

Larimer County, Colorado

Comprehensive Annual Financial Report



Year Ended December 31,
2012

COMPREHENSIVE ANNUAL FINANCIAL REPORT
LARIMER COUNTY, COLORADO

Year ended December 31, 2012

Prepared by:
Financial Services Division
Carol L. Block, CPA
Financial Services Director

About the cover and section tabs...

In June 2012, the High Park Fire burned more than 87,000 acres in the northern foothills of Larimer County, destroying 257 homes and killing one person. This fire was the largest recorded in that sector of the County. Its effect was felt not only by individual residents of the area but also by residents of the entire region, resulting in current and future financial impacts for Larimer County government.

This year's cover captures the stunning spectacle that many Fort Collins residents viewed from miles away. It was photographed from the north end of Terry Lake by Mike Wilkinson of Fort Collins.

The first two section tabs illustrate some of Larimer County's efforts in fighting the fire which included providing information, assistance and security in the affected area and furnishing safe shelter and food for evacuees and their animals.

The third tab reveals the complex recovery issues Larimer County will be addressing in the future. These include environmental impacts due to the significantly altered landscape. Even small storms increase the possibility of flooding and erosion in the impacted area as the unprotected earth and water repellent soil provide little defense against rainfall runoff.

A special thank you goes to the following for contributing to the stories told by these collages: Bob Herrfeldt, Andy Josey, Todd Juergens, Mark Peterson, Mike Raidon, Jeff Rulli, Tony Simons, Rita Trostel, Karen Turek, Conner Wilkinson, Ryan Young, The Ranch, Engineering and the Sheriff's Office.

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Dave Mosher and Gina Tovar	Print and Mail Services

Rescue Measures



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June 19, 2013

TO THE CITIZENS OF LARIMER COUNTY, COLORADO

We submit, for your information and review, the Comprehensive Annual Financial Report of Larimer County, Colorado, for the year ended December 31, 2012.

ABOUT THIS REPORT

The County's Comprehensive Annual Financial Report (CAFR) was prepared by the Department of Accounting and Reporting under the County's Division of Financial Services. The CAFR represents the culmination of all budgeting and accounting activities engaged in by management during the year, covering all funds and financial transactions of the County. The County assumes full responsibility for both the completeness and reliability of the information contained in the report.

Larimer County has established a comprehensive internal control framework that is designed to both protect the County's assets from loss, theft, or misuse and compile sufficient reliable information for the preparation of the County's financial statements. Because the costs of internal controls should not outweigh the benefits, Larimer County's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. To the best of our knowledge, the enclosed information is complete and reliable in all material respects.

The basic financial statements are accompanied by an introduction, overview, and analysis, referred to as "Management's Discussion and Analysis" (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found in the Financial Section immediately following the independent auditors' report.

This Comprehensive Annual Financial Report includes all activities for which the Board of County Commissioners is accountable to the citizens of Larimer County, financially or by state statute. All applicable funds, departments, and offices are included in these financial statements as part of the "primary government" of Larimer County. In addition, there are many legally separate entities that have significant operational or financial relationships with the County. These include the Larimer County Pest Control District, the Public Trustee, the Larimer County Building Authority, and numerous improvement districts. These entities are also included in the County's financial statements.

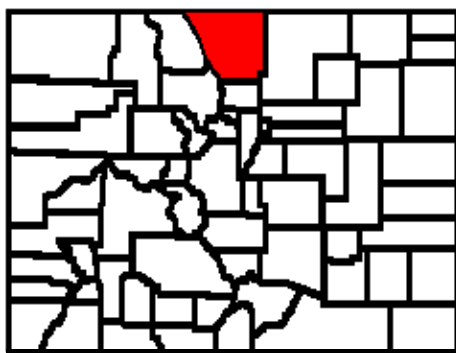
INDEPENDENT AUDIT

Colorado law requires that the County's financial statements be audited by an independent firm of certified public accountants licensed to practice in the State of Colorado. The auditor's report must be submitted to the local government within six months after the close of the fiscal year, and to the State, within seven months. For the year 2012, the County's financial statements have been audited by Anderson and Whitney P.C. The auditors issued an unqualified opinion on the County's financial statements for the year ended December 31, 2012. The independent auditors' report is presented in the front of the financial section of this report.

The independent audit of the County's financial statements was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements but also on the audited government's internal controls and compliance with legal requirements, especially as they relate to the administration of federal awards. Single Audit schedules and the auditors' reports are available under separate cover.

PROFILE OF LARIMER COUNTY

Location and Demographics. Larimer County is located along Colorado's front range in the northern part of the state. We are surrounded by majestic views and unparalleled natural resources accompanied by 300+ days of sunshine. Larimer ranks ninth in size and seventh in population among Colorado counties. The County covers 2,640 square miles, stretching north to the Wyoming border and west to the Continental Divide. Its southern border is approximately fifty miles from Denver.



Larimer encompasses vast stretches of scenic ranch lands, forests, high mountain peaks, and open space. Over 50% of land in the County is publicly owned, most of which is within Roosevelt National Forest and Rocky Mountain National Park. These federal lands, Colorado state parks and recreation areas, Larimer County parks, and urban area parks combine to provide a wide spectrum of recreational opportunities that are enjoyed by both residents and visitors. Road and mountain biking, hiking, climbing and fishing are popular outdoor pursuits.

Approximately 75% of County residents live in incorporated areas. Larimer County encompasses six incorporated cities and towns and portions of two other towns. The two largest cities are Fort Collins, with a population of 145,000, and Loveland, with 68,000 residents. The beautiful mountain town of Estes Park is home to 6,000 people and is the gateway to Rocky Mountain National Park. The total population of Larimer County in 2012 was 308,439.

The County and its communities have won numerous quality-of-life awards. Some recent awards include:

- 2012 Top Downtown in the Country: Livability.com - Nov 2012
- Ranked 3rd in the nation on Best Places to Do Business list: Forbes.com - Jun 2012

- Top 10 College Destinations – small metro category: American Institute for Economic Research – 2012 – 2013
- Top 100 Best Places to Live: CNNMoney – 2012
- One of the Top 10 Best Places to Retire: *CBS Money Watch* - February 2012 and *Charles Schwab's On Investing* - Spring 2011
- Ranked 11th on America's Top 50 Bike-Friendly Cities: *Bicycle Magazine* - May 2012, Platinum Bicycle Friendly Community: League of American Cyclists – May 2013
- 4th Healthiest Mid-Size City in U.S.: [2012 Gallup-Healthways Survey](#) - Feb 2013
- One of the Ten Best Vacation Cities for Beer Lovers: [Yahoo! Travel.com](#) - Jul 2012

COUNTY GOVERNMENT

County Services. Larimer County provides the full range of services intended by state statute. Services include:

- Judicial and public safety, including Sheriff, jail, community corrections and alternative sentencing programs, District Attorney, and the Coroner’s office
- Health, employment, and social services
- Planning, zoning, and building inspection
- Construction and maintenance of streets, highways, bridges, and a public landfill
- Parks, open space, and an events center complex
- Property valuation, tax collection and distribution, and vehicle licensing
- Elections and document recording
- General administrative services

County Operating Structure. The County is governed by a three-member Board of County Commissioners. Commissioners are elected from districts of relatively equal population by the voters at large. They serve staggered four-year terms and function as the County’s policymaking body. An appointed County Manager is responsible for operations of the County on a daily basis. The County is also served by seven other elected officials: Assessor, Clerk and Recorder, Coroner, District Attorney, Sheriff, Treasurer, and Surveyor.

Budgeting. The County Commissioners annually adopt budgets by department for all governmental and proprietary funds. They set the “Price of County Government” by identifying the total discretionary funds

available to finance operations for the year. The Commissioners allocate available funds between seven key results areas:

- Public Safety
- Transportation
- Health and Well-Being
- Jobs Creation and Economic Vitality
- Environment and Natural Resources
- General Governmental Services
- Preparing for Growth

There are multiple service proposals identified with each result area. Each proposal has performance measures which track the input, output and efficiency of the service area. The budget must be balanced. Expenditures cannot be greater than the total anticipated spendable resources.

Budgets are controlled by the major object categories of: 1) personnel and 2) operating and capital outlay. Control is maintained by the two categories at the division/department level in the General Fund and at the fund level in all other funds. Supplemental appropriations are approved by the Board of County Commissioners as needed during the year to provide for those items that were unknown or unforeseen at the time the budget was originally adopted.

Financial Policies. The Commissioners have adopted a number of financial policies which target sustainability of county services. Examples of these include:

- Larimer County shall identify and conduct a periodic assessment of:
 - the programs and services that it provides, their intended purpose, and factors that could affect their provision in the future.
 - its capital assets, including the condition of the assets and factors that could affect the need for or ability to maintain the assets in the future.
- The budget shall not commit Larimer County to providing programs or levels of service that cannot be reasonably sustained in light of reasonably projected future resources.
- County funds maintain a minimum Working Capital ratio greater than 10% but less than 25% of annual expenditures of the fund.
- The County shall maintain a schedule for the current and future replacement of its equipment and budget for asset replacement.
- As required by Colorado's "Taxpayer's Bill of Rights" (TABOR), the County maintains a 3% emergency reserve. The reserve appears as restricted net position on the Statement of Net Position. County voters have opted out of provisions of TABOR which restrict annual revenue increases to the rate of inflation and population growth.

Investment of County Funds. The County Treasurer is responsible for the collection, distribution, and investment of monies for most County funds. Cash temporarily idle during the year can be invested in bank deposits, general obligations of the U.S. Treasury and its agencies, repurchase agreements, commercial paper, banker's acceptances, local government investment pools, money market funds, and certificates of deposit. The Treasurer uses pooled cash accounts for operating purposes in which all funds have an interest

with the exception of the Public Trustee and agency checking accounts. The average yield on pooled investments was .71%.

County Employees. As of the end of 2012 Larimer County government had 1,637 full-time equivalent employees, including regular staff (those receiving standard benefits), temporary and seasonal employees. The largest departments are the Sheriff's Office with 374 employees, and Human Services with 336 employees. County employees receive a compensation package typical of nearby municipal and county governments. Benefits include paid leave, access to group medical and dental insurance plans, a defined contribution retirement plan, and a variety of other insurance and non-insurance benefits. County employees are not unionized and do not belong to the State retirement plan.

County Mission. The people of Larimer County Government, consistent with our shared vision, are dedicated to delivering the services mandated by law, and services determined by the Elected Officials to be necessary to protect the health, safety and welfare of the citizens of Larimer County. In doing so, we hold to the following:

- To work for the benefit of all the citizens of Larimer County and consistently take the customers' interest and their changing needs into consideration when making decisions;
- To hold the citizens' funds in trust, and seek to make the most efficient use of those dollars by employing them prudently, honestly, and without favor;
- To maintain and enhance our skills, knowledge and professionalism in order to serve the residents of Larimer County in a competent and effective manner;
- To respect and uphold the rights of all individuals, regardless of ethnicity, race, gender, political beliefs or socioeconomic status;
- To seek constant improvement in the provision of services through innovation, integrity and competence;
- To incorporate positive character values into our daily activities.

FACTORS AFFECTING FINANCIAL CONDITION

Economy. Larimer County has a diversified economic base that boasts major educational, industrial and technological facilities, as well as strong health care and retail sectors. Twenty different industries, from manufacturing to health care, clean energy to retail, support the economy. No one industry makes up more than 13.2 percent of the entire economic base. The County enjoys a mild climate, a central location, with easy access to rail, the highway interstate system, and an international airport. Proximity to universities and research institutions, innovative companies, forward looking local governments, and an educated workforce make this a strategic choice to grow a business.

Colorado State University, located in Fort Collins, is the area's largest employer. As Colorado's land-grant university, the school encompasses numerous research and scholarly excellence programs. It is highly recognized for its veterinary medicine teaching hospital. The hospital is ranked third in the nation by U.S. News and World Report and is also ranked third in the country in federal research dollars. The university's assistance with delivering new innovative technologies to the marketplace is fueling a growing bioscience industry.

Many high-tech companies have relocated to the area because of the resources of Colorado State University and its research facilities. Twenty-one Fortune 500 companies have a presence in the

County, and two large multi-national firms are headquartered here. One of these firms has recently announced plans for expansion.

Quality education is highly valued by the citizens of Larimer County. Larimer County contains three school districts with a total student population of 44,000. Poudre School District in Fort Collins is the largest in the County. Fossil Ridge High School in the Poudre School District is ranked as the number 25 silver medal school statewide. Among the County's highly educated work force, 46% of residents hold a bachelor's degree and 14% hold doctoral degrees. This is compared with the national average of 30% with a bachelor's degree according to the US Census Bureau. These individuals aid business growth by bringing expertise to their chosen fields.

The County attracts people seeking advanced medical care from the eastern section of Colorado, southern Wyoming, and western Nebraska. Expansion plans are in order for the two biggest health care systems in the area that will bring new construction, improved standards of care, and increased preventive measures. Larimer County is also home to a Center for Disease Control facility that is one of the leading vector-borne disease research centers in the world.

Larimer County's lifestyle-based businesses are many, including a thriving brewing industry and bountiful shopping. Local brewers not only aid in total output to the economy but also in value-added activities and support jobs as well. Expansion plans were announced by the third largest craft brewer in the nation, which



is headquartered in the County. The retail trade industry ranks second in the County and includes four premier shopping malls. Redevelopment plans are underway for one of the malls with an anticipated opening date in fall of 2014. The project is one of the largest planned retail developments in the country.

Tourism and agriculture sectors also contribute to the County's economy. Loveland and Estes Park, in particular, benefit greatly from the tourist industry due to their scenic gateway locations. Rocky Mountain National Park combined with the mountain town of Estes Park draw over 3 million visitors a year. Hay production, beef cattle ranching and organic produce are the primary agricultural pursuits. The county also benefits from substantial federal research grants in the agriculture and forestry fields.

2012 Results and the Future. Economists expected 2012 to be a year of slow recovery for Larimer County. This proved mostly true, though most statistics showed an economic recovery that is one of the strongest in the state. Unemployment dropped to 6.0%, compared to 6.8% in 2011, and was significantly better than many areas of the country. Recent job growth of 2.37% aids in sustaining the economy. Being more resilient than other areas of the country, the Larimer labor market is holding on to pre-recession levels for two consecutive years with slight gains. Taxable sales in the county increased by a respectable 6.7%, and spending on building materials and vehicles increased 47%.

Foreclosure rates continue to drop, moving towards pre-recession levels. This was accomplished by a significant decrease of 18.9% over 2011. Foreclosure sales also dropped off in 2012 by 28.5%. The estimated actual taxable value of property in the county was down slightly, as 2012's reappraisal was based on depressed 2010 values. Construction permits in the unincorporated area of the county increased slightly over 2011, bringing the number of permits to the highest level since 2004. Although the increase in permits

was not large, (.30%) the type of permit is transitioning from minor remodeling to new construction. Residential permits increased 59.3%.

Making predictions about the current economy can be difficult. National uneasiness has diminished somewhat but still exist in the areas of energy prices, financial markets, unemployment, housing prices, and the federal government. These conditions will continue to impact Colorado and Larimer County. Experts predict the northern Colorado's economy to expand faster than the U.S. economy; this includes an increase in job growth, consumer spending, and appreciation in housing values. Much of the construction in the area will be focused on re-purposing existing retail and manufacturing stock. Demand for student housing is driving construction of new multi-family housing in Fort Collins, both on campus and in the surrounding area.

Unemployment is predicted to decline to perhaps 5%, as energy, food manufacturing, health care and professional and business services sectors are positioned to grow. A steady increase in consumer spending is predicted. Bioscience, clean energy and hospitality industries will continue to grow, and agriculture will remain steady. Construction in regional large-scale projects will hit an estimate of at least \$1.5 billion in the next three years.

Challenges for the County government in 2013 include maintaining services in sub-optimal economic times and dealing with the impact of urban renewal districts which reduce County property tax revenue. As with many counties in Colorado, Larimer faces the Sisyphean task of finding cost effective ways to manage and fund the criminal justice system. A .2% sales tax, which supports operation of the county jail, will expire at the end of 2014. Efforts to extend the tax were unsuccessful and the County is making plans to reduce general fund expenditures by 10% to make up the difference. Larimer is at the forefront of developing innovative programs and facilities which provide alternatives to jail, including a new alternative sentencing facility which opened last year. Colorado was one of two states to approve legalization of recreational marijuana in 2012. There are many unknowns about the impact of this on county services and on the community as a whole.

County Initiatives. Two citizen-initiated County programs are making a significant contribution to the economy and quality of life in Larimer County.

- **“The Ranch.”** The County's fairgrounds and events center complex known as “The Ranch” continues to dominate as the premier events center in northern Colorado. Its easily accessible location and impeccable amenities have made it the ideal site for regional, state and national events. The crown jewel of the complex is the 7,200 seat multi-purpose Budweiser Events Center. The center is home ice for the Colorado Eagles, a professional hockey team, and the Colorado Ice Arena Football. Adjacent to the Budweiser Events Center is a 1,500-seat indoor arena, a 47,000-square foot exhibition building, two enclosed livestock pavilions, and a facility dedicated to youth and 4-H activities.

In addition to hosting indoor events, The Ranch has almost 150 acres of outdoor space. The Ranch handles a wide variety of activities such as equine and livestock events, trade shows, business meetings, outdoor festivals and concerts and community events. Attendance averages 795,000 a year, with 96,000 people attending the county fair alone. The Ranch is funded by ticket sales, user fees, and by a .15% sales tax.

- **Preservation of Open Space.** The Larimer County Open Lands Program celebrated its sixteenth year in 2012. The program's mission is to preserve and protect significant open space,

natural areas, wildlife habitat, and develop parks and trails for present and future generations. These open lands provide opportunities for leisure, human renewal and protection of our natural and cultural resources. The program started in November of 1995 as the citizens of Larimer County voted overwhelmingly to support a quarter-cent sales tax for open space. Since the passage of the tax, the Open Lands Program has successfully preserved over 43,000 acres of land throughout Larimer County. Two cornerstone acquisitions of the program are Hermit Park and the Red Mountain Open Space. Hermit Park encompasses 1,362 scenic acres in the Estes Valley. The park features secluded cabins, camping, hiking trails, and much more. Red Mountain, located north of Fort Collins, offers citizens 13,500 acres of rolling hills, rocky outcroppings, and steep red sandstone cliffs. These lands protect natural resources as well as provide valuable recreational opportunities for the citizens of Larimer County.

Innovative initiatives such as these make Larimer a leader among Colorado counties. We look forward to leaving a legacy to future generations.

AWARDS AND ACKNOWLEDGEMENTS

The County's 2012 Comprehensive Annual Financial Report was prepared following the guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA). GFOA awards Certificates of Achievement for Excellence in Financial Reporting to governmental units who publish an easily readable and efficiently organized CAFR that satisfies all legal requirements and conforms to accounting principles generally accepted in the United States of America (USGAAP). Larimer County has received twenty-nine consecutive Certificates of Achievement for its 1982 through 2011 CAFRs. Each certificate is valid for a one-year period. We believe our current report continues to conform to certificate program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

Preparation of this Comprehensive Annual Financial Report was made possible by the dedicated and conscientious efforts of the entire staff of the Finance Division. By working together as an interrelated, highly effective team, these individuals promote the excellence for which we strive.

