-	-	-	-	-	-
Less: Resources Restricted to Paying Principal	-	-	-	-	-	-	-
Total net debt applicable to limit	-	-	-	-	-	-	-
Legal Debt Margin	<u>\$ 200,371,588</u>	<u>\$ 196,564,849</u>	<u>\$ 198,905,687</u>	<u>\$ 207,617,335</u>	<u>\$ 230,593,905</u>	<u>233,953,007</u>	<u>238,792,802</u>
Total net debt as a percentage of debt limit	0%	0%	0%	0%	0%	0%	0%

(1) Prior years used Assessed Values at 1.5% per statute and are not comparable.

Source: Assessor's Abstract of Assessments and Levies

Table 12

ARAPAHOE COUNTY, COLORADO

Demographic and Economic Statistics
Last Ten Fiscal Years
December 31, 2009

Year	Population (1)		Households (1)	
	Arapahoe County	Seven County Denver Metro	Total	Average Size
2000	497,310	2,400,570	195,500	2.46
2001	503,536	2,467,301	197,551	2.53
2002	502,814	2,550,300	205,650	2.55
2003	515,206	2,538,574	201,662	2.53
2004	524,414	2,596,827	206,034	2.52
2005	531,741	2,643,965	209,275	2.53
2006	543,033	2,696,579	214,423	2.50
2007	556,481	2,762,367	218,627	2.51
2008	562,009	2,788,765	232,647	2.53
2009	570,235	2,883,583	*	*

Year	Per Capita Income (2)	Unemployment Rate (3)	Median Age (1)	School Enrollment (4)
2000	44,081	2.0%	35.2	104,801
2001	47,030	3.2%	34.5	107,842
2002	43,109	5.7%	34.2	109,252
2003	45,013	5.7%	34.5	110,160
2004	46,645	5.6%	34.5	110,241
2005	47,039	5.0%	34.5	111,603
2006	49,458	5.0%	34.5	112,785
2007	50,947	4.3%	36.1	114,617
2008	50,727	5.0%	36.2	116,251
2009	*	7.3%	36.5	117,158

(1) Figures for 1999-2002 Colorado Division of Local Government, Demographic Section.
 Figures 2003-2008 Denver Regional Council of Governments.
 Figures 2009 estimates obtained from the State of Colorado Department of Local Affairs

(2) U.S. Bureau of Economic Analysis.

(3) Colorado Department of Labor and Employment

(4) Colorado Department of Education - Public & Non-Public School Enrollment

* Data for 2009 was not available at the time this report went to print Denver Regional Council of Governments and State Demography Office estimates for 2009 unavailable. Data for 2008 and 2009 Per Capital Income unavailable at time of printing

ARAPAHOE COUNTY, COLORADO

Table 13

**Principal Employers
Current Year and Ten Years Ago
December 31, 2009**

Employer	2009			2000		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Cherry Creek School District	7,919	1	2.90%	6,556	1	2.31%
Aurora Public Schools	5,001	2	1.83%	4,010	2	1.41%
City of Aurora	3,554	3	1.30%	3,101	3	1.09%
Littleton School District	2,494	4	0.91%	2,355	5	0.83%
Raytheon Company	2,103	5	0.77%	1,727	8	0.61%
Arapahoe County	1,992	6	0.73%	1,619	10	0.57%
Qwest	1,798	7	0.66%	2,612	4	0.92%
Echosphere	1,682	8	0.62%			0.00%
Columbia HCA(Swedish)	1,579	9	0.58%	2,010	7	0.71%
Columbia HCA(Aurora)	1,462	10	0.54%			0.00%
Great West Life				2,310	6	0.81%
Oppenheimer Management				1,647	9	0.58%
Total	29,584		10.84%	27,947		9.84%

Source: Colorado Department of Labor & Employment

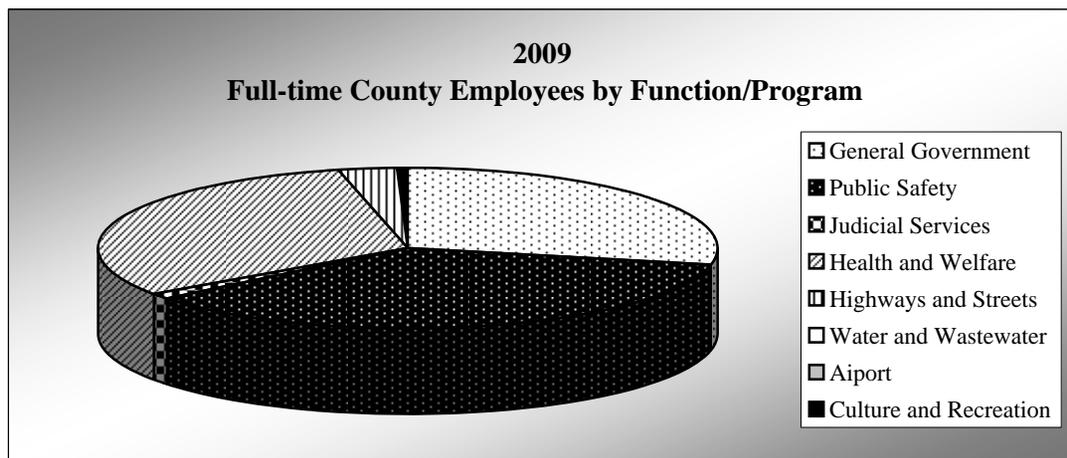
ARAPAHOE COUNTY, COLORADO

Table 14

**Full-time Equivalent County Employees by Function/Program
Last Eight Fiscal Years (1)
December 31, 2009**

<u>Function/Program</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
General Government	548.50	553.50	555.00	558.00	558.00	563.25	562.75	552.75
Public Safety	627.50	631.50	637.25	643.50	647.00	660.50	694.50	695.5
Judicial Services	18.50	18.50	18.50	18.50	19.30	22.50	22.50	22.5
Health and Welfare	468.75	492.75	477.25	503.25	514.75	578.50	589.25	605
Highways and Streets	73.50	73.50	74.50	74.50	74.50	76.50	77.00	61
Water and Wastewater	7.00	7.00	9.30	9.30	8.80	-	-	-
Aiport	-	-	-	-	-	-	-	-
Culture and Recreation	-	-	4.50	4.50	5.00	8.50	8.50	9.5
Total	1,743.75	1,776.75	1,776.30	1,811.55	1,827.35	1,909.75	1,954.50	1,946.25

(1) Prior years data was not available.
Source: Arapahoe County Finance Department



ARAPAHOE COUNTY, COLORADO

Table 15

**Operating Indicators by Function/Program
Last Seven Fiscal Years (1)
December 31, 2009**

<u>Function/Program</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
General Government							
Motor vehicle renewals	332,401	340,174	349,725	354,498	369,244	380,117	392,907
Registered voters (active & inactive)	334,648	364,385	324,442	331,097	309,390	344,559	338,785
Voter turnout	108,440	234,725	126,484	171,920	78,247	268,671	247,297
Public Safety (2)							
Criminals arrested and put in jail	2,000	2,380	2,546	13,449	7,106	7,374	6,987
DUI arrests	600	800	825	573	559	492	618
Traffic violaters stopped and cited	5,500	6,500	7,000	69,217	27,444	32,825	50,797
Number of E-911 calls	38,254	53,200	54,800	60,563	63,132	62,186	63,138
Judicial Services (2)							
Felony cases filed	3,545	3,710	3,420	238	3,029	1,976	1,812
Misdemeanor cases filed	28,860	23,296	25,913	2,119	2,196	5,050	4,923
Health and Welfare							
Total annual food stamp cases	96,707	109,658	113,886	118,020	116,125	124,656	168,630
Highways and Streets							
Sweeping pass miles	2,522	2,468	3,114	4,448	2,387	2,919	5,437
Finished concrete curb & gutter (linear feet)	1,810	6,150	4,679	2,180	1,079	1,895	4,147
Tons of asphalt applied	26,333	29,015	24,403	22,405	22,825	1,483	4,767
Culture & Recreation							
Number of building permits issued	3,030	3,055	2,815	2,277	2,633	2,104	4,868

(1) Prior years data was not available.

(2) Figures for years 2003-2005 are estimates from the Budget Department. Actual data was not available.

Source: Various Arapahoe County Departments.

ARAPAHOE COUNTY, COLORADO

Table 16

**Capital Asset Statistics by Function/Program
Last Four Fiscal Years (1)
December 31, 2009**

<u>Function/Program</u>	<u>Fiscal Year</u>			
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
General Government				
Square footage of buildings	277,005	272,788	272,788	358,302
Voting machines	1,275	1,275	1,263	1,393
Public Safety				
Square footage of detention center	291,955	291,955	291,955	293,108
Square footage of other buildings	129,867	121,588	121,588	174,136
Number of patrol vehicles	138	135	133	158
Judicial Services				
Square footage of buildings	251,115	201,167	201,167	296,973
Health and Welfare				
Square footage of buildings	44,865	167,660	167,660	250,166
Highways and Streets				
Total centerline miles of county roads	518	529	533	541
Paved lane miles	959	999	1,024	1,075
Unpaved lane miles	525	527	516	492
Culture and Recreation				
Number of parks	6	6	6	6
Total Open Space and Parks Acreage	447	798	1,097	1,097

(1) Prior years data was not available.

(2) 2009 recalculated measurements using standard measurements by BOMA (Building Owners and Managers Assn)

Sources: Various Arapahoe County Departments
Colorado Department of Transportation