Appreciation is also expressed to the Board of County Commissioners who establish policies which provide for sound financial management and to all the other elected officials, division directors, department heads, and County employees for their cooperation and assistance in matters pertaining to the financial affairs of the County and the preparation of this report.

Respectfully submitted,



Carol L. Block, CPA
Financial Services Director

LARIMER COUNTY, COLORADO

PRINCIPAL COUNTY OFFICIALS

December 31, 2012

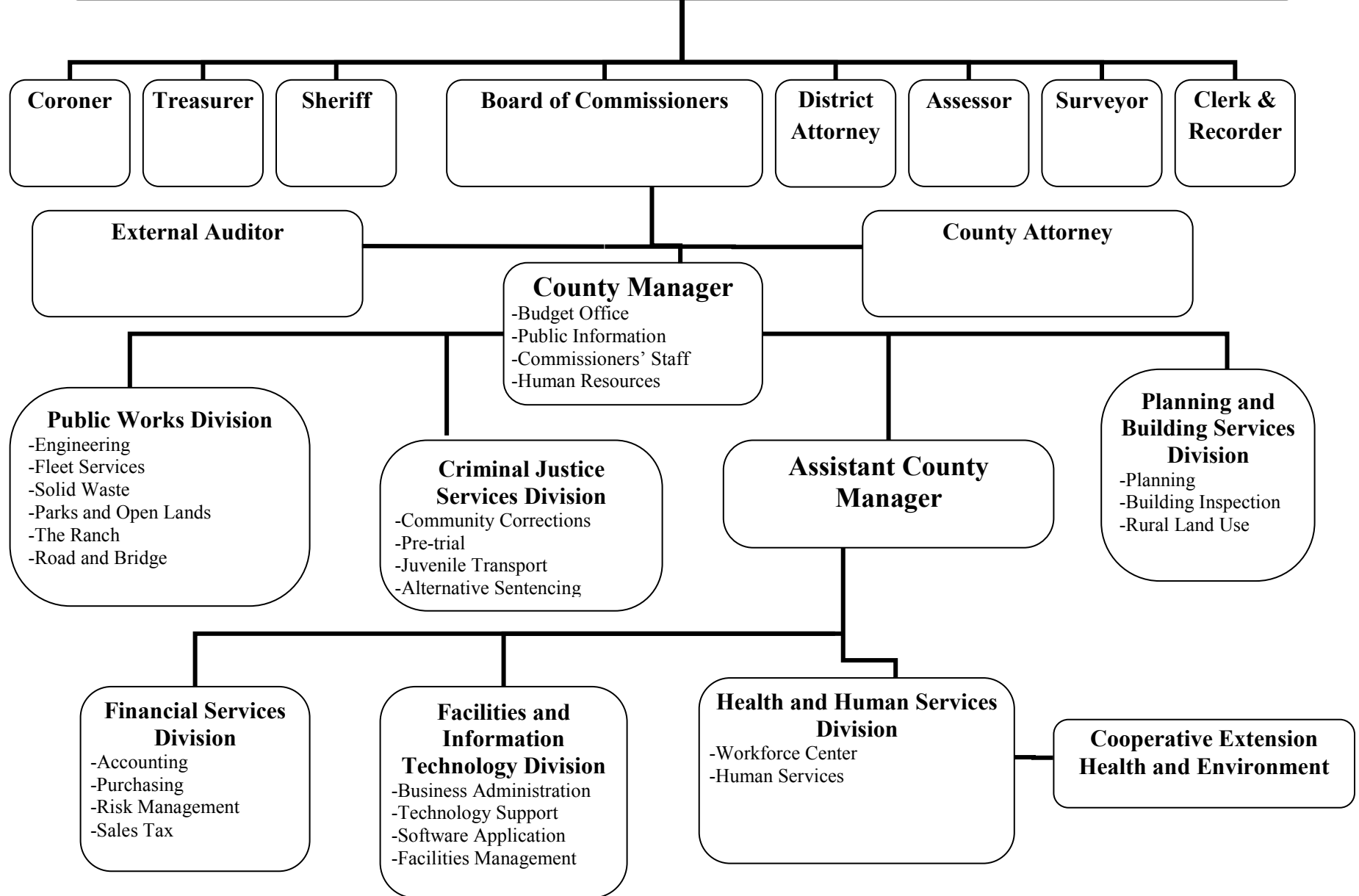
ELECTED OFFICIALS

Commissioner, District I	Lew Gaiter III
Commissioner, District II	Steve Johnson
Commissioner, District III	Tom Donnelly
Assessor	Steve Miller
Clerk & Recorder	Scott Doyle
Coroner	Patrick C. Allen, M.D.
District Attorney	Larry Abrahamson
Sheriff	Justin Smith
Surveyor	Chad Washburn
Treasurer	Myrna Rodenberger

COUNTY MANAGER

Linda Hoffmann

Citizens of Larimer County



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Larimer County
Colorado

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2011

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



Christopher P. Morill

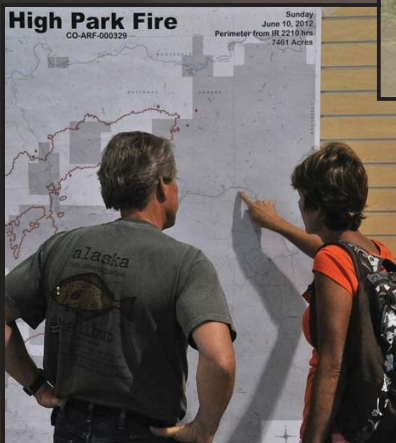
President

Jeffrey R. Emer

Executive Director



Disaster Relief





Independent Auditors' Report

Board of County Commissioners
Larimer County, Colorado

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Larimer County, Colorado, as of and for the year ended December 31, 2012 and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Larimer County, Colorado, as of December 31, 2012, 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.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The combining and individual nonmajor fund financial statements and schedules and the Local Government Highway Report listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements of Larimer County, Colorado. Such information is the responsibility of the management and was derived from and relates 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 States. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Accounting principles generally accepted in the United States require that management discussion and analysis, budgetary comparison schedules and information on the modified approach for reporting infrastructure on pages 3 through 14 and 55 through 66, respectively be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States, 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 evidence sufficient to express an opinion or provide any assurance.

Other Reporting Required By *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 19, 2013 on our consideration of Larimer County, Colorado's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*, and should be considered in assessing the results of our audit.

Anderson & Whitney, P.C.

June 19, 2013

MANAGEMENT'S DISCUSSION AND ANALYSIS UNAUDITED

This section of Larimer County's Comprehensive Annual Financial Report (CAFR) presents our narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2012. We encourage readers to consider the information presented here in conjunction with the letter of transmittal and basic financial statements to enhance their understanding of the County's financial performance.

FINANCIAL HIGHLIGHTS

- Larimer County's net position at the end of 2012 was \$689.5 million. Net position is defined as assets and deferred outflows minus liabilities and deferred inflows. Of this amount, \$196.7 million may be used to meet the government's ongoing obligations to citizens and creditors. The remaining \$492.8 million is invested in capital assets or restricted by law.
- The County's General Fund balance was \$48.7 million as of December 31, 2012. The 2012 General Fund balance is \$4.7 million higher than in the previous year. The unassigned General Fund balance is 50% of 2012 General Fund expenditures plus net transfers. The County commissioners' goal is to keep fund balance at no less than 10%.
- A large wildfire ignited in mid-June 2012 on private and forest service lands within the unincorporated area of the county, ultimately destroying 257 homes. The County set aside \$8.6 million from the General Fund for fire response and recovery and spent \$1.2 million of this in 2012. The remainder will be used to continue this work in future years. These funds are accounted for in a non-GAAP budgetary fund which is included within the General Fund financial statements.
- The County's sales tax rate decreased from .8% to .6% effective July 1, 2012. The expiring tax was approved by voters in 1997 for constructing and financing five county buildings. Debt related to the tax was retired on December 31. The tax was ended six months earlier than originally anticipated.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The basic financial statements contain three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. In addition to the basic statements, this report also contains supplementary information which provides additional details to support the statements.

Government-wide Financial Statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the County's finances in a manner similar to a private sector business. These statements are found on pages 15 through 17.

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

The *statement of activities* presents information showing how the County's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in the statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). Larimer County's governmental activities include general government, judicial and public safety, streets and highways, recreation, and health and human services. The County has one business-type activity – operation of a solid waste landfill.

The government-wide financial statements include not only Larimer County itself (known as the primary government) but also legally separate entities which have a significant operational or financial relationship with the County. These entities, known as blended component units, include the County pest control district, improvement districts, building authority, and public trustee. More information on the functions of these entities can be found in Note 1 to the financial statements.

Fund Financial Statements. The fund financial statements provide detailed information about each of the County's most significant funds. These statements are found on pages 18 through 29. Funds are accounting devices used by the County to track specific sources of funding and spending for particular activities. They are used to ensure and demonstrate compliance with finance related legal requirements. Some funds are required by state law or bond covenants. Others have been created by the Board of County Commissioners to manage resources set aside for a specific purpose, such as building inspection or replacement of county assets. All of the funds of Larimer County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. The governmental fund statements provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

In 2012, Larimer County had seventy-three governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Human Services, Open Lands, Road and Bridge, and Sales Tax funds. These funds are considered to be major funds. Data from the non-major funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major funds is provided in the form of *combining statements* elsewhere in this report.

Proprietary Funds. Larimer County maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. Larimer County has one enterprise fund, the Solid Waste fund, which accounts for the operations of the County landfill. *Internal service funds* are used to accumulate and allocate costs internally among the County's various functions. Larimer County uses five internal service funds to account for its facilities and information technology, fleet services, and self-insurance activities. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements but in more detail. The proprietary fund financial statements provide separate information for the Solid Waste fund, which is considered to be a major fund of the County. The remaining proprietary funds, all of which are internal service funds, are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for each of these non-major funds is provided in the form of combining statements elsewhere in this 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 Larimer County's own operations. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately following the fund statements.

Required Supplementary Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information starting on page 63. Larimer County adopts an annual appropriated budget for all of its funds. Budget-to-actual comparison information for the County's major funds and notes regarding the budget are found in this section. In addition, this section describes the County's use of the "modified approach" for reporting infrastructure assets such as roads.

Other Information. The *combining statements* referred to earlier in connection with non-major governmental funds and internal service funds are presented in the "Supplementary Information" section of this report, starting on page 72.

COUNTY-WIDE FINANCIAL ANALYSIS

Net Position. Net position over time is one measure of the health of the County's finances. Larimer County's assets and deferred outflows exceeded liabilities and deferred inflows by \$689.5 million at the close of 2012. The County reported positive balances in all categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities.

The following table provides a summary of the County's governmental and business-type net position for the current and prior year.

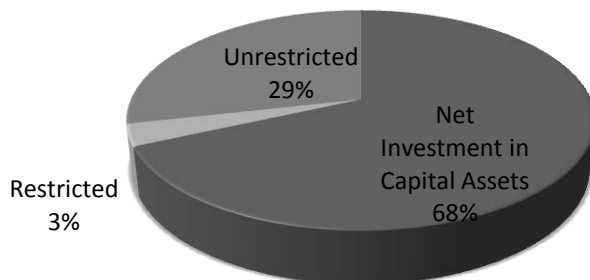
Table 1
Net Position
(in Millions)

	Governmental Activities		Business-type Activities		Total	
	2012	2011	2012	2011	2012	2011
Assets						
Current and other assets	\$ 329.71	\$ 318.56	\$ 22.69	\$ 21.05	\$ 352.40	\$ 339.61
Capital assets	502.56	493.28	6.55	6.36	509.11	499.64
Total assets	832.27	811.84	29.24	27.41	861.51	839.25
Deferred Outflows	0.53	0.61	-	-	0.53	0.61
Liabilities						
Current and other liabilities	19.87	20.98	0.15	0.25	20.02	21.23
Non-Current liabilities	58.44	68.11	3.69	3.52	62.13	71.63
Total liabilities	78.31	89.09	3.84	3.77	82.15	92.86
Deferred Inflows	90.41	90.20	-	-	90.41	90.20
Net Position						
Net investment in capital assets	464.22	443.35	6.55	6.36	470.77	449.71
Restricted	22.06	26.73	-	-	22.06	26.73
Unrestricted	177.80	163.08	18.85	17.28	196.65	180.36
Total net position	\$ 664.08	\$ 633.16	\$ 25.40	\$ 23.64	\$ 689.48	\$ 656.80

As shown in the graph below, the largest portion of Larimer County’s total net position (68%) reflects its investment in capital assets. These assets include infrastructure such as roadways and bridges, as well as open space, buildings, machinery, and equipment. Capital assets are used to provide services 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.

Unrestricted resources of \$196.7 million are available to meet the County’s ongoing obligations to citizens and creditors. An additional \$22.1 million of the County’s net position (3%) represents resources that are subject to external restrictions on how they may be used. Included in this category are monies restricted for capital projects, debt service, and a state mandated reserve for emergencies, known as the TABOR reserve.

Composition of Net Position



Changes in Net Position. Another measure of the County’s financial condition is the change in net position from the prior year. This is measured the same way as a business measures its net profit or loss

from year to year, using full accrual accounting. Larimer County's net position increased by \$32.7 million (5%) in 2012. The following table indicates the changes in net assets for governmental and business-type activities for the current and prior year.

Table 2
Changes in Net Position
(in Millions)

	Governmental Activities		Business-type Activities		Total	
	2012	2011	2012	2011	2012	2011
Revenues						
Program revenues:						
Charges for services	\$ 42.75	\$ 38.12	\$ 5.88	\$ 5.51	\$ 48.63	\$ 43.63
Operating grants and contributions	50.26	55.64	-	-	50.26	55.64
Capital grants and contributions	3.00	2.13	-	-	3.00	2.13
General revenues:						
Property taxes	89.00	91.22	-	-	89.00	91.22
Other taxes	36.56	37.45	-	-	36.56	37.45
Other revenues	18.89	5.11	0.34	0.28	19.23	5.39
Total revenues	240.46	229.67	6.22	5.79	246.68	235.46
Expenses						
General government	39.68	33.88	-	-	39.68	33.88
Judicial and public safety	65.72	63.13	-	-	65.72	63.13
Streets and highways	30.76	25.42	-	-	30.76	25.42
Recreation	14.83	16.65	-	-	14.83	16.65
Health and human services	57.22	56.49	-	-	57.22	56.49
Interest on long-term debt	1.40	2.63	-	-	1.40	2.63
Solid Waste	-	-	4.38	5.25	4.38	5.25
Total expenses	209.61	198.20	4.38	5.25	213.99	203.45
Increase in net position before transfers	30.85	31.47	1.84	0.54	32.69	32.01
Transfers	0.07	0.02	(0.07)	(0.02)	-	-
Increase in net position	30.92	31.49	1.77	0.52	32.69	32.01
Net Position - beginning	633.16	601.67	23.63	23.12	656.79	624.79
Net Position - ending	\$ 664.08	\$ 633.16	\$ 25.40	\$ 23.64	\$ 689.48	\$ 656.80

Governmental Activities. Governmental activities increased Larimer County's net position by \$30.9 million (5%) in 2012. Taxes, including property, sales and other taxes, totaled 52% of all governmental activities' revenues. The largest categories of expenditures were judicial and public safety (31%), health and human services (27%) and general government (19%).

Items of note are as follows:

- Total revenues were \$240.5 million, an increase of 5% compared to the prior year. Property tax, the largest revenue source, was down 2%. Taxes collected in 2012 were based on 2010 appraised values. This was a reappraisal year, and the impact of the nation-wide real estate slump was reflected in the reappraisals. The mill levy was unchanged from 2011.
- Other taxes, consisting primarily of sales tax, decreased by 2%. Taxable sales grew by 7% over the prior year. However, the County's sales tax rate decreased from .8% to .6% effective July 1, 2012. The expiring .2% sales tax was authorized by voters in 1997 to fund an extensive capital building program. The program included construction of a new justice center, county administrative building and sheriff's headquarters in Fort Collins, and a small court facility and remodeled county building in Loveland. All program debt (\$98 million original par value) was

retired by the end of 2012. The County was able to end the tax six months earlier than originally anticipated.

- Capital grants changed significantly (up 41%) from a percentage perspective, but are relatively minor revenue sources. Grants are project based and tend to fluctuate from year to year.
- The “other revenues” category more than tripled over the prior year. This was due to a significant one-time revenue. The County received a \$14.8 million settlement for four steel structure buildings damaged in 2006 by snow loads at “The Ranch” fairgrounds complex. The money will be used to replace three of the buildings and repair the fourth. This work is currently underway.
- Expenses totaled \$210.2 million, a 6% increase compared to 2011. The largest percentage increase (21%) was in streets and highways. A large portion of this came from the construction and subsequent donation of a stormwater improvement. The largest increase by amount (\$5.9 million) was in general government. The majority of this occurred in the General Fund, which is discussed in the following section.
- Interest expense on long term debt continues to decline because the County’s outstanding debt is moving towards maturity and little new debt has been added.

Business-Type Activities. The County’s only business-type activity, Solid Waste, posted a \$1.8 million addition to net position in 2012. The Solid Waste fund accounts for the operations of the County’s sanitary landfill. Total revenues were up 8% over 2011, while expenses decreased 17%. Revenues grew due to increased volume of construction debris sparked by the improving economy and to new customers for specialized projects. Expenditures were down primarily because accrued estimated post-closure costs were lower than the previous year. The fund ended the year with a positive operating income of \$1.7 million.

FINANCIAL ANALYSIS OF THE COUNTY’S FUNDS

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

Governmental Funds Overview. The focus of County governmental fund statements is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County’s financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government’s net resources available for spending at the end of the fiscal year.

As of the end of 2012, the combined ending fund balances of County governmental funds totaled \$166.4 million. Approximately 21% of this consists of unassigned fund balance, which is available as working capital and for current spending in accordance with the purposes of the specific funds. The remainder of fund balance is: 1) nonspendable (\$.6 million), 2) restricted for a specific purpose by outside entities (\$55.8 million), 3) committed by the Board of County Commissioners (\$.7 million), or 4) assigned for planned or intended actions (\$73.8 million).

The County has five major governmental funds. These are 1) General Fund, 2) Human Services Fund, 3) Open Lands Fund, 4) Road & Bridge Fund, and 5) Sales Tax Fund.

1. **General Fund.** This is the primary operating fund of the Larimer County Government. It accounts for many of the County's core services, such as law enforcement, planning, and elections. Included within the General Fund are two non-GAAP budgetary funds – the High Park Fire Fund and a small Contingent fund. The total General Fund balance was \$48.7 million as of December 31, 2012. Of this amount, \$35.5 million is unassigned. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. *Total* fund balance represents 50% of total 2012 expenditures plus net transfers, while *unassigned* fund balance is 36% of the same amount.

The 2012 fund balance is \$4.7 million higher than the previous year. The General Fund is the county's most complex fund, thus the change between years is due to a combination of many factors. Key factors include:

- In total, net revenues decreased \$1.0 million (1%) over the prior year. Property tax, the General Fund's primary revenue source, decreased by \$2.2 million. This decrease was due to the general weakening in the real estate market in 2010, which is the appraisal year on which 2012 revenues were based. All other sources of revenue, with the exception of intergovernmental, increased over the prior year.
- Expenditures were 3.3% higher than 2011. After two years of salary freezes, most employees were eligible for a 1.5% pay range adjustment and a 1% merit increase. At the same time, the County implemented cost control measures such as a voluntary separation program, hiring freeze, and mandatory budget reductions for most departments.
- A large wildfire, known as the High Park Fire, ignited in mid-June 2012 on private and forest service lands within the county. The county played a significant role in fire management and in working with impacted residents. Long-term recovery efforts, such as soil stabilization, flood mitigation, and assistance to residents, are underway. \$1.2 million was spent on the fire and its aftermath in 2012, and an additional \$7.5 million is anticipated in future years.
- Almost \$14 million was transferred from the General Fund due to the reorganization of the County's internal service funds. The County is creating a new internal service model, which will move more services from the General Fund to internal service funds. These services will be guided by a customer council and charged back equitably to the various County departments. The transfer helped establish fund balances for the expanded internal service funds.

The 2012 budget anticipated using General Fund balance to cover expenses. This did not prove to be necessary, as revenues were higher than budgeted, and expenses were lower than anticipated. See the General Fund Budgetary Highlights section of this report for more detail regarding the original and final budgets.

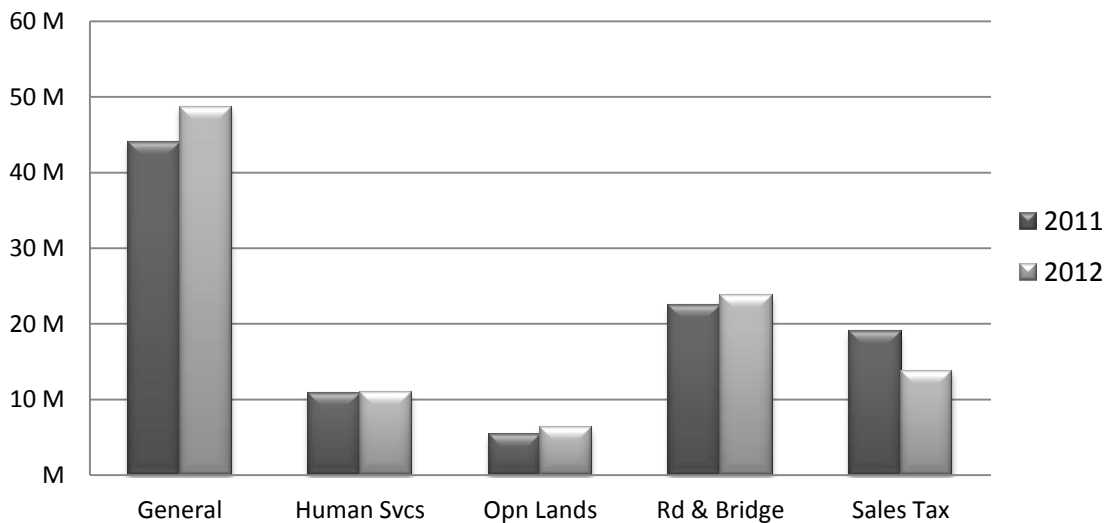
2. **Human Services Fund.** The Human Services Fund is mandated by State Statute. This fund accounts for the local share of many Federal and State public welfare programs and related grant

revenue. The fund carried an \$11.0 million balance at the end of 2012, which is only a minor increase (\$.1 million) over the prior year.

3. **Open Lands Fund.** The Open Lands Fund accounts for acquisitions, protection, improvements, and long-term maintenance of open space, natural areas, wildlife habitat, parks, and trails. The fund’s major revenue source is a .25% designated sales and use tax. This fund had \$6.3 million in balance at the end of 2012, which was a \$.9 million increase from the prior year. Fewer dollars were spent on new projects in 2012. The program is shifting its emphasis from purchasing land to preserving fund balance for future maintenance of existing properties.
4. **Road and Bridge Fund.** The Road and Bridge Fund is State mandated. The fund records costs related to road and bridge construction and maintenance in unincorporated areas of the County. The Road and Bridge fund had \$23.8 million in fund balance at the end of 2012. This amount was slightly more (6%) than the previous year and can primarily be attributed to planned savings for capital projects that will begin construction in future years.
5. **Sales Tax Fund.** This fund accounts for sales taxes which have yet to be distributed to the funds or entities which will ultimately expend the taxes. It also accounts for the cost of collecting and administering the taxes. Current year distributed taxes are shown as direct revenues in the receiving funds, rather than flowing through the sales tax fund. The County sales tax rate in 2012 was .8% prior to July 1, and .6% for the remainder of the year. Tax is collected on sales of most goods, excluding food for home consumption and drugs. The rate is made up of three separately dedicated taxes: 1) .25% dedicated for the purchase and maintenance of open space; 2) .2% for the construction and maintenance of an expansion to the jail; and 3) .15% for the construction and maintenance of a fairgrounds and events center. The \$13.7 million fund balance is only available for these purposes. The balance is \$5.2 million lower than the previous year, due to the distribution of taxes to the funds authorized to spend them and the change in the tax rate.

The following graph shows the major fund balances for 2012 and 2011.

2012 and 2011 Major Fund Balances
In Millions



Proprietary Funds Overview. The County's proprietary fund statements provide the same type of information found in the government-wide statements but in more detail.

The County has one enterprise-type proprietary fund, the Solid Waste Fund. The unrestricted portion of net position for this fund at the end of the year amounted to \$18.9 million. The 2012 growth in total net position for the fund was 7.5%. Other factors concerning the finances of this fund are discussed under business-type activities.

Larimer County has five internal service funds with a total of \$45.9 million in unrestricted net position. The largest of these funds is the Facilities and Information Technology Division fund with an unrestricted net position of \$18.6 million. Information on these funds is aggregated in the Proprietary Fund financial statements.

GENERAL FUND BUDGETARY HIGHLIGHTS

The County's budget is prepared according to Colorado statutes. Each budget lapses at year-end. Uncompleted projects or goods and services not received prior to year-end must be charged to the subsequent year's appropriations. The most significant budgeted fund is the General Fund, which is prepared on a non-GAAP basis. The Board may revise the budget from time to time and the CAFR presents both the original and final budget for the year.

During 2012, the County created a separate budgetary (non-GAAP) fund to set aside resources and record transactions made in response to the High Park Fire. This budgetary fund, along with a previously existing Contingent budgetary fund are combined with the General Fund in the fund statements. Because they have separately adopted budgets for legal purposes, the General Fund, High Park Fire Fund, and Contingent Fund are displayed individually in the Required Supplementary Information (RSI) section of this report (pages 63 – 66). The following analysis focuses on the General Fund actual and budget statements on page 64 of the RSI.

Final budget compared to Original budget. The General Fund budget was amended once in 2012. Significant budgeted increases included:

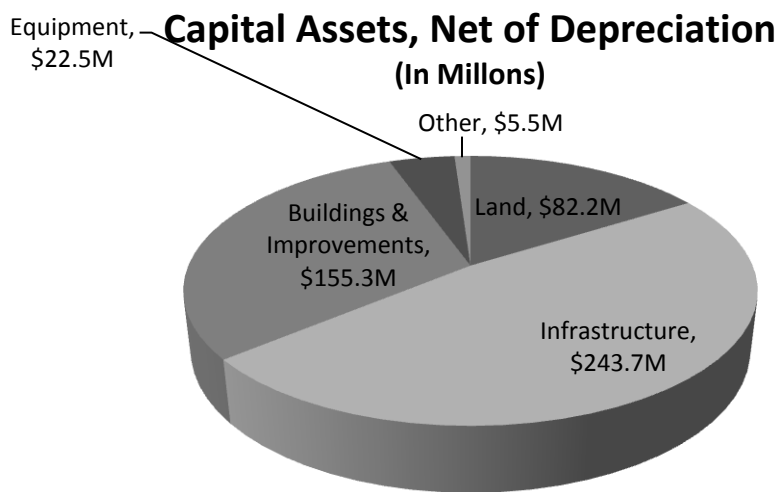
- \$9.2 million in additional expenditures and transfers to respond to the High Park Fire.
- \$2.8 million for operation of the Sheriff's Office, including overtime related to the High Park fire, carry-forward of funds to upgrade the department's software system, and various projects.
- \$1.3 million for completion of projects started in the prior year.

Final Budget compared to actual results. Actual 2012 revenues were higher (3%) than projected in the final General Fund budget. The Fund's major revenue source, property tax, was \$.4 million (.6%) less than budgeted, due to typical abatements, appeals and refunds. Charges for services, intergovernmental revenues, and miscellaneous revenues all came in higher than budgeted. Recording fees from individuals taking advantage of favorable mortgage refinancing rates were the primary driver behind the increase in charges for services. Grants and service contracts accounted for much of the increase in intergovernmental revenue. Reimbursement for fire suppression services and the receipt of seizure funds by the Sheriff's Office increased miscellaneous revenues over the amount budgeted. Interest earnings were lower due to unfavorable market conditions.

Actual 2012 expenditures and transfers out were lower (5%) than projected in the final General Fund budget. Expenditures were under budget across almost every service in response to the County's efforts to restrain costs through hiring freezes and a voluntary separation program. Board of County Commissioner operating expenditures were under budget by \$4.8 million. The majority of the variance (\$3.5) was offset by a corresponding transfer out to the High Park Fire budgetary fund. The Clerk and Recorder's office contributed \$1.5 million to the variance through vacancy savings and presidential election year election costs being lower than budgeted. The Sheriff's Office was \$1.3 million under budget, mostly due to uncompleted projects which will be carried forward into 2013.

CAPITAL ASSETS AND LONG TERM DEBT

Capital Assets. Larimer County's investment in capital assets for its governmental and business-type activities as of December 31, 2012 was \$509.11 million (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, equipment, artwork and intangibles, construction in progress, and infrastructure. Approximately half of this amount, or \$240.7 million, represents the cost of road and bridge infrastructure. The chart below shows the County's capital assets by type.



Investment in capital assets increased by 2% over 2011. Major capital asset events during 2012 included the following:

- Equipment purchases totaled \$6.2 million and equipment retirements totaled \$3.9 million.
- Additions to buildings and improvements totaled \$21.47 million. Major additions were a newly constructed \$9.9 million building to house alternative sentencing programs, \$4 million in storm water improvements, and a \$3.9 million expansion of the sheriff administration building. The storm water improvement was subsequently removed from the County's books and donated to the North Poudre Irrigation Company who is responsible for managing the resource as part of a joint program to mitigate flooding.
- General government construction in progress decreased by \$6.0 million as \$17.4 million in new projects were added and \$23.4 million of assets were completed and put into service.

The County uses the “modified approach” for reporting its paved road, non-paved road, and major bridge infrastructure subsystems. Under this approach, the County maintains the subsystems using an asset management system and documents that the infrastructure assets are being preserved at the established condition level. As of December 31, 2012, the condition level of these three subsystems was within the established condition level. Actual maintenance and preservation costs were 19% higher than the estimated costs. Subsystems using this approach are not depreciated on the financial statements. See Required Supplementary Information section of this report for additional information.

Additional information on the County’s capital assets can be found in Note 5 of this report.

Long-term Debt. At December 31, 2012, Larimer County had \$38.2 million in outstanding bonds and notes payable (principal amount). This amount is \$11.6 million lower than 2011, due to the payment of regularly scheduled debt payments.

Colorado Revised Statutes provide for a general obligation debt limit of 3% of the actual value, as determined by the assessor, of the taxable property in the County. The County had a general obligation debt capacity of \$1.0 billion in 2012. The County currently has no general obligation debt.

While the County currently has no outstanding general obligation debt, it has an “Aa2 Long Term Issuer Rating” from Moody’s, which has remained unchanged from the prior year. In addition, it has an AA “implied” rating from Standard and Poors. Individual revenue bond and Certificate of Participation issues all carry ratings in single and double-A categories.

Outstanding debt by type at the end of 2012 is as follows:

- \$3.4 million in Certificates of Participation.
- \$33.6 million in Sales Tax Revenue bonds, funded by a .25% dedicated open lands sales tax and a .15% fairgrounds sales tax. In 2012, coverage was 3.1 for the open lands bonds and 1.77 for the fairgrounds bonds.
- \$1.3 million in unrated Special Assessment debt, funded by payments from property owners benefiting from capital improvements constructed with debt proceeds.

Additional information on Larimer County’s debt can be found in Note 9 to the financial statements.

Other Matters. The following factors are expected to have a significant effect on the County’s financial position or results of operations.

Adoption of 2013 Budget. Net of transfers between funds, the County’s 2013 operating budget is \$222.4 million which is a 1.2% decrease from the 2012 original budget and a 16.2% decrease from the 2012 revised budget. The budget was prepared based on the 2012 property value increase of .15%.

Factors Impacting Future Budgets. The following factors and priorities will impact future budgets.

- The adopted 2013 Larimer County budget is the first phase of a three-year plan to progressively reduce the County’s General Fund allocations in response to a significant drop in revenue that

will occur in 2015. This drop in revenue results from the sunset of a .2% sales tax which is partially used to fund operating expenses for the county-wide jail. Attempts to extend the tax have been unsuccessful. Currently, there are no plans to return this question to the ballot, and the Commissioners set guidance that the bulk of the lost revenue to support jail operations should come from General Fund sources. As a result, all services supported by the General Fund must absorb an approximate 10% reduction in funding during 2013-2015.

- The County will continue to set aside resources to prevent drought-triggered wildfires and flooding in the unincorporated areas caused by drought. The 2013 budget contains a \$2.9 million allocation for this purpose.
- Municipalities in the County are increasing their usage of tax increment financing (TIF) to encourage economic development. This tool captures the net incremental taxes that are created when a vacant or underutilized property is redeveloped and uses these revenues to help finance a development project. It diverts county property tax and property tax of other jurisdictions which would otherwise be used to provide services. State statute allows municipalities to use this tool without approval from the affected jurisdictions. The County is working with its municipalities to try to reduce the impact of TIF financing on County services.

The County has adopted a priority-based budget system. Under this system, the Board of Commissioners assigns priorities to the many services provided by the County. These priorities are a framework for allocating available resources.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of Larimer County's finances for all those with an interest in the County's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Financial Services Director, 200 West Oak, Suite 4000, Fort Collins, CO 80521.

Basic Financial Statements

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

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 221,573,656	\$ 18,931,805	\$ 240,505,461
Taxes receivable	89,921,200	-	89,921,200
Due from other governmental units	11,719,324	29,630	11,748,954
Internal balances	(3,236,841)	3,236,841	-
Other receivables	3,051,084	483,541	3,534,625
Deposits	715,967	-	715,967
Inventories	876,635	-	876,635
Cash-restricted	2,823,773	6,600	2,830,373
Long-term receivable	2,257,423	-	2,257,423
Capital assets:			
Land, construction in progress and other non-depreciable assets	326,640,841	1,695,533	328,336,374
Buildings	153,185,636	2,327,632	155,513,268
Improvements	62,057,616	917,537	62,975,153
Equipment	47,142,866	4,350,221	51,493,087
Infrastructure (subdivision roads/traffic signals)	32,411,982	-	32,411,982
Less: accumulated depreciation	(118,875,424)	(2,741,561)	(121,616,985)
Total assets	832,265,738	29,237,779	861,503,517
DEFERRED OUTFLOWS			
Loss on refunding of debt	526,427	-	526,427
LIABILITIES			
Accounts payable	3,396,293	31,708	3,428,001
Due to other governmental units	3,445,340	44,824	3,490,164
Unearned revenue	5,083,533	-	5,083,533
Payable from restricted assets	2,071,575	6,600	2,078,175
Payroll accrual	5,872,139	65,339	5,937,478
Noncurrent liabilities			
Due within one year:			
Claims and contracts payable	4,859,889	-	4,859,889
Certificates of participation	900,000	-	900,000
Bonds and notes payable	4,768,770	-	4,768,770
Compensated absences	1,424,074	16,134	1,440,208
Due more than one year:			
Claims and contracts payable	1,734,251	-	1,734,251
Certificates of participation	2,480,000	-	2,480,000
Bonds and notes payable	30,197,626	-	30,197,626
Compensated absences	12,075,142	136,808	12,211,950
Closure and postclosure care	-	3,533,389	3,533,389
Total liabilities	78,308,632	3,834,802	82,143,434
DEFERRED INFLOWS			
Deferred and advance payments of property taxes	90,408,092	-	90,408,092
NET POSITION			
Net investment in capital assets	464,217,121	6,549,362	470,766,483
Restricted for:			
Capital projects	13,973,279	-	13,973,279
Debt service	3,784,473	-	3,784,473
Emergencies	4,303,504	-	4,303,504
Unrestricted	177,797,064	18,853,615	196,650,679
Total net position	\$ 664,075,441	\$ 25,402,977	\$ 689,478,418

See accompanying notes to the basic financial statements

LARIMER COUNTY, COLORADO
STATEMENT OF ACTIVITIES
Year Ended December 31, 2012

Functions/Programs	Expenses	Program Revenues	
		Charges for Services	Operating Grants and Contributions
Governmental activities:			
General government	\$ 39,678,181	\$ 15,444,025	\$ 587,582
Judicial and public safety	65,716,338	12,032,354	2,148,120
Streets and highways	30,762,598	2,729,622	11,621,889
Recreation	14,831,064	7,585,217	688,956
Health and human services	57,216,435	4,962,184	35,208,083
Interest on long-term debt	1,398,095	-	-
Total governmental activities	209,602,711	42,753,402	50,254,630
Business-type activities:			
Solid Waste	4,382,059	5,883,823	-
Total primary government	\$ 213,984,770	\$ 48,637,225	\$ 50,254,630

General revenues
Taxes:
Property
Sales
Other
Interest earnings
Miscellaneous
Transfers
Total general revenues and transfers
Change in net position
Net position, January 1
Net position, December 31

See accompanying notes to the basic financial statements

Net (Expense) Revenue and Changes in Net Assets				
Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total	
\$ 86,637	\$ (23,559,937)	\$ -	\$ (23,559,937)	
93,018	(51,442,846)	-	(51,442,846)	
1,959,619	(14,451,468)	-	(14,451,468)	
866,811	(5,690,080)	-	(5,690,080)	
-	(17,046,168)	-	(17,046,168)	
-	(1,398,095)	-	(1,398,095)	
3,006,085	(113,588,594)	-	(113,588,594)	
-	-	1,501,764	1,501,764	
\$ 3,006,085	(113,588,594)	1,501,764	(112,086,830)	
	89,004,425	-	89,004,425	
	25,381,994	-	25,381,994	
	11,178,253	-	11,178,253	
	1,191,568	153,278	1,344,846	
	17,686,948	181,774	17,868,722	
	68,987	(68,987)	-	
	144,512,175	266,065	144,778,240	
	30,923,581	1,767,829	32,691,410	
	633,151,860	23,635,148	656,787,008	
\$	\$ 664,075,441	\$ 25,402,977	\$ 689,478,418	

LARIMER COUNTY, COLORADO
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2012

	General Fund	Human Services	Open Lands
ASSETS			
Cash and cash equivalents	\$ 50,689,604	\$ 12,789,277	\$ 6,385,318
Taxes receivable	74,105,019	6,770,171	-
Accrued interest receivable	15,534	-	-
Special assessments receivable	-	-	-
Due from other County funds	791,233	2,962	43,632
Due from other governmental units	2,717,454	1,805,655	49,652
Other receivables	312,920	157,875	17,958
Deposits	-	-	8,312
Inventories	-	-	-
Advances to other County funds	-	-	-
Cash-restricted	640,337	56,715	-
Total assets	\$ 129,272,101	\$ 21,582,655	\$ 6,504,872

LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES

Liabilities:

Accounts payable	\$ 1,057,539	\$ 324,435	\$ 52,520
Due to other County funds	630,523	632,902	85,377
Due to other governmental units	90,367	32,237	19,185
Unearned revenue	1,120,057	1,870,927	2,885
Payable from restricted assets	-	56,715	-
Advances from other County funds	-	-	-
Payroll accrual	3,169,313	903,126	56,261
Total liabilities	6,067,799	3,820,342	216,228

Deferred inflows:

Deferred and advance payments of property taxes	74,509,688	6,805,297	-
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Fund balances (deficits):

Nonspendable:			
Inventories	-	-	-
Restricted for:			
Capital projects	-	-	-
Citizen initiatives	-	-	6,288,644
Debt service	-	-	-
Intergovernmental agreements	469,771	-	-
Legislative restrictions	640,337	10,957,016	-
TABOR reserves	4,281,277	-	-
Committed for:			
Leisure activities	-	-	-
Assigned for:			
Capital projects	-	-	-
General government	281,701	-	-
High Park fire recovery	7,538,971	-	-
Leisure activities	-	-	-
Public assistance	-	-	-
Public protection	-	-	-
Roads and bridges	-	-	-
Subsequent year expenditures	-	-	-
Unassigned	35,482,557	-	-
Total fund balances (deficits)	48,694,614	10,957,016	6,288,644
Total liabilities, deferred inflows and fund balances	\$ 129,272,101	\$ 21,582,655	\$ 6,504,872

See accompanying notes to the basic financial statements

Road and Bridge	Sales Tax	Other Governmental Funds	Total Governmental Funds
\$ 22,586,800	\$ 12,566,096	\$ 64,751,301	\$ 169,768,396
2,313,207	-	5,984,656	89,173,053
-	2,857	5,757	24,148
-	-	748,147	748,147
1,383	-	1,483,693	2,322,903
1,485,917	4,040,609	2,369,441	12,468,728
1,995	673	2,477,895	2,969,316
-	-	248,736	257,048
532,933	-	60,792	593,725
-	-	75,000	75,000
-	-	2,126,721	2,823,773
\$ 26,922,235	\$ 16,610,235	\$ 80,332,139	\$ 281,224,237

\$ 380,619	\$ 3,994	\$ 965,481	\$ 2,784,588
74,157	-	1,048,291	2,471,250
193,210	2,868,266	96,542	3,299,807
-	-	2,089,664	5,083,533
1,250	-	2,013,610	2,071,575
-	-	3,320,518	3,320,518
166,322	5,590	1,134,237	5,434,849
815,558	2,877,850	10,668,343	24,466,120

2,325,209	-	6,767,898	90,408,092
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532,933	-	60,792	593,725
-	-	3,035,283	3,035,283
-	13,732,385	6,040,743	26,061,772
-	-	3,784,473	3,784,473
-	-	-	469,771
5,333,392	-	1,288,099	18,218,844
-	-	22,227	4,303,504
-	-	717,569	717,569
-	-	37,585,567	37,585,567
-	-	-	281,701
-	-	-	7,538,971
-	-	1,142,761	1,142,761
-	-	1,390,292	1,390,292
-	-	3,801,958	3,801,958
10,426,707	-	723,165	11,149,872
7,488,436	-	3,428,611	10,917,047
-	-	(125,642)	35,356,915
23,781,468	13,732,385	62,895,898	166,350,025
\$ 26,922,235	\$ 16,610,235	\$ 80,332,139	\$ 281,224,237

LARIMER COUNTY, COLORADO
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
THE STATEMENT OF NET POSITION
December 31, 2012

Total governmental fund balances (page 19) \$166,350,025

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. 495,399,154

Long-term liabilities, including bonds payable and compensated absences, are not due and payable in the current period and therefore are not reported in the funds.

Certificates of participation	\$ (3,380,000)
Revenue bonds and notes payable	(33,565,000)
Special assessment bonds	(1,297,076)
Compensated absences	(12,123,109)
Unamortized premium on debt	(104,320)
Deferred inflow from loss on refunding	526,427
Long-term contract	<u>(766,195)</u>

(50,709,273)

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 position.

53,035,535

Net position of governmental activities (page 15)

\$664,075,441

See accompanying notes to the basic financial statements



LARIMER COUNTY, COLORADO
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended December 31, 2012

	General Fund	Human Services	Open Lands	Road and Bridge
REVENUES				
Taxes	\$ 80,551,928	\$ 6,876,443	\$ 3,213,384	\$ 8,969,108
Assessments	-	-	-	-
Intergovernmental	3,086,290	26,761,867	167,175	11,109,629
Licenses and permits	379,919	-	410,752	-
Charges for services	13,809,505	-	115,024	743,949
Interest earnings	509,742	-	40,775	37,874
Miscellaneous	4,142,564	1,030,572	86,227	215,876
Total revenues	102,479,948	34,668,882	4,033,337	21,076,436
EXPENDITURES				
Current:				
General government	22,432,123	-	-	-
Judicial and public safety	47,358,883	-	-	-
Streets and highways	3,535,577	-	-	19,492,185
Recreation	-	-	2,808,821	-
Health and human services	720,452	35,251,863	-	-
Capital outlay	465,930	18,816	157,846	22,756
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	74,512,965	35,270,679	2,966,667	19,514,941
Excess (deficiency) of revenues over expenditures	27,966,983	(601,797)	1,066,670	1,561,495
OTHER FINANCING SOURCES (USES)				
Sale of assets	-	4,692	5,180	-
Transfers in	350,090	717,290	-	-
Transfers out	(23,597,844)	-	(127,119)	(190,943)
Total other financing sources (uses)	(23,247,754)	721,982	(121,939)	(190,943)
Net change to fund balance	4,719,229	120,185	944,731	1,370,552
Fund balance, January 1	43,975,385	10,836,831	5,343,913	22,410,916
Decrease in inventories	-	-	-	-
Fund balance (deficits), December 31	\$ 48,694,614	\$ 10,957,016	\$ 6,288,644	\$ 23,781,468

See accompanying notes to the basic financial statements

Sales Tax	Other Governmental Funds	Total Governmental Funds
\$ 6,886,307	\$ 18,829,926	\$ 125,327,096
-	86,637	86,637
-	8,813,492	49,938,453
-	3,837,625	4,628,296
-	20,249,992	34,918,470
3,312	420,539	1,012,242
11,908	15,946,038	21,433,185
<u>6,901,527</u>	<u>68,184,249</u>	<u>237,344,379</u>
6,281,297	3,767,231	32,480,651
-	14,288,098	61,646,981
-	2,096,551	25,124,313
-	9,079,832	11,888,653
-	18,036,318	54,008,633
-	17,743,109	18,408,457
-	11,561,833	11,561,833
-	1,333,265	1,333,265
<u>6,281,297</u>	<u>77,906,237</u>	<u>216,452,786</u>
620,230	(9,721,988)	20,891,593
-	222,128	232,000
-	17,525,444	18,592,824
<u>(5,857,314)</u>	<u>(2,803,206)</u>	<u>(32,576,426)</u>
<u>(5,857,314)</u>	<u>14,944,366</u>	<u>(13,751,602)</u>
<u>(5,237,084)</u>	<u>5,222,378</u>	<u>7,139,991</u>
18,969,469	57,676,868	159,213,382
-	(3,348)	(3,348)
<u>\$ 13,732,385</u>	<u>\$ 62,895,898</u>	<u>\$ 166,350,025</u>

LARIMER COUNTY, COLORADO
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
Year Ended December 31, 2012

Net change in fund balances - total governmental funds (page 23) \$ 7,139,991

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital asset additions	\$ 18,408,457	
Net effect of various miscellaneous capital asset transactions (i.e. sales, trade-ins and donations).	(2,144,109)	
Depreciation expense	<u>(7,141,834)</u>	9,122,514

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of the long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Additionally, governmental funds report the effect of issuance cost, premiums, discounts and similar items when debt is issued. These amounts are deferred and amortized in the statement of activities.

Certificates of participation repayment of principal	\$ 7,450,000	
Revenue bonds and notes payable repayment of principal	3,950,000	
Improvement district bonds repayment of principal	161,833	
Amortization of debt premiums/discounts	16,977	
Amortization on loss of refunding debt	<u>(81,807)</u>	11,497,003

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Compensated absences	\$ (523,198)	
Long-term contract	<u>(766,195)</u>	(1,289,393)

Internal service funds are used by management to charge the costs of insurance and other services to individual funds. The net revenue (expense) of certain internal service funds is reported with governmental activities.

4,453,466

Change in net position of governmental funds (page 17) \$ 30,923,581

See accompanying notes to the basic financial statements

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

	Business-type Activities	Governmental Activities
	Enterprise Fund Solid Waste	Internal Service Funds
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 18,931,805	\$ 51,805,260
Accrued interest receivable	-	15,489
Due from other County funds	21,574	276,348
Due from other governmental units	29,630	74,656
Other receivables	483,541	42,131
Prepays and deposits	-	458,919
Inventories	-	282,910
Total current assets	19,466,550	52,955,713
Noncurrent assets:		
Restricted assets:		
Cash	6,600	-
Long-term investment	-	1,433,363
Advances to other County funds	3,245,518	-
Capital assets:		
Land	1,695,533	-
Buildings, improvements, and equipment, net	4,853,829	7,164,363
Total noncurrent assets	9,801,480	8,597,726
Total assets	29,268,030	61,553,439
LIABILITIES		
Current liabilities:		
Accounts payable	31,708	611,705
Due to other County funds	30,251	119,324
Due to other governmental units	44,824	145,533
Payroll accrual	65,339	437,290
Claims payable	-	4,686,411
Compensated absences	16,134	145,169
Total current liabilities	188,256	6,145,432
Noncurrent liabilities:		
Payable from restricted assets	6,600	-
Claims payable	-	1,141,534
Compensated absences	136,808	1,230,938
Closure and postclosure care	3,533,389	-
Total noncurrent liabilities	3,676,797	2,372,472
Total liabilities	3,865,053	8,517,904
NET POSITION		
Net investment in capital assets	6,549,362	7,164,363
Unrestricted	18,853,615	45,871,172
Total net position	\$ 25,402,977	\$ 53,035,535

See accompanying notes to the basic financial statements

LARIMER COUNTY, COLORADO
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
Year Ended December 31, 2012

	Business-type		Governmental	
	Activities		Activities	
	Enterprise Fund		Internal Service	
	Solid Waste		Funds	
Operating revenues:				
Intergovernmental	\$	-	\$	5,890
Charges for services		5,883,823		30,277,824
Total operating revenues		5,883,823		30,283,714
Operating expenses:				
Closure and postclosure care		151,226		-
Contract services		627,735		2,542,748
Depreciation		558,064		1,912,452
Insurance and claims		25,940		18,510,068
Operating supplies		105,796		4,071,309
Personnel		1,517,609		9,887,387
Rent		15,884		235,938
Repair and maintenance		773,572		1,372,947
Subscriptions and dues		55,098		69,100
Training and travel		16,691		120,098
Utilities		48,534		1,469,294
Other		336,051		286,432
Total operating expenses		4,232,200		40,477,773
Operating income (loss)		1,651,623		(10,194,059)
Nonoperating revenues (expenses):				
Compensation for loss		-		158,500
Gain (loss) on disposition of assets		(149,859)		(14,087)
Interest earnings		153,278		179,326
Miscellaneous revenues		181,774		177,897
Total nonoperating revenues (expenses)		185,193		501,636
Income (loss) before capital contributions and transfers		1,836,816		(9,692,423)
Capital contributions		-		93,300
Transfers in		7,038		14,767,373
Transfers out		(76,025)		(714,784)
Change in net position		1,767,829		4,453,466
Total net position-beginning		23,635,148		48,582,069
Total net position-ending	\$	25,402,977	\$	53,035,535

See accompanying notes to the basic financial statements

LARIMER COUNTY, COLORADO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended December 31, 2012

	Business-type Activities		Governmental Activities	
	Enterprise Fund		Internal Service Funds	
	Solid Waste			
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from external customers	\$	5,795,208	\$	684,327
Cash received from internal customers		7,216		29,443,977
Cash payments to external suppliers for goods and services		(1,415,589)		(26,798,220)
Cash payments to internal suppliers for goods and services		(697,632)		(1,251,374)
Cash payments to employees for services		(1,499,644)		(9,751,212)
Miscellaneous revenues		179,999		331,184
Net cash provided (used) by operating activities		2,369,558		(7,341,318)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Principal on advances to other funds		200,000		-
Interest on advances to other funds		33,009		-
Transfers in		-		12,038,513
Transfers out		(19,635)		(26,393)
Net cash provided (used) by noncapital financing activities		213,374		12,012,120
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of capital assets		(1,134,633)		(2,226,688)
Proceeds from sale of assets		236,664		235,480
Transfers in		7,038		2,728,860
Transfers out		(56,390)		(688,391)
Net cash provided (used) by capital and related financing activities		(947,321)		49,261
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on investments		139,279		179,326
Purchase of investments		-		4,693
Sale of investments		-		100,000
Net cash provided (used) by investing activities		139,279		284,019
Net increase (decrease) in cash and equivalents		1,774,890		5,004,082
Cash balances, January 1		17,163,515		46,801,178
Cash balances, December 31	\$	18,938,405	\$	51,805,260

Continued on next page

LARIMER COUNTY, COLORADO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended December 31, 2012

	Business-type Activities	Governmental Activities
	Enterprise Fund Solid Waste	Internal Service Funds
Reconciling of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	\$ 1,651,623	\$ (10,194,059)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation expense	558,064	1,912,452
Miscellaneous nonoperating revenues	181,774	336,397
Assets (increase) decrease:		
Accrued interest receivable	-	(5,213)
Due from other County funds	-	(88,176)
Due from other governmental units	5,856	(32,266)
Other receivables	(89,029)	(34,969)
Prepays and deposits	-	69,798
Inventories	-	(26,799)
Liabilities increase (decrease):		
Accounts payable	(100,076)	6,364
Due to other County funds	6,028	75,815
Due to other governmental units	(13,372)	(45,318)
Customer deposits	(500)	-
Accrued compensated absences	10,762	69,769
Claims payable	-	548,480
Payroll accrual	7,202	66,407
Closure and postclosure care	151,226	-
Total Adjustments	717,935	2,852,741
Net cash provided (used) by operating activities	\$ 2,369,558	\$ (7,341,318)
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES		
Contribution of fixed assets	\$ -	\$ 93,300

See accompanying notes to the basic financial statements

LARIMER COUNTY, COLORADO
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
December 31, 2012

	Total Agency Funds
ASSETS	
Cash and cash equivalents	\$ 5,995,157
Cash-restricted	590,385
Total assets	\$ 6,585,542
LIABILITIES	
Accounts payable	\$ 335,965
Due to other governmental units	5,659,192
Payable from restricted assets	590,385
Total liabilities	\$ 6,585,542

See accompanying notes to the basic financial statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of Larimer County, Colorado, (the County) conform to accounting principles generally accepted in the United States of America (USGAAP) as applicable to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following summary of significant accounting policies is presented to assist the reader in evaluating the County's financial statements.

A. Description of government-wide financial statements

The statement of net position and the statement of activities disclose information about the County as a whole. These statements include the financial activities of the primary government, except for fiduciary activities. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

B. Reporting Entity

Larimer County is a political subdivision of the State of Colorado, governed by an elected three-member Board of County Commissioners. There are also seven other elected officials of Larimer County (Assessor, Clerk and Recorder, Coroner, District Attorney, Sheriff, Surveyor, and Treasurer).

All financial transactions of the offices of elected officials of Larimer County are included in the General Fund of the County's Comprehensive Annual Financial Report. The Board of County Commissioners has budgetary authority over the elected officials and is accountable for all fiscal matters. County property taxes fund a significant portion of the costs of operating the elected officials' offices. Services provided by the elected officials are for the benefit of Larimer County residents and are conducted within the boundaries of the County. The District Attorney's office encompasses the entire 8th Judicial District, a portion of which is in Jackson County. Jackson County reimburses Larimer County for its portion of costs. Receipts and disbursements of federal and local crime victim compensation funds administered by the District Court are accounted for in an agency fund. The District Attorney appoints the Local Crime Victim Compensation Board, who has governing responsibility for the funds.

This Comprehensive Annual Financial Report presents the financial statements of Larimer County (the primary government) and its component units in accordance with Statements 14 and 39 of the Governmental Accounting Standards Board, "The Financial Reporting Entity" and "Determining Whether Certain Organizations Are Component Units," respectively as amended. The component units discussed below are included in the County's reporting entity due to the significance of their operational or financial relationships with the County.

Blended Component Units

The Larimer County Pest Control District, a separate legal entity according to Colorado State Statutes, is included in Larimer County's Comprehensive Annual Financial Report as a special revenue fund. The District is not governed by a separately elected governing body other than the Board of County Commissioners. There are no separate financial statements.

The Larimer County General Improvement Districts and Public Improvement Districts have been included in Larimer County's Comprehensive Annual Financial Report as special revenue funds. The districts are separate political subdivisions with the Board of County Commissioners serving as the board of each. These districts do not issue separate financial statements. There are currently 48 districts, and in 2012, the individual fund financial statements have been combined for financial reporting purposes. The combined statements and schedules are included in the supplementary information section of this report. The districts' combined fund balance at December 31, 2012 was \$4,052,170. Financial information for any individual fund is available upon request by contacting staff at (970) 498-5930.

The Larimer County Building Authority was formed in 1998 and exists for the purpose of constructing major County facilities. The County is financially responsible for the activities of the Building Authority, and as such, is included as a debt service fund.

The Public Trustee performs certain functions of the County as dictated by Colorado State Statutes, and as such, is included as a special revenue fund.

C. Government-wide Financial Statements

The County's basic financial statements consist of government-wide statements, including a statement of net position, a statement of activities, and fund financial statements which provide a more detailed level of financial information. The government-wide focus is on the sustainability of the County as an entity and the changes in aggregate financial position resulting from activities of the fiscal period. In the government-wide statement of net position, both the governmental and business-type activities columns are presented on a consolidated basis by column. These statements include the financial activities of the primary government, except for fiduciary activities. For the most part, the effect of interfund activity has been removed from these statements. Exceptions include interfund services provided and used.

The government-wide statement of activities reflects both the direct expenses and net cost of each function of the County's governmental activities and business-type activity. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include charges paid by the recipient for the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned on grants that is required to be used to support a particular program.

Revenues which are not classified as program revenues are presented as general revenues of the County, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each government function or business segment is self-financing or draws from the general revenues of the County.

D. Fund Financial Statements

The financial transactions of the County are recorded in individual funds. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, deferred outflows, liabilities, deferred inflows, fund equity, revenues, and expenditures or expenses, as appropriate. Separate statements for each fund category – *governmental*, *proprietary*, and *fiduciary* – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds. Each is displayed in a separate column. All remaining governmental and enterprise funds are aggregated and presented as nonmajor funds.

LARIMER COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2012

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* 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. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The County reports the following major governmental funds:

The *General Fund* is the chief operating fund of the County and accounts for all financial resources that are not accounted for in other funds. The principal sources of revenue for this fund are property taxes, intergovernmental agreements and grants, and charges for services. Operational activities of the County such as public safety, planning and zoning, property valuation, vehicle licensing, County administration, and other functions of general government are reported in this fund.

The *Human Services Fund* administers human services programs under state and federal regulations. Programs include, but are not limited to, Medicaid, Supplemental Nutrition Assistance Program (SNAP), foster care programs, senior service programs, job training services, and Temporary Assistance to Needy Families (TANF). Colorado counties are required by state law to maintain a Human Services Fund. This fund receives property tax revenue; although, the majority of its funding comes from federal and state grants.

The *Open Lands Fund* accounts for the County's share of sales and use tax distributed from the open space sales tax which is to be used for acquisitions, protection, improvements, and long-term maintenance of open space, natural areas, wildlife habitat, parks, and trails. Other revenues include intergovernmental assistance, licenses and permits, and rents and are used for open space recreational activities.

The *Road and Bridge Fund* records costs related to County road and bridge construction and maintenance except for engineering and public works administration which are recorded in the General Fund. By State law, Colorado counties are required to maintain a Road and Bridge Fund, and a portion of road and bridge taxes is allocated to cities and towns for use in their road and street activities. Most of this fund's revenues are from property, auto ownership, and highway users taxes.

The *Sales Tax Fund* accounts for the sales tax resources that are not accounted for in other funds. The collection of the County's sales taxes was approved by citizen initiative for operation costs of the detention center, fairgrounds and event center complex, and open space programs. Financial resources are reported in the following funds for which the sales tax is collected: The Ranch, Larimer County Building Authority Debt, Open Lands, Open Space Debt, The Ranch Debt, Capital Expenditures, and General Fund. The balance of sales tax revenues are reported in the Sales Tax Fund for administration costs associated with the initiatives approved by the citizens.

The County reports the following major enterprise fund:

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

The County reports the following fund types:

The *Internal Service funds* 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. The County's internal service funds report on programs for employee dental and medical benefits, risk management, unemployment, facilities services, printing and mail services, business applications services, telecommunications, equipment leasing and fleet services.

The *Agency funds* are custodial in nature and do not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting. These funds are used to account for assets held on behalf of inmates, compensation to crime victims, and collateral and development deposits. Additionally, monies collected by the County Treasurer for distribution to other local governments are held in the General Agency Fund.

E. Encumbrance Accounting

The County uses encumbrance accounting as an extension of its budgetary scheme. Encumbrances are recorded when a purchase order or contract is used. They are reduced when the related expenditure/expense is made. Encumbrances lapse at year-end but may be re-established in the subsequent year if the budget related to the encumbrance is approved by the Board of County Commissioners to be reappropriated to the subsequent year or if the subsequent year's budget is adequate to cover the amount of the rolled over encumbrance. The County does not restrict any fund balance for encumbrances unless those amounts are restricted for a specific purpose under *GASB Statement No. 54 – Fund Balance Reporting and Governmental Fund Type Definitions*.

F. Measurement Focus

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange include property taxes, grants, and donations. Revenues from property taxes are recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The County considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end for property taxes and within 180 days for other revenues. Property taxes, sales taxes, licenses, and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except that principal and interest on long-term debt are recognized when due. Capital asset acquisitions are reported as expenditures in

governmental funds. Proceeds of long-term debt and acquisitions under capital leases are reported as other financing sources.

Under the terms of grant agreements, the County funds certain programs using a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net assets available to finance the program. It is the County's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

G. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Equity

Deposits and Investments

The Larimer County Treasurer maintains a cash and investment pool that is available for use by all County funds except for some agency funds. Each funds' portion of this pool is displayed as "cash and cash equivalents." Accrued interest receivable is displayed separately. The amount of interest gained through secured investments is credited to the County's General Fund per Colorado State Statutes, with the exception of the Workers Compensation Insurance Trust in the Risk Management Fund. "Cash and cash equivalents" for the General Fund and Risk Management Fund is stated at fair value. Any bank accounts not maintained by the Treasurer are "Restricted Assets" within the appropriate fund.

The County considers cash and cash equivalents in proprietary funds to be cash on hand and demand deposits. In addition, because the treasury pool is sufficiently liquid to permit withdrawal of cash at any time without prior notice or penalty, equity in the pool is also deemed to be a cash equivalent.

Property Taxes

Property taxes are levied in December and attach as an enforceable lien on property as of January 1 of the following year. Taxes are payable either in two installments due on February 28 and June 17 or in full on April 30. The County, through the Larimer County Treasurer, bills and collects its own property taxes as well as property taxes of all other taxing authorities within the County. Taxes levied on December 20, 2012 are recorded as taxes receivable and deferred inflow of resources as of December 31, 2012 as the amount is measurable but not available until 2013. An allowance for uncollectible taxes is not provided as the uncollectible amount is determined to be negligible based upon an analysis of historical trends.

Receivables

Special assessments are recognized as revenue in the governmental funds when they become measurable and available as a net current asset, while the long-term portion is reflected as deferred inflow of resources. Other long-term receivables are also recognized as revenue in the governmental funds when they become measurable and available as a net current asset, and the long-term portion is reflected as unearned revenue. Both the principal and interest on special assessments are received in installments over a term of years that generally matches the estimated payments for the bond issue or loan which financed the project. There was not any delinquent special assessment principal or interest at December 31, 2012. Approximately \$748,147 of special assessment receivables are not expected to be collected within one year of the financial statements. There were not any unbilled charges for County services at year end.

Interfund Transactions

Transactions between funds that would be treated as revenues, expenditures, or expenses if they involved organizations external to the County are accounted for as revenues, expenditures, or expenses in the funds

involved. Transactions, which constitute reimbursements of a fund for expenditures or expenses initially made from that fund, which are properly applicable to another fund are recorded as expenditures or expenses in the reimbursing fund and as reductions of the expenditure or expense in the fund that is reimbursed. At year end, outstanding balances between funds are reported as “due to/from other funds.” Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

Inventories

Inventories are valued at cost, which is determined using the first-in, first-out method. Inventories in most governmental funds are recorded as expenditures when purchased. Inventories in the Road and Bridge Fund and in proprietary funds are recorded as expenditures when consumed rather than when purchased. Government-wide statements record inventory on the consumption basis.

Emergency Reserve

The reserve for emergencies as required by Section 20 to Article X of the Colorado Constitution, also known as the Taxpayer’s Bill of Rights (TABOR), is classified as a restricted fund balance on the balance sheet.

Capital Assets

Capital assets, which include property, equipment, and infrastructure assets (e.g., roads, bridges and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost meeting the appropriate dollar threshold and with a useful life of more than one year. Highway equipment registered with the State are reported regardless of cost. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at estimated fair market value at the date of donation.

Thresholds	
Software	\$ 1,000,000
Buildings	50,000
Improvements	50,000
Equipment	5,000
Computers	Capitalize all
Land	Capitalize all

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets lives are not capitalized.

Buildings, equipment, and certain improvements are depreciated. Computers are depreciated using the composite method while all other assets are depreciated on a straight-line basis over the following estimated useful lives:

Buildings	40 Years
Improvements	10 – 20 Years
Equipment	5 – 25 Years
Infrastructure	10 – 30 Years
Intangibles – Software	5-10 Years

LARIMER COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2012

The County's infrastructure assets include paved roads, non-paved roads, bridges, right-of-way (land), traffic signals, and subdivision roads within improvement districts. Paved roads, non-paved roads, and major bridges are accounted for using the modified approach. Under the modified approach, the County's paved and non-paved roads and major bridges are being preserved at a specified condition level established by the County. For more information on the modified approach, see Required Supplementary Information – Modified Approach for Infrastructure Assets. Traffic signals and subdivision roads are accounted for using the straight-line depreciation method.

For roads and bridges owned prior to 2001, the County used current construction costs deflated using the Federal-Aid Highway Construction Price Index to estimate the fair market value. Since there are no County records of donated or purchased right-of-way and the assessor does not maintain a record of historical land values, the fair market value of right-of-way assets was estimated by reviewing right-of-way contracts during the County's greatest growth period (1970-1980). The average cost of right-of-way purchased during that time period was \$714 per acre. This amount was averaged with the 1979 and 1982 Larimer County per acre value from Colorado Agriculture Statistics. This resulted in a \$780 per acre value for right-of-way. Right-of-way assets are reported with land and are not depreciated.

Deferred Outflows/Inflows of Resources

In accordance with the Governmental Accounting Standards Board, the County has implemented GASB 63 *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position* and chosen early implementation of GASB 65, *Items Previously Reported as Assets and Liabilities*. Both statements incorporate deferred outflows of resources and deferred inflows of resources, as defined by GASB Concepts Statement No. 4, into required components to measure net position (formerly net assets). The new accounting and financial reporting standards reclassify certain items that were previously assets or liabilities to deferred outflows and inflows of resources.

A deferred outflow of resources is a consumption of net assets by the government that is applicable to a future reporting period. The County has only one type of deferred outflow, deferred loss on refunding bonds.

A deferred inflow of resources is an acquisition of net assets by the government that is applicable to a future reporting period. The County has deferred inflows reported on the government-wide statements and fund financial statements, deferred and advance payments of property taxes and assessments.

Additionally, debt issuance costs previously reported as deferred charges are no longer recognized as assets. Accordingly, debt issuance costs previously reported as deferred charges at December 31, 2011 have been reclassified as a prior period adjustment in the amount of \$636,016.

Compensated Absences

County employees accumulate sick leave and vacation benefits at rates of 3.7 hours per bi-weekly pay period and 3.7 to 7.4 hours per bi-weekly pay period, respectively, depending on position and length of service. In the event of retirement or termination, an employee is paid 100% of accumulated vacation pay. County employees with five to nine years of continuous service have the monetary value of 35% of the number of hours of sick leave deposited into a post-employment health reimbursement account (HRA) and those with ten or more years of continuous service will have 50% deposited into an HRA. If the monetary value is less than \$1,000, the employee will receive a cash payout. Up to one and one-half times the annual vacation accrual rate may be carried over from one year to the next. Compensatory time is granted

(except for official, professional, and administrative positions) at the rate of one and one-half hours for each overtime hour worked, not to be accumulated in excess of sixty hours.

In governmental funds, employees typically earn more sick leave and vacation pay than are actually utilized during the current period. The unpaid sick leave, vacation pay and related benefits at the end of the period will generally not be paid with expendable and available resources. Proprietary funds accrue sick leave, vacation pay, and related benefits in the period they are earned by the employees. The entire compensated absence liability is reported on the government-wide financial statements.

Long-term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service or project expenditures.

Fund Equity

In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balance classifications based on the requirements of GASB Statement No. 54 are Nonspendable, Restricted, Committed, Assigned, and Unassigned. These classifications reflect not only the nature of funds but also provide clarity to the level of restriction placed upon fund balance. Fund balance can have different levels of restraint, such as external versus internal compliance requirements. Unassigned fund balance is a residual classification within the General Fund. The General Fund should be the only fund that reports a positive unassigned balance. In all other funds, unassigned is limited to negative residual fund balance. For further details of the various fund balance classifications refer to Note 10.

Net Position

Net position represent the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. Net investment in capital assets consists of net capital assets less outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows or resources related to those assets. Net position are reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, laws, or regulations of other governments. Unrestricted net position consists of all other net position that does not meet the definition of the above two components and is available for general use by the County.

It is the County's policy to consider restricted net position to have been depleted before unrestricted net position.

LARIMER COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2012

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 amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

NOTE 2 - DEPOSITS AND INVESTMENTS

Deposits

Colorado State Statutes, specifically the Public Deposit Protection Act 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, as promulgated by the State banking board, having a market value in excess of 102% of the aggregate uninsured public deposits. Eligible collateral must be held in the custody of any federal reserve bank or any branch thereof or of any depository trust company which is a member of the Federal Reserve System and which is supervised by the State banking board. The Statutes further restrict such deposits to eligible public depositories having their principal offices within the State of Colorado. Deposits up to \$250,000 per institution are covered by Federal Depository Insurance Corporation (FDIC).

Deposits with financial institutions are comprised of bank demand deposits. The total of these deposits was \$32,181,598 on December 31, 2012.

December 31, 2012	Carrying Amount	Bank Balance
Deposits with financial institutions	\$ 32,181,598	\$ 34,123,438
Investments	219,173,141	-
Total deposits	\$251,354,739	\$ 34,123,438

Investments

Colorado State Statutes authorize the County to invest in obligations of the U.S. Treasury, agencies and instrumentalities, commercial paper, repurchase agreements, money market funds, and local government investment pools with a maturity date no more than five years from the date of purchase. Investments are reported at fair value, except for non-participating contracts which are reported at amortized cost.

The County's local government investment pool is Colorado Liquid Asset Trust (COLOTRUST), which is rated AAAM and is a 2a7-like investment pool. Investments are valued at amortized cost with each share valued at \$1.00. The investment pools are routinely monitored by the Colorado Division of Securities with regard to operations and investments. Investments consist of U.S. Treasury bills, notes and note strips, and repurchase agreements collateralized by U.S. Treasury Notes. The designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions of each pooled investment. All securities owned by each pooled investment are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by each pool investor.

Credit Risk

State statutes authorize the County to only invest in bank deposits, general obligations of the U.S. Government and its highest rated agencies, repurchase agreements of less than 180 days and

collateralized by U.S. Treasury or Federal Instrumentality Securities with a maturity not exceeding 10 years, highest rated commercial paper, certain banker's acceptances, local government investment pools, money market funds and time certificates of deposit. The County has no investment policy that would further limit its investment choices. All investments in debt securities are rated AAA, the highest rating available.

Concentration Risk

The County's investment policy calls for investment diversification within the portfolio to avoid unreasonable risks inherent in over investing in specific instruments, individual financial institutions or maturities. The County investments are concentrated in local investment pools (47%), U.S. securities (25%), U.S agency securities (27%), and repurchase agreements (1%).

More than 5 percent of the County's investments are in Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation and Federal National Mortgage Association. These investments are 13.71%, 21.96% and 16.68%, respectively of the County's total investments.

Interest Rate Risk

As a means of limiting exposure to fair value losses from interest rates, Colorado Revised Statutes limit maturities to five years or less, unless the Board of County Commissioners authorizes longer maturities. The County follows Colorado Revised Statutes for its investments except for bond proceeds which have been authorized to be invested for periods longer than five years.

Investment Type	Fair Value	Average Investment Maturity
Government Securities:		
Federal Farm Credit Bank	\$ 15,663,695	39 months
Federal Home Loan Bank	503,545	12 months
Federal Home Loan Mortgage Corporation	25,093,400	39 months
Federal National Mortgage Association	19,050,170	44 months
Treasury Notes	53,933,338	33 months
Local Government Investment Pool	103,255,288	<60 days
Repurchase Agreements	1,673,705	various
Total Investments	\$219,173,141	

NOTE 3 - RECEIVABLE BALANCES

In 2008, the intergovernmental agreement between the County, the City of Fort Collins, and the Fort Collins Downtown Development Authority (DDA) was amended and resulted in a long-term receivable for the County. These payments are reimbursement for the costs paid by the County on behalf of the DDA for its portion of the building costs of the Civic Center parking structure, located in downtown Fort Collins across from the Justice Center. The City has agreed to pay \$1,274,000 plus accumulated interest. This agreement included estimated interest payments and estimated total payments, which are detailed in the following table. The estimated interest was calculated based on an average of the City's yield on investments, accumulating from the date of the original 1999 agreement. Actual interest payments will be based on the average City yield on investments for the prior year. The receivable

LARIMER COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2012

balance on December 31, 2012, was \$969,650. The annual payments commenced on September 30, 2008, and the payments will continue until 2018 when the principal has been repaid.

	Beginning Principal Balance	Principal Payment	Actual Interest	Total Payment *	Ending Principal Balance	Estimated Interest	Estimated Total Payment
2012	\$1,109,402	\$139,752	\$13,147	\$152,899	\$969,650	\$46,348	\$186,100
2013	969,650	145,590			824,060	40,510	186,100
2014	824,060	151,673			672,387	34,427	186,100
2015	672,387	158,009			514,378	28,091	186,100
2016	514,378	164,610			349,768	21,490	186,100
2017	349,768	171,487			178,281	14,613	186,100
2018	178,281	178,281			-	7,448	185,729

*Interest rate for these payments was based on the average City yield on investments for the prior year.

NOTE 4 – INTERFUND TRANSACTIONS

Due to/Due From

The County reports interfund balances between many of its funds. Some of the balances are considered immaterial and are aggregated into a single column or row. The sum of all balances presented in the table agrees with the sum of interfund balances presented in the balance sheets for governmental and proprietary funds. All remaining balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occurred, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. Interfund balances are generally expected to be repaid within one year of the financial statement date.

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Human Services	\$ 271,010
	Open Lands	20,021
	Road and Bridge	73,938
	Non-Major Governmental Funds	355,060
	Enterprise Fund	29,813
	Internal Service Funds	41,391
	Human Services	Non-Major Governmental Funds
Open Lands	General Fund	203
	Non-Major Governmental Funds	43,429
Road and Bridge	Non-Major Governmental Funds	776
	Internal Service Funds	607
Non-Major Governmental Funds	General Fund	602,079
	Human Services	284,279
	Open Lands	65,356
	Road and Bridge	219
	Non-Major Governmental Funds	487,688
	Enterprise Fund	200
	Internal Service Funds	43,872

Receivable Fund	Payable Fund	Amount
Enterprise Fund	Non-Major Governmental Funds	\$ 21,574
Internal Service Funds	General Fund	28,241
	Human Services	77,613
	Non-Major Governmental Funds	136,802
	Enterprise Fund	238
	Internal Service Funds	33,454
Total		\$2,620,825

Advances

The \$2,000,000 advanced to The Ranch Fund (a special revenue fund) from the Solid Waste Fund (an enterprise fund) resulted from a loan made to provide financing resources for a building construction project.

The \$1,245,518 advanced to the Parks Fund (a special revenue fund) from the Solid Waste Fund (an enterprise fund) resulted from a loan made to provide financing resources for park improvements.

The \$75,000 advanced to the PID-Puebla Vista Estates Fund (a special revenue fund) from the Assessment Debt Fund (a debt service fund) resulted from a loan made to provide resources for road improvements.

Transfers

Transfers are indicative of funding for capital projects or debt service, subsidies of various County operations and re-allocation of special revenues. The following schedule briefly summarizes the County's transfer activity:

	Transfers In					Total
	General Fund	Human Services	Non-Major Governmental Funds	Enterprise Fund	Internal Service Funds	
Transfers out:						
General Fund	\$ -	\$ 90,000	\$ 9,934,488	\$ -	\$13,573,356	\$23,597,844
Open Lands	-	-	127,119	-	-	127,119
Road and Bridge	175,126	-	15,817	-	-	190,943
Sales Tax	-	-	5,857,314	-	-	5,857,314
Non-Major Governmental Funds	135,974	627,290	902,315	-	1,137,627	2,803,206
Enterprise Fund	19,635	-	-	-	56,390	76,025
Internal Service Funds	19,355	-	688,391	7,038	-	714,784
Total	\$350,090	\$717,290	\$17,525,444	\$7,038	\$14,767,373	\$33,367,235

During 2012, there was a non-routine and significant transfer from the General Fund. Funds were transferred due to the reorganization of the County's internal service funds.

LARIMER COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2012

NOTE 5 - CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2012, was as follows:

	Balance 1/1/2012	Additions	Reductions	Balance 12/31/2012
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 78,688,150	\$ 1,786,274	\$ -	\$ 80,474,424
Other assets (water rights, artwork, etc.)	2,051,712	926,727	-	2,978,439
Infrastructure (roads and bridges)	240,150,798	1,337,718	794,528	240,693,988
Construction in progress	8,516,490	17,357,936	23,380,436	2,493,990
Total capital assets not being depreciated	329,407,150	21,408,655	24,174,964	326,640,841
Capital assets being depreciated:				
Buildings	143,589,253	9,855,283	258,900	153,185,636
Improvements	54,454,944	11,611,526	4,008,854	62,057,616
Equipment	45,037,127	5,094,353	2,988,614	47,142,866
Infrastructure (subdivision roads/traffic signals)	32,411,982	-	-	32,411,982
Total capital assets being depreciated	275,493,306	26,561,162	7,256,368	294,798,100
Less accumulated depreciation:				
Buildings	36,132,011	3,612,611	56,256	39,688,366
Improvements	20,165,052	2,134,267	-	22,299,319
Equipment	26,750,144	3,405,796	2,643,475	27,512,465
Infrastructure (subdivision roads/traffic signals)	28,573,564	801,710	-	29,375,274
Total accumulated depreciation	111,620,771	9,954,384	2,699,731	118,875,424
Total capital assets being depreciated, net	163,872,535	16,606,778	4,556,637	175,922,676
Governmental activities capital assets, net	\$493,279,685	\$38,015,433	\$28,731,601	\$502,563,517
Business-type activities:				
Capital assets not being depreciated:				
Land	\$1,695,533	\$ -	\$ -	\$ 1,695,533
Capital assets being depreciated:				
Buildings	2,327,632	-	-	2,327,632
Improvements	917,537	-	-	917,537
Equipment	4,144,586	1,134,633	928,998	4,350,221
Total capital assets being depreciated	7,389,755	1,134,633	928,998	7,595,390
Less accumulated depreciation:				
Buildings	969,392	75,929	-	1,045,321
Improvements	148,353	48,301	-	196,654
Equipment	1,608,226	433,834	542,474	1,499,586
Total accumulated depreciation	2,725,971	558,064	542,474	2,741,561
Total capital assets being depreciated, net	4,663,784	576,569	386,524	4,853,829
Business-type activities capital assets, net	\$ 6,359,317	\$ 576,569	\$ 386,524	\$ 6,549,362

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	\$ 3,924,457
Judicial and public safety	1,505,392
Streets and highways	1,793,540
Recreation	2,479,639
Health and human services	251,356
Total depreciation expense-governmental activities	\$ 9,954,384
Business-type activities	
Solid Waste	\$ 558,064
Total depreciation expense-business-type activities	\$ 558,064

NOTE 6 - SELF-INSURANCE

The County has established self-insurance funds (internal service funds) for employee benefits, unemployment and risk management activities. Employee Benefits activities include dental insurance, medical insurance, employee wellness program, employee wellness clinic, and employee benefits administration. Risk Management activities include workers' compensation, general liability, automobile liability and physical damage, law enforcement liability, and professional liability. Fees collected from other County funds are recognized as revenues in the period in which the insurance coverage is provided. Insurance claims are recognized as expenses as they are incurred. There have been no significant reductions in insurance coverage from coverage in the prior year. Insurance settlements have not exceeded insurance coverage for each of the past three fiscal years.

The claims liability reported in each fund is based on the requirements of GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Estimated liabilities include claims as of December 31, 2012.

1. Employee Benefits - dental insurance: County departments are charged the employee only premium rate for the employee’s selected coverage and the employee pays for any dependent coverage. Actual claims are processed and paid by a third party administrator for a fee based on the number of eligible employees enrolled during the month. The third party administrator is reimbursed from the Employee Benefits Fund for the paid claims and the monthly administration fee.

Employee Benefits - medical insurance: County departments are charged a percentage of the premium for medical benefits based on the type of coverage chosen by the employee. The remaining coverage is paid by the employee. Stop loss insurance is maintained to reduce the County’s risk against claims exceeding \$125,000 per employee. The County pays the claims on a daily basis after approval by the third party administrator. The County pays monthly administration and stop loss insurance fees based on the number of eligible employees and their dependents enrolled during the month. The claims liability was calculated based upon claims data provided by benefit consultants.

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

	2012	2011
Claims payable, January 1	\$ 1,790,355	\$ 1,490,436
Incurred claims	12,513,694	13,503,475
Claims paid	(11,590,188)	(13,203,556)
Claims payable, December 31	\$ 2,713,861	\$ 1,790,355

2. Risk Management – property and casualty: County departments are charged a fee for direct costs of property and casualty based on individual department’s exposures and losses. These claims are processed in-house. Personal injury limit is \$150,000 per person, \$600,000 per occurrence as stated in the Colorado Governmental Immunity Act. Property insurance is provided by a commercial insurance company with a \$100,000 deductible and a limit of liability per occurrence of \$150,000,000. In 2012, excess liability insurance was purchased with self-insured retention of

LARIMER COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2012

\$500,000 per occurrence, to be paid by the County, with limits of liability of \$10,000,000 per occurrence and \$10,000,000 annually in the aggregate.

Risk Management – workers' compensation: County departments are charged a fee per \$100 of gross wages based on the relative risk of each employee's position. Actual claims are processed and paid by a third party administrator for a fee per each claim processed. The third party administrator is reimbursed monthly from the Risk Management Fund. The maximum self-insured liability per employee is \$500,000. Any single loss in excess of \$500,000 is covered by a commercial insurance company.

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

	2012	2011
Claims payable, January 1	\$ 3,047,026	\$ 3,513,400
Incurred claims	1,018,125	1,299,248
Claims paid	(1,270,340)	(1,765,622)
Claims payable, December 31	\$ 2,794,811	\$ 3,047,026

3. Unemployment insurance: County departments are charged 0.25% of gross wages for unemployment coverage. Actual claims are processed and paid by the State of Colorado. The State is reimbursed quarterly from the Unemployment Fund.

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

	2012	2011
Claims payable, January 1	\$ 442,084	\$ 556,260
Incurred claims	314,436	356,419
Claims paid	(437,247)	(470,595)
Claims payable, December 31	\$ 319,273	\$ 442,084

NOTE 7 - LEASE OBLIGATIONS

Operating Leases

The County has entered into various operating leases for office space, office equipment, and software maintenance. Lease terms are generally on a month-to-month or annual basis with renewal options common. Costs incurred in 2012 for operating leases were \$3,214,826 in the governmental funds and \$601,248 in the proprietary funds. Of these costs, \$961,414 in the governmental funds were interfund operating leases for office space.

NOTE 8 - CLOSURE AND POSTCLOSURE CARE COST OF LANDFILL

State and federal laws and regulations require the County to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The \$3,533,389 reported as landfill closure and postclosure care liability at December 31, 2012, represents the cumulative amount reported to date based on the use of 71.6% percent of the estimated

capacity of the landfill. The County will recognize the remaining estimated cost of closure and postclosure care of \$1,401,396 as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2012. Actual cost may be higher due to inflation, changes in technology or changes in regulations. It is estimated that the County landfill has a remaining useful life of 15.5 years. The County is required by state and federal laws and regulations to demonstrate financial assurance. The County is in compliance with these requirements through the local government financial test.

Estimated total current cost of closure and postclosure care applicable to entire landfill for 2012 are as follows:

Equipment and Facilities Closure Cost:	
Near date landfill stops accepting waste:	
Installation of gas monitoring and venting systems	\$ 1,390
During closure:	
Expected renewals and replacements of stormwater erosion control facilities	79,812
Final Cover Closure Cost:	
Final cover material and labor, including vegetative cover	3,531,150
Engineering Management	253,550
Miscellaneous	386,704
Postclosure Care Cost (30 years):	
Inspection and maintenance of final cover (\$10,139.318 per year)	304,180
Groundwater monitoring (\$11,788.44166 per year)	353,653
Gas monitoring (\$511.5806 per year)	15,347
Groundwater monitoring well replacement (\$299.9726 per year)	8,999
Estimated cost in 2012 dollars of closure and postclosure care applicable to entire landfill	\$ 4,934,785

Calculation of accrued liability and annual expense amounts are as follows:

Total estimated capacity		19,990,943 cubic yards
Cumulative capacity used to date		14,313,850 cubic yards
Percent depleted		71.6%
	Amount Previously	Current Year
	<u>Recognized</u>	<u>Expense</u>
$\frac{\$ 4,934,785 \times 14,313,850}{19,990,943}$	\$ 3,382,163	\$ 151,226

NOTE 9 - LONG-TERM LIABILITIES

Improvement district bonds

Special assessment bonds payable are secured by a lien on the property within each improvement district. Public improvement district bonds are secured by a special property tax levied by the district. In the event of default on taxes receivable, although there is no legal obligation to do so, Larimer County may opt to cover bond deficiencies with other resources until foreclosure proceeds are received.

The Centro Business Park Public Improvement District Fund (a special revenue fund) issued \$940,000 in bonds on May 13, 2008, with interest rates ranging between 2.75% and 5.00%. The bonds were issued to construct, install and acquire storm sewer and related improvements within the district, fund the reserve fund, and pay the costs of issuing the bonds. These bonds will be repaid from a property tax levied against the property owners within the district.

A summary of annual requirements to repay these bonds is as follows:

Year	Principal	Interest	Total
2013	\$ 101,792	\$ 53,132	\$ 154,924
2014	132,553	48,997	181,550
2015	143,337	42,798	186,135
2016	149,144	36,013	185,157
2017	154,976	28,919	183,895
2018-2022	353,280	65,208	418,488
2023-2027	188,253	25,985	214,238
2028-2032	73,741	2,837	76,578
Totals	\$1,297,076	\$ 303,889	\$1,600,965

A reserve fund of \$94,000 is required and is included in the Centro Business Park Public Improvement District No. 38 Fund.

Revenue bonds

On July 1, 2000, the County issued revenue bonds secured and payable by a .25% open space sales and use tax approved through 2018. These revenue bonds represent debt in Open Space Debt (a debt service fund) and are not general obligations of the County. The bonds were issued to acquire, protect, improve, and maintain open space, natural areas, wildlife habitat, parks and trails. Annual debt service payments on the bonds are expected to require approximately 30% of this tax.

On September 20, 2007, the County entered into a refunding transaction whereby the Open Space Sales and Use Tax Revenue Refunding Bonds Series, 2007 were issued to facilitate the retirement of the County's Open Space Sales and Use Tax Revenue Bonds, Series 2000. The Series 2007 bonds were issued in the amount of \$8.53 million. The bonds mature annually beginning in 2007, with final payment in 2018. Interest rates range between 4% and 5% and are payable semi-annually. For the current year, principal and interest paid was \$1,231,513 and sales and use tax received was \$4,445,195.

A summary of annual requirements to repay these bonds is as follows:

Year	Principal	Interest	Total
2013	\$ 960,000	\$269,362	\$1,229,362
2014	1,000,000	230,962	1,230,962
2015	1,040,000	188,462	1,228,462
2016	1,085,000	144,263	1,229,263
2017	1,135,000	95,438	1,230,438
2018	1,180,000	47,201	1,227,201
Totals	\$6,400,000	\$975,688	\$7,375,688

In April 2002, the County issued revenue bonds secured and payable by a .15% fairgrounds sales and use tax approved through 2019. These revenue bonds represent debt in The Ranch Debt (a debt service fund) and are not general obligations of the County. The bonds were issued for the purpose of constructing, equipping and operating an event center, community building, related fairground facilities and associated improvements. Annual debt service payments on the bonds are expected to require approximately 79% of this tax. For the current year, principal and interest paid was \$3,595,899 and sales and use tax received was \$6,386,353.

On December 15, 2011, the County issued \$30.19 million in revenue refunding bonds with interest ranging between 1.74% and 2.55%.

A summary of annual requirements to repay these bonds is as follows:

Year	Principal	Interest	Total
2013	\$ 3,690,000	\$ 632,443	\$ 4,322,443
2014	3,750,000	568,237	4,318,237
2015	3,815,000	502,988	4,317,988
2016	3,910,000	405,705	4,315,705
2017	4,000,000	306,000	4,306,000
2018-2019	8,000,000	301,028	8,301,028
Totals	\$27,165,000	\$2,716,401	\$29,881,401

Certificates of participation

The certificates of participation represent debt in Larimer County Building Authority (a debt service fund) and are not general obligations of the County. The certificates were issued to finance the construction of buildings leased to the County. In 2012, annual debt service payments were payable from a voter approved tax. For the current year, principal and interest paid was \$7,846,735 and sales and use tax received was \$12,622,536.

On December 15, 2008, the County entered into a current refunding of the 3.75%-5.0% 1998 certificates of participation by issuing new 3.4% certificates in the amount of \$22.3 million. Final payment of these bonds was made in 2012.

A summary of annual requirements to repay the 2002 and 2003 certificates is as follows:

LARIMER COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2012

Year	Principal	Interest	Total
2013	\$ 900,000	\$135,063	\$1,035,063
2014	935,000	99,900	1,034,900
2015	365,000	62,440	427,440
2016	380,000	48,205	428,205
2017	390,000	33,005	423,005
2018	410,000	17,015	427,015
Totals	\$3,380,000	\$395,628	\$3,775,628

Underlying the certificates is an annually renewable lease, subject to annual appropriation, entered into between the County and the Larimer County Building Authority. In 2012, the certificates were payable from a voter approved sales tax. Larimer County citizens voted for a four-tenths of one percent sales tax to finance building a justice center, an administration building, a sheriff's administration building, and remodeling of the existing administrative offices in 1997. Two-tenths of one percent of this sales tax expired in 2012. In 2013, annual debt service payments will be payable from the debt service reserve and from the Criminal Justice Department.

A reserve fund of \$1,673,705 is required and is included in the Larimer County Building Authority Debt Fund.

Long-term obligations

	Interest Rate %	Maturity	Balance 1/1/2012	Additions	Reductions	Balance 12/31/2012	Due Within One Year
Governmental activities:							
Certificates of participation	3.00-4.15%	2018	\$10,830,000	\$ -	\$ 7,450,000	\$ 3,380,000	\$ 900,000
Revenue bonds	2.50-5.75%	2019	37,515,000	-	3,950,000	33,565,000	4,650,000
Unamortized premium/discount			121,297	-	16,977	104,320	16,978
Special assessments:							
Glacier View	3.50%	2028	335,734	-	21,502	314,232	14,984
Hidden View	2.00%	2030	293,175	-	40,331	252,844	11,808
Ferndale	3.00-5.85%	2017	70,000	-	15,000	55,000	-
Linmar	3.00-5.85%	2017	95,000	-	15,000	80,000	-
Centro Business Park	2.75-5.00%	2019	665,000	-	70,000	595,000	75,000
Compensated absences			12,906,250	13,821,693	13,228,727	13,499,216	1,424,074
Claims payable			5,279,465	13,846,255	13,297,775	5,827,945	4,686,411
Contracts payable		2017	-	876,476	110,281	766,195	173,478
Total governmental			68,110,921	28,544,424	38,215,593	58,439,752	11,952,733
Business-type activities:							
Compensated absences			142,180	157,475	146,713	152,942	16,134
Landfill closure and postclosure costs			3,382,163	151,226	-	3,533,389	-
Total business-type			3,524,343	308,701	146,713	3,686,331	16,134
Total long-term obligations			\$71,635,264	\$28,853,125	\$38,362,306	\$62,126,083	\$11,968,867

At year-end, \$1,376,107 of internal service funds compensated absences are included in the above amounts. For governmental activity, the majority of compensated absences are liquidated by the General Fund, while claims payable are liquidated by the Employee Benefits Fund, Risk Management Fund, and Unemployment Fund. The landfill closure and postclosure costs are liquidated by the Solid Waste Fund, which is a business-type activity. Contracts payable are liquidated by the General Fund and Employee Benefits Fund.

NOTE 10 - FUND BALANCE DISCLOSURE

In accordance with *Governmental Accounting Standards Board Statement 54, Fund Balance Reporting and Governmental Fund Type Definitions*, the County classifies governmental fund balances as follows:

Nonspendable Fund Balance – The portion of fund balance that cannot be spent because it is either not in a spendable form or is legally or contractually required to be maintained intact. This includes inventories and long-term receivables.

Restricted Fund Balance – The portion of fund balance constrained for a specific purpose by external parties (creditors-debt covenants, grantors, contributors, or laws and regulations of other governments), constitutional provisions, or enabling legislation. Effectively, restrictions on fund balance may only be changed or lifted with the consent of the resource providers. Enabling legislation, as the term is used in GASB 54, authorizes the government to assess, levy, charge or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that a government can be compelled by an external party – such as citizens, public interest groups, or the judiciary – to use resources created by enabling legislation only for the purposes specified by the legislation.

Committed Fund Balance – The County’s highest decision-making level of authority rests with the Board of County Commissioners. Fund balance is reported as committed when the Board imposes limitations on funds by majority vote at a public meeting prior to the end of the fiscal year. This action constitutes the most binding formal action of the Board. The constraint may be removed or changed only by the same formal action of the Board of County Commissioners.

Assigned Fund Balance – The portion of fund balance set aside for planned or intended actions. The intended use may be expressed by the Board of County Commissioners or other individuals delegated by the Board per policy (County Manager, Budget Manager, or Financial Services Director) to assign funds to be used for a specific purpose. Fund balance may be assigned after the end of the reporting period. In governmental funds other than the General Fund, assigned fund balance represents the amount that is not nonspendable, restricted, or committed. This indicates that resources in these funds are, at a minimum, intended to be used for the purpose of that fund. Assigned funds cannot cause a deficit in the unassigned fund balance.

Unassigned Fund Balance – This is the residual portion of General Fund balance that does not meet any of the above criteria. It represents resources available for immediate appropriation by the Board for any purpose. The County will only report a positive unassigned fund balance in the General Fund. Although there is generally no set spending plan for the unassigned portion, there is a need to maintain a certain funding level to cover unexpected expenditures and revenue shortfalls. In other funds, the unassigned classification is used only to report a deficit balance.

The County may or may not report all fund balance types in any given reporting period, based on actual circumstances and activity. It is not expected or required that all funds report all possible fund balance classifications.

LARIMER COUNTY, COLORADO
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Year Ended December 31, 2012

When multiple categories of fund balance are available for expenditure, the County will start with the most restricted category and spend those funds first before moving down to the next category with available funds. Therefore, fund balance is generally depleted in the order of restricted, committed, assigned, and unassigned. One exception is if the restricted funds have legal requirements that disallow it being spent first.

The County established an emergency reserve policy in 2005 which set funds aside for an emergency as defined by 30-25-107 of the Colorado Revised Statutes. This reserve is to provide for expenditures caused by an act of God, or the public enemy, or some contingency that could not have been reasonably foreseen at the time of adoption of the budget or the TABOR Emergency Reserve. Amendment One to the state constitution (Article X, Section 20 Taxpayer's Bill of Rights commonly referred to as TABOR), passed by voters in 1992, requires that reserves equal to 3% of the fiscal year spending be established for declared emergencies. The County restricts various fund balances to meet the 3% TABOR requirement.

The County's budget policy addresses various targeted reserve positions. The County's policy requires that most county funds maintain a minimum Working Capital ratio greater than 10% but less than 25% of annual expenditures.

NOTE 11 – DEFICIT FUND EQUITY

The Parks Fund (a special revenue fund) had a deficit fund balance of \$58,575 as of December 31, 2012. This is due to the cost for implementation of the Parks Master Plan. The Parks Fund borrowed funds from the Solid Waste Fund (an enterprise fund) to assist with the costs. The Parks Fund is anticipated to have sufficient resources available over the next several years to repay the loan with interest.

The PID-Puebla Vista Estates Fund (a special revenue fund) had a deficit fund balance of \$67,067 as of December 31, 2012. This is due to the cost of road construction. Puebla Vista Estates borrowed funds from the Assessment Debt Fund (a debt service fund) to assist with the costs of this project. The \$75,000 borrowed in 2012 is expected to be repaid over the next five years at an annual interest rate of 2.16 percent.

NOTE 12 – EXCESS SPENDING OVER APPROPRIATION

The County may be in violation of Colorado Revised Statutes due to the over-expenditure/expense of budget appropriations within the two major object classifications in certain funds. Departments are aware of excess expenditures due to unforeseen circumstances and appropriate measures are taken to avoid future excesses. The following table reflects in parentheses those areas where there was an excess of actual budget-basis expenditures/expenses and other uses over budgeted appropriations in the two major object classifications:

Year ended December 31, 2012	Variance		
	Personnel	Operating	Total
General Fund:			
Assessor	\$(78,862)	\$ 84,337	\$ 5,475
Special Revenue Funds:			
Building Inspection	8,181	(12,699)	(4,518)
Drainage	-	(30,294)	(30,294)
PID-Highland Hills	-	(2,577)	(2,577)
The Ranch	(5,605)	(281,005)	(286,610)
West Vine Stormwater	-	(201)	(201)
Capital Projects Funds:			
Capital Expenditures	(28,372)	994,505	966,133
Internal Service Funds:			
Facilities and Information Technology Division	(2,064)	2,149,891	2,147,827

NOTE 13 - RETIREMENT PLAN

The Larimer County Retirement Plan is a defined contribution plan. The plan is governed by Title 24, article 54 of the Colorado Revised Statutes. CRS 24-54-107 mandates the management of the Plan by a “county board of retirement.” The County’s Retirement Board is composed of five members including both County employees and Commissioner appointees from our community. The plan provides retirement, death, and disability benefits for all regular and limited-term employees of the County. Eligible employees enter the plan upon employment. Contributions by employees and the County are based on longevity as follows:

<u>Years of Service Completed</u>	<u>Employer/Employee Mandatory Contribution Rate</u>
upon hire	5%
5 years completed	7%
10 years completed	8%

Employees have the option of contributing up to 100 percent of their pay after taxes, less their current contribution rate, not to exceed \$49,000 per year per the I.R.S. 415 limits. The Sheriff department’s sworn deputies may increase the County’s match up to the 8% contribution rate by enrolling in the 457 deferred compensation plan.

Elected and appointed officials are 100% vested during their tenure as elected/appointed officials. Upon reaching retirement age of 55 or the death of a participant or a determination of disability (as defined in the plan), the participant is automatically 100% vested regardless of the length of service with the County. If none of these circumstances applies, eligible employees are vested according to the following schedule:

<u>Years of Service Completed</u>	<u>Vesting Percentage</u>
Under 5 years	0%
5+ years	100%

LARIMER COUNTY, COLORADO
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Forfeitures are allocated to eligible participants on December 31. Participants are eligible if they are an active participant on December 31 and have five or more full years of service

The County's total payroll for the year ended December 31, 2012, was \$92,516,256 and contributions were calculated on \$88,421,254 of covered payroll. The employer contributed \$6,068,828 and employees contributed \$6,068,828, totaling \$12,137,656 (13.73% of covered payroll). Other employee contributions in excess of the required contribution amounted to \$149,961.

Complete financial statements for the retirement plan may be obtained from the Larimer County Retirement Board, 200 West Oak, Fort Collins, Colorado 80521.

The District Attorney is a member of the Public Employees Retirement Association of Colorado (PERA). A copy of PERA's Comprehensive Annual Financial Report can be obtained from PERA of Colorado, 1300 Logan Street, Denver, Colorado 80203.

NOTE 14 - POSTEMPLOYMENT BENEFIT

With the exception of COBRA, the County does not offer any postemployment benefits. COBRA requires most employers with group health plans to offer employees a temporary continuation of group health care coverage under the employer's plan if coverage would otherwise cease due to termination, layoff, or other change in employment status. Under COBRA, coverage can continue up to eighteen months. Spouses and dependent children may also be eligible under COBRA with coverage continuing up to thirty-six months. Employees are responsible for paying both the employee and employer share of the premium cost. At December 31, 2012, there were eighteen participants.

NOTE 15 – TERMINATED BENEFITS

The County offered a voluntary separation incentive program for 2012. The purpose of the program was to offer employees in eligible positions to voluntarily separate from County employment. Eligible employees include full- or part-time regular, limited term and appointed employees. The application period is July 16, 2012 through June 28, 2013. Separations or reductions must occur no later than December 31, 2013.

The program included two components departments and offices could utilize:

In the first component, the employee's position (or substantially similar position) is permanently eliminated from the budget. In this case, the employee was paid a one-time lump sum payment equivalent to six months of base salary.

The second component provided for the position to be refilled at a lower rate of pay or a reorganization of work allowing for a reduction in the number of employees. With this option, the employee was paid a one-time lump sum payment equivalent to nine months of the projected salary savings.

There were twenty-six employees accepted into the program in 2012. The amount paid out was \$331,117. There are no plans to continue the program.

NOTE 16 - NONCASH PROGRAM ACTIVITY

Schedule of Electronic Benefit Transfer (EBT) Authorizations, Warrant Expenditures and Total Expenditures Year Ended December 31, 2012					
	A	B	C	D	E
Program	Net County EBT Authorizations	County Share of Authorizations	Expenditures by County Warrant	County EBT Authorizations plus Expenditures by County Warrant (Col. A + Col. C)	Total Expenditures (Col. B + Col. C)
Old Age Pension	\$ 2,985,635	\$ -	\$ 5,614	\$ 2,991,249	\$ 5,614
Low Income Energy Assistance Program	1,782,983	-	291,472	2,074,455	291,472
Aid to the Needy Disabled Temporary Assistance to Needy Families	943,536	223,527	-	943,536	223,527
CHATS/Child Care	3,951,379	862,751	2,573,987	6,525,366	3,436,738
Trails/Child Welfare	4,474,179	400,471	441,768	4,915,947	842,239
Core Services	3,185,707	724,624	11,950,616	15,136,323	12,675,240
IV-D Administration	947,527	115,712	993,472	1,940,999	1,109,184
Regular Administration	-	-	1,961,980	1,961,980	1,961,980
Supportive Services	-	-	6,183,396	6,183,396	6,183,396
General Assistance	-	-	2,749,379	2,749,379	2,749,379
Adult Single Entry Point	-	-	23,290	23,290	23,290
Miscellaneous	-	-	1,223,569	1,223,569	1,223,569
Locally Funded	-	-	895,143	895,143	895,143
Subtotal	-	-	3,649,908	3,649,908	3,649,908
Food Assistance	18,270,946	2,327,085	32,943,594	51,214,540	35,270,679
Total	37,494,215	-	-	37,494,215	-
	\$55,765,161	\$2,327,085	\$32,943,594	\$88,708,755	\$35,270,679

- A. Welfare payments authorized by the Larimer County Department of Human Services. These County authorizations are paid by the Colorado Department of Human Services by QUEST debit cards or by electronic funds transfer (EFT).
- B. County share of EBT authorizations - these amounts are settled monthly by a reduction of State cash advances to the County.
- C. Expenditures made by County warrants or other County payment methods.
- D. This represents the total cost of the welfare programs that are administered by Larimer County.
- E. This total matches the expenditures and transfers on the Human Services Fund – Statement of Revenues, Expenditures, and Changes in Fund Balances.

LARIMER COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2012

In addition to the revenue and expenditures included in the financial statements, the County determines eligibility for various benefits funded by Federal and State programs and paid electronically to the beneficiaries by the State. Amounts for 2012 are as follows:

Health and Environment	WIC Food Vouchers	\$2,613,598
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NOTE 17 - COMMITMENTS AND CONTINGENT LIABILITIES

Commitments

Colorado State Statutes and Constitution limit the annual increase in ad valorem tax yield over the previous year and prohibit any increase in the mill levy, except upon the favorable approval of the electorate. At an election held on November 2, 1999, County voters approved a measure exempting the County from any revenue or property tax increase limitation; however, tax rates cannot be increased. For the 2012 budget year, the County exceeded the limit for Homestead Estates GID #10 by an immaterial amount. The County is responsible for refunding the excess to Homestead Estates property owners by temporarily lowering taxes in the following year.

The County is undergoing a construction project at the Detention Center to remodel an area for an intake processing unit. The project started in 2011 as part of the Midpoint Campus project and is expected to be complete in March 2014. Additionally, the Ranch is undergoing a construction project to re-build the indoor arena and two pavilions and add a warm-up area. The project started in September 2012 and is expected to be complete in July 2013.

Contingencies

The County is currently the defendant in several pending lawsuits. Legal counsel is of the opinion that potential claims against the County resulting from such litigation not covered by insurance do not pose a threat of significant liability to the County.

NOTE 18 - CONDUIT DEBT OBLIGATIONS

The County has participated in several issues of private activity bonds. These bonds are not direct or contingent liabilities of the County. Revenues from the facilities constructed or from mortgages are pledged for the total payment of principal and interest. Bondholders can only look to these sources for repayment. In addition, under Colorado Library Law, the County serves as the issuer for Library District bonds. These bonds are payable solely from general ad valorem taxes levied on all taxable property located within the library district.

As of December 31, 2012, there were four series of private activity bonds and one series of library bonds outstanding. The principal amount outstanding was \$1,324,284.

**Required Supplementary Information
Other Than MD&A**

LARIMER COUNTY, COLORADO
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - ACTUAL AND BUDGET
BUDGET BASIS
Year Ended December 31, 2012

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Taxes:				
Property	\$ 73,927,121	\$ 73,927,121	\$ 73,515,510	\$ (411,611)
Sales	5,832,360	5,832,360	5,832,656	296
Other	1,187,200	1,187,200	1,203,762	16,562
Intergovernmental	1,454,243	2,632,769	3,028,326	395,557
Licenses and permits	205,050	231,164	379,919	148,755
Charges for services	12,459,206	13,126,947	13,809,505	682,558
Interest earnings	635,590	835,590	509,742	(325,848)
Miscellaneous	1,225,860	2,131,560	4,128,824	1,997,264
Total revenues	96,926,630	99,904,711	102,408,244	2,503,533
EXPENDITURES				
General government				
Personnel:				
Assessor	3,302,610	3,347,527	3,426,389	(78,862)
Board of County Commissioners	3,711,590	3,711,903	3,680,571	31,332
Clerk and Recorder	6,051,445	5,880,842	5,173,410	707,432
County Surveyor	6,012	6,012	5,976	36
Financial services	1,289,996	1,271,540	1,249,112	22,428
Planning	1,753,768	1,803,701	1,665,320	138,381
Public works	416,794	416,147	415,359	788
Treasurer	1,055,261	1,051,856	1,035,566	16,290
Total personnel	17,587,476	17,489,528	16,651,703	837,825
Operating:				
Assessor	492,825	472,825	388,488	84,337
Board of County Commissioners	2,076,794	6,642,644	1,852,989	4,789,655
Clerk and Recorder	2,188,745	2,589,793	1,835,172	754,621
Financial services	252,295	343,489	218,947	124,542
Planning	558,798	573,627	513,973	59,654
Public works	57,077	57,653	47,926	9,727
Treasurer	383,102	386,507	133,109	253,398
Total operating	6,009,636	11,066,538	4,990,604	6,075,934
Total general government	23,597,112	28,556,066	21,642,307	6,913,759
Judicial and public safety				
Personnel:				
Coroner	547,522	549,745	545,386	4,359
District Attorney	5,881,299	5,854,678	5,848,925	5,753
Sheriff/detention center	31,020,428	32,011,799	31,834,649	177,150
Total personnel	37,449,249	38,416,222	38,228,960	187,262

Continued on next page

LARIMER COUNTY, COLORADO
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - ACTUAL AND BUDGET
BUDGET BASIS
Year Ended December 31, 2012

	Budgeted		Actual	Variance
	Original	Final		
Operating:				
Coroner	\$ 388,180	\$ 385,957	\$ 378,329	\$ 7,628
District Attorney	1,425,360	1,369,001	728,314	640,687
Sheriff/detention center	7,366,511	9,164,916	8,023,280	1,141,636
Total operating	9,180,051	10,919,874	9,129,923	1,789,951
Total judicial and public safety	46,629,300	49,336,096	47,358,883	1,977,213
Streets and highways				
Engineering:				
Personnel	2,675,432	2,537,352	2,435,794	101,558
Operating	349,634	886,190	716,290	169,900
Capital Outlay	-	464,356	464,356	-
Total streets and highways	3,025,066	3,887,898	3,616,440	271,458
Health and human services				
Extension/Veterans Service:				
Personnel	324,684	357,931	349,351	8,580
Operating	461,631	451,636	371,101	80,535
Total health and human services	786,315	809,567	720,452	89,115
Total expenditures	74,037,793	82,589,627	73,338,082	9,251,545
Excess of revenues over expenditures	22,888,837	17,315,084	29,070,162	11,755,078
OTHER FINANCING SOURCES (USES)				
Transfers in:				
General government				
Board of County Commissioners	-	-	52,719	52,719
Public works	206,029	205,254	182,248	(23,006)
Streets and highways				
Engineering	201,828	115,123	115,123	-
Total transfers in	407,857	320,377	350,090	29,713
Transfers out:				
General government				
Board of County Commissioners	(22,505,203)	(28,347,579)	(31,459,700)	(3,112,121)
Clerk and Recorder	-	(9,152)	(9,152)	-
Public works	-	(71)	(120)	(49)
Judicial and public safety				
Sheriff/detention center	-	(248,350)	(771,022)	(522,672)
Streets and highways				
Engineering	(35,000)	-	-	-
Total transfers out	(22,540,203)	(28,605,152)	(32,239,994)	(3,634,842)
Total other financing sources (uses)	(22,132,346)	(28,284,775)	(31,889,904)	(3,605,129)
Net change to fund balance	756,491	(10,969,691)	(2,819,742)	8,149,949
Fund balance, January 1	33,235,060	42,214,944	42,214,944	-
Fund balance, December 31	\$ 33,991,551	\$ 31,245,253	\$ 39,395,202	\$ 8,149,949

See accompanying notes to required supplementary information

LARIMER COUNTY, COLORADO
HIGH PARK FIRE RECOVERY
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - ACTUAL AND BUDGET
BUDGET BASIS
Year Ended December 31, 2012

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ 403,122	\$ 57,964	\$ (345,158)
Miscellaneous	-	95,000	13,740	(81,260)
Total revenues	-	498,122	71,704	(426,418)
EXPENDITURES				
General government				
Personnel:				
Board of County Commissioners	-	93,046	25,384	67,662
Operating:				
Board of County Commissioners	-	5,284,104	719,534	4,564,570
Planning	-	170,000	44,898	125,102
Total operating	-	5,454,104	764,432	4,689,672
Total general government	-	5,547,150	789,816	4,757,334
Streets and highways				
Engineering:				
Operating	-	602,051	383,493	218,558
Capital outlay	-	56,578	1,574	55,004
Total streets and highways	-	658,629	385,067	273,562
Total expenditures	-	6,205,779	1,174,883	5,030,896
Excess (deficiency) of revenues over expenditures	-	(5,707,657)	(1,103,179)	4,604,478
OTHER FINANCING SOURCES				
Transfers in:				
General government				
Board of County Commissioners	-	5,047,150	5,047,150	-
Planning	-	170,000	170,000	-
Streets and highways				
Engineering	-	3,425,000	3,425,000	-
Total transfers in	-	8,642,150	8,642,150	-
Net change to fund balance	-	2,934,493	7,538,971	4,604,478
Fund balance, January 1	-	-	-	-
Fund balance, December 31	\$ -	\$ 2,934,493	\$ 7,538,971	\$ 4,604,478

See accompanying notes to required supplementary information

LARIMER COUNTY, COLORADO
CONTINGENT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - ACTUAL AND BUDGET
BUDGET BASIS
Year Ended December 31, 2012

	Budgeted		Actual	Variance
	Original	Final		
REVENUES	\$ -	\$ -	\$ -	\$ -
EXPENDITURES	-	-	-	-
Net change to fund balance	-	-	-	-
Fund balance, January 1	1,760,441	1,760,441	1,760,441	-
Fund balance, December 31	\$ 1,760,441	\$ 1,760,441	\$ 1,760,441	\$ -

See accompanying notes to required supplementary information

LARIMER COUNTY, COLORADO
HUMAN SERVICES
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - ACTUAL AND BUDGET
Year Ended December 31, 2012

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Taxes:				
Property	\$ 6,907,584	\$ 6,907,584	\$ 6,876,443	\$ (31,141)
Intergovernmental	28,491,900	29,005,170	26,761,867	(2,243,303)
Miscellaneous	1,227,530	1,012,485	1,030,572	18,087
Total revenues	36,627,014	36,925,239	34,668,882	(2,256,357)
EXPENDITURES				
Health and human services:				
Personnel	22,253,516	22,194,863	21,078,845	1,116,018
Operating	15,609,077	16,289,595	14,173,018	2,116,577
Capital outlay	41,000	19,000	18,816	184
Total expenditures	37,903,593	38,503,458	35,270,679	3,232,779
Excess (deficiency) of revenues over expenditures	(1,276,579)	(1,578,219)	(601,797)	976,422
OTHER FINANCING SOURCES				
Sale of assets	-	-	4,692	4,692
Transfers in	300,000	717,217	717,290	73
Total other financing sources	300,000	717,217	721,982	4,765
Net change to fund balance	(976,579)	(861,002)	120,185	981,187
Fund balance, January 1	9,611,034	10,836,831	10,836,831	-
Fund balance, December 31	\$ 8,634,455	\$ 9,975,829	\$ 10,957,016	\$ 981,187

See accompanying notes to required supplementary information

LARIMER COUNTY, COLORADO
OPEN LANDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - ACTUAL AND BUDGET
Year Ended December 31, 2012

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Taxes:				
Sales	\$ 2,158,459	\$ 2,528,289	\$ 2,758,390	\$ 230,101
Other	356,037	417,040	454,994	37,954
Intergovernmental	99,053	138,232	167,175	28,943
Licenses and permits	356,436	403,975	410,752	6,777
Charges for services	82,330	119,683	115,024	(4,659)
Interest earnings	51,192	41,368	40,775	(593)
Miscellaneous	60,066	83,724	86,227	2,503
Total revenues	3,163,573	3,732,311	4,033,337	301,026
EXPENDITURES				
Recreation:				
Personnel	1,474,360	1,580,851	1,517,269	63,582
Operating	1,005,760	1,395,787	1,291,552	104,235
Capital outlay	729,025	213,172	157,846	55,326
Total expenditures	3,209,145	3,189,810	2,966,667	223,143
Excess (deficiency) of revenues over expenditures	(45,572)	542,501	1,066,670	524,169
OTHER FINANCING SOURCES (USES)				
Sale of assets	-	5,180	5,180	-
Transfers out	(84,000)	(168,946)	(127,119)	41,827
Total other financing sources (uses)	(84,000)	(163,766)	(121,939)	41,827
Net change to fund balance	(129,572)	378,735	944,731	565,996
Fund balance, January 1	4,390,169	5,343,913	5,343,913	-
Fund balance, December 31	\$ 4,260,597	\$ 5,722,648	\$ 6,288,644	\$ 565,996

See accompanying notes to required supplementary information

LARIMER COUNTY, COLORADO
ROAD AND BRIDGE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - ACTUAL AND BUDGET
Year Ended December 31, 2012

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Taxes:				
Property	\$ 2,584,636	\$ 2,584,636	\$ 2,573,446	\$ (11,190)
Other	6,000,000	6,000,000	6,395,662	395,662
Intergovernmental	10,001,453	10,951,206	11,109,629	158,423
Charges for services	274,000	433,000	743,949	310,949
Interest earnings	66,339	47,339	37,874	(9,465)
Miscellaneous	20,000	220,000	215,876	(4,124)
Total revenues	18,946,428	20,236,181	21,076,436	840,255
EXPENDITURES				
Streets and highways:				
Personnel	5,024,488	4,567,677	4,420,104	147,573
Operating	17,249,389	15,925,163	15,072,081	853,082
Capital outlay	276,500	257,000	22,756	234,244
Total expenditures	22,550,377	20,749,840	19,514,941	1,234,899
Excess (deficiency) of revenues over expenditures	(3,603,949)	(513,659)	1,561,495	2,075,154
OTHER FINANCING USES				
Transfers out	(213,365)	(297,451)	(190,943)	106,508
Net change to fund balance	(3,817,314)	(811,110)	1,370,552	2,181,662
Fund balance, January 1	18,715,162	22,410,916	22,410,916	-
Fund balance, December 31	\$ 14,897,848	\$ 21,599,806	\$ 23,781,468	\$ 2,181,662

See accompanying notes to required supplementary information

LARIMER COUNTY, COLORADO
SALES TAX
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - ACTUAL AND BUDGET
Year Ended December 31, 2012

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Taxes:				
Sales	\$ 2,918,222	\$ 5,869,829	\$ 5,911,248	\$ 41,419
Other	-	1,066,040	975,059	(90,981)
Interest earnings	-	42,424	3,312	(39,112)
Miscellaneous	-	11,908	11,908	-
Total revenues	2,918,222	6,990,201	6,901,527	(88,674)
EXPENDITURES				
General government:				
Personnel	147,912	139,337	138,037	1,300
Operating	5,637,985	6,356,805	6,143,260	213,545
Total expenditures	5,785,897	6,496,142	6,281,297	214,845
Excess (deficiency) of revenues over expenditures	(2,867,675)	494,059	620,230	126,171
OTHER FINANCING USES				
Transfers out	-	(5,857,314)	(5,857,314)	-
Net change to fund balance	(2,867,675)	(5,363,255)	(5,237,084)	126,171
Fund balance, January 1	14,336,754	18,969,469	18,969,469	-
Fund balance, December 31	\$ 11,469,079	\$ 13,606,214	\$ 13,732,385	\$ 126,171

See accompanying notes to required supplementary information

NOTE 1 – BUDGETARY DATA

The County annually adopts the Budget Resolution for all operating funds of the County. Prior to October 15, the Budget Office submits to the County Commissioners a proposed operating budget for the fiscal year commencing the following January 1 for all funds, except agency funds. The budget is prepared using the modified accrual basis of accounting. The operating budget includes proposed expenditures/expenses and the means of financing them. Public hearings are conducted to obtain comments. Prior to December 31, the budget is legally adopted through passage of adoption and appropriation resolutions.

The level of control is maintained at two major object classifications: personnel and operating. Operating includes operating, capital outlay, debt service payments, and transfers. Control of each object classification is maintained at the division/department level in the General Fund and at the fund level in all other funds. Formal budgetary integration is employed as a management control device during the year for all budgeted funds. Department directors are authorized to transfer budgeted amounts within each of the two major object classifications. However, any revisions that alter the total expenditures/expenses of any of the object classifications must be approved by the County Commissioners. All annual appropriations lapse at year end.

The County follows the policy of adopting annual budgets for all funds except fiduciary funds. Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America (USGAAP), except for the following: for all fund types, advances to and advances from are treated as operating transactions. Proprietary fund budgets are adopted on a non-USGAAP modified accrual basis as follows: (a) revenues and expenses are recorded as current year activity only if receipt and payment of cash occurs within 30 days after year end (subsequent receipts or disbursements are budgeted for in the following fiscal year); (b) purchase of capital assets and principal payments of long-term liabilities are treated as expenses; (c) depreciation expense is not budgeted; and (d) inventory purchases are budgeted utilizing the purchase method.

Additionally, GASB 54 limits the situations in which governments may use special revenue funds for GAAP reporting purposes. The County's High Park Fire and Contingent funds do not meet the definition of special revenue funds and have been combined with the General Fund for GAAP reporting purposes. Consequently, the General Fund for GAAP purposes is not equivalent to the General Fund for budgetary purposes.

All budget amounts presented in the Required Supplementary Information and accompanying supplementary information reflect the original budget and the final amended budget.

The schedule below is presented to facilitate reconciling the GAAP statement with the budgetary schedule for the General Fund.

LARIMER COUNTY, COLORADO
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
Year Ended December 31, 2012

Revenues:	
General Fund	\$102,408,244
High Park Fire Fund	71,704
Contingent	-
Total revenues	<u>\$102,479,948</u>
Expenditures:	
General Fund	\$73,338,082
High Park Fire Fund	1,174,883
Contingent	-
Total expenditures	<u>\$74,512,965</u>
Transfers in:	
General Fund	\$ 350,090
High Park Fire Fund	8,642,150
Contingent	-
Less interfund transfers	<u>(8,642,150)</u>
Total transfers in	<u>\$ 350,090</u>
Transfers out:	
General Fund	\$(32,239,994)
High Park Fire Fund	-
Contingent	-
Less interfund transfers	<u>8,642,150</u>
Total transfers out	<u>\$(23,597,844)</u>
Fund balance, January 1	
General Fund	\$42,214,944
High Park Fire Fund	-
Contingent	1,760,441
Total net change to fund balance	<u>4,719,229</u>
Fund balance, December 31	<u>\$48,694,614</u>

NOTE 2 – MODIFIED APPROACH FOR INFRASTRUCTURE ASSETS

As allowed by GASB Statement No. 34, the County has adopted the modified approach for recording certain infrastructure assets, including paved roads, non-paved roads, and major bridges. The County's subdivision roads and traffic signals are accounted for using the depreciation method. Under the modified approach, depreciation is not recorded. Infrastructure costs that result in an increase in the capacity or an improvement in the efficiency of the infrastructure network are capitalized and added to the historical cost of the assets. Costs that allow the infrastructure network to be used efficiently over the expected useful life of the assets are expensed as general maintenance costs. Certain maintenance costs that extend the useful life of the assets but do not increase capacity or efficiency are classified as preservation costs. Preservation costs are expensed and reported in lieu of a charge for depreciation expense.

In order to elect the modified approach, the County must meet the following requirements:

- Maintain an asset management system that includes an inventory of eligible infrastructure assets
- Perform systematic condition assessments of eligible infrastructure assets and summarize the results using a measurement scale
- Project the annual amount to maintain and preserve the infrastructure assets at the established condition level
- Document that the infrastructure assets are being preserved approximately at or above the established and disclosed condition level

System Rating Indexes and Condition Descriptors

The paved and non-paved road subsystems are rated using a pavement condition index (PCI). The PCI is a nationally recognized index based on ASTM Standard D-6433-3, “Standard Practice for Roads and Parking Lots Pavement Condition Index Surveys.” The condition index is assigned to each road and is expressed on a continuous scale from 0 to 100, where 0 is assigned to the least acceptable physical condition and 100 is assigned the physical characteristics of a new road.

The major bridge subsystem is rated using the sufficiency rating derived in accordance with the Colorado Department of Transportation Implementation of United States Department of Transportation National Bridge Inspection Program Criteria (NBIS). The NBIS Sufficiency Rating is assigned to each major bridge and expressed in a continuous scale from 0 to 100, where 0 is assigned to the least acceptable physical condition and 100 is assigned the physical characteristics of a new major bridge.

In accordance with GASB Statement No. 34, infrastructure subsystems managed and reported using the modified approach must have a condition assessment performed a minimum of one complete assessment every three years. The County’s road subsystems have a complete condition assessment performed every year, with all of the county mainline roads inspected. The most recent assessment cycle was completed August 31, 2012. The major bridge subsystem has a condition assessment performed every two years. The most recent assessment was completed August 31, 2011. As of December 31, 2012, all infrastructure subsystems meet or exceed minimum condition levels.

Condition Levels

Condition	Rating
Very Good	100 – 85
Above Average	84 – 70
Average	69 – 55
Below Average	54 – 40
Poor	39 – 0

Larimer County Infrastructure Asset Subsystems

Subsystem	Quantity	Unit of Measure
Paved Roads	735	Lane Miles
Non-Paved Roads	829	Lane Miles
Major Bridges	201	Each

LARIMER COUNTY, COLORADO
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
Year Ended December 31, 2012

Minimum Condition Index

Subsystem	Minimum Condition Index
Paved Roads	Average weighted condition >= Below Average 50% of the area with mean area weighted condition >= Below Average
Non-Paved Roads	Average
Major Bridges	80% with a sufficiency rating >=Below Average

Actual Subsystem Condition Summary

Subsystem	2008		2009		2010		2011		2012	
	>=Below Average	Poor	>=Below Average	Poor	>=Below Average	Poor	>=Below Average	Poor	>=Below Average	Poor
Paved Roads	*	*	95%	5%	96%	4%	96%	4%	99%	1%
Non-Paved Roads	*	*	100%	-	100%	-	100%	-	100%	-
Major Bridges	*	*	99%	1%	*	*	98%	2%	*	*

*Major bridges have a complete assessment every two years; therefore, 2008, 2010, and 2012 data are not presented. Roads had assessments completed every two years through 2008 and annually thereafter; therefore, 2008 data is not presented.

Comparison of Estimated to Actual Maintenance/Preservation

Subsystem	2008		2009		2010	
	Estimated	Actual	Estimated	Actual	Estimated	Actual
Paved Roads	\$2,445,160	\$1,680,230	\$ 4,258,790	\$ 4,765,615	\$ 6,958,168	\$ 5,482,477
Non-Paved Roads	1,880,000	4,965,844	5,989,644	5,351,854	5,629,683	6,386,629
Major Bridges	65,000	14,065	204,669	172,439	150,049	266,870
Total	\$4,390,160	\$6,660,139	\$10,453,103	\$10,289,908	\$12,737,900	\$12,135,976

Subsystem	2011		2012	
	Estimated	Actual	Estimated	Actual
Paved Roads	\$ 6,426,963	\$ 4,879,223	\$ 6,567,451	\$ 5,968,367
Non-Paved Roads	5,687,987	6,365,104	5,067,760	7,956,729
Major Bridges	185,501	292,805	832,430	910,482
Total	\$12,300,451	\$11,537,132	\$12,467,641	\$14,835,578

Estimated maintenance/preservation costs for 2008 are \$1.81 million less than 2009 estimated maintenance/preservation costs due to the suspension of the overlay program in 2008. The overlay program resumed in 2009. Estimated/actual maintenance/preservation 2012 costs for bridges are higher than other years due to non-capacity bridge rehabs.

Supplementary Information

NON-MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special revenue funds account for taxes or other earmarked revenues of the County that finance specified activities as required by law or administrative action.

The **Building Inspection Fund** accounts for processing building permits and conducting building inspections.

The **Conservation Trust Fund** accounts for revenues received from State of Colorado lottery funds to be used for the improvement and maintenance of County parks existing on January 1, 1996.

The **Criminal Justice Services Fund** accounts for an alternative sentencing program which reintegrates non-violent adult felons into the community.

The **Developmental Disabilities Fund** accounts for property taxes that are collected on behalf of Foothills Gateway, Inc.

The **Drainage Fund** accounts for development fees collected on behalf of specific geographical areas to provide improvements to designated drainage basins.

The **Health and Environment Fund** provides health services to County residents. The fund reflects revenue and expenditures for health care, health education, health monitoring, environmental health, emergency medical services plan, family planning, and other related activities.

The **Parks Fund** accounts for revenues received from user permits and park development fees to be used for the acquisition, development and maintenance of parks, open space, and recreation areas within the County.

The **Pest Control Fund** accounts for and operates a weed control program in Larimer County governed by the Colorado Weed Control law. The Pest Control district receives funding from property and auto tax collections and charges for weed control services provided to other County departments and the public.

The **Public Trustee** accounts for fees and interest collected according to state mandated guidelines and is used in executing the provisions of deeds of trust, default on such deeds of trust, and foreclosure sales. The Public Trustee activities are supported by fees charged and interest earned.

The **Ranch Fund** accounts for the annual fair and the operation and maintenance of the Larimer County Fairgrounds, which includes the Budweiser Events Center.

The **West Vine Stormwater Basin Fund** accounts for stormwater improvements and management in specific flood plain areas.

Special Revenue Funds (Continued)

The **Workforce Center Fund** accounts for Federal Department of Labor and State grants authorized by the Workforce Investment Act (WIA) to meet community needs for employment training to residents of Larimer County through partnerships with County, State and local agencies. In addition, the fund also records administration costs with a 3% fee of the contribution through Colorado's enterprise zone law, which created a State income tax credit to encourage taxpayers to make contributions to assist enterprise zones to implement their economic development plans.

General Improvement District Funds and Public Improvement District Funds account for snow removal, street maintenance, and future road improvements and construction projects in the district. General Improvement Districts (GIDs) and Public Improvement Districts (PIDs) are funded by a mill levy assessed on the property owners of the district.

Debt Service Funds

Debt service funds are used to account for the accumulation of resources for the payment of bond principal and interest for which the County is obligated.

The **Assessment Debt Fund** accounts for the payment of interest and principal on the portion of long-term special assessment debt currently due. Special assessment debt is funded by special assessments on the properties within each district, such assessments being payable over a number of years.

The **Larimer County Building Authority Debt Fund** accounts for payment of interest and principal on certificates of participation.

The **Open Space Debt Fund** accounts for payment of interest and principal on revenue bonds payable by a .25% open space sales and use tax.

The **Ranch Debt Fund** accounts for payment of interest and principal on revenue bonds payable by a .15% fairgrounds sales and use tax.

Capital Projects

Capital projects funds account for financial resources to be used for the acquisition, construction, or improvement of major capital facilities, equipment, or capital improvements.

The **Capital Expenditures Fund** provides and accumulates monies for major capital expenditures of the County, such as significant land and building purchases, construction or equipment, and related costs.

Capital Projects Funds (Continued)

The **Improvement District Construction Fund** provides for administration and construction of capital improvements of special assessment districts.

The **Replacement and Technology Projects Fund** provides for purchases of County capital assets and related costs. In addition, the fund also provides for Information Technology Services' projects, including hardware, software and consultants.

PROPRIETARY FUNDS

Enterprise Funds

Enterprise funds account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

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

Internal Service Funds

Internal service funds account for the financing of goods or services provided to other departments of the County on a cost-reimbursement basis.

The **Facilities and Information Technology Division Fund** accounts for revenues and costs associated with facilities planning, maintenance and support services; records management; printing, copying and mail services; support and development of business applications; GIS data management and mapping; computer leasing and desk-side support of computers; phone service and support of the telecommunication systems; microwave, radio and pager service and support; and management of County infrastructure for computers and phones. These services are provided to County departments and outside agencies.

The **Employee Benefits Fund** accounts for collecting coverage amounts from employees and participating funds to pay for employee medical claims, dental claims, wellness program, clinic, and benefits administration.

The **Fleet Services Fund** accounts for the revenues and costs associated with vehicle and equipment purchases, maintenance, and fuel supplied to various departments of the County and outside agencies.

The **Risk Management Fund** accounts for collecting coverage amounts from participating funds and paying general liability and property insurance and workers' compensation claims.

The **Unemployment Fund** accounts for collecting coverage amounts from participating funds and paying unemployment claims.

FIDUCIARY FUNDS

Agency Funds

Agency funds account for assets held by the County as an agent for individuals, private organizations and/or other governments.

Checking Account Funds:

The Detention Inmate checking account is used for monies held for inmates during their incarceration period.

The Community Corrections checking account is used for correctional facility inmates who earn money through outside employment. The money is held in this account on the inmates' behalf. The Community Corrections Department makes distributions for the inmates' restitution, child support, and other payments.

The **Commissioners' Escrow Fund** accounts for monies relating to specific limited projects in which the County acts solely as a trustee. Currently, the balance of this fund includes collateral and other developer performance deposits.

The **Crime Victim Compensation Fund** accounts for monies received from state criminal assessments to be used to compensate victims of crime and the survivors of victims of crime. This activity pertains to the Crime Victim Assistance Act.

The **General Agency Fund** accounts for all monies collected (principally tax collections) by the Larimer County Treasurer for various local governmental units within the County.



LARIMER COUNTY, COLORADO
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
December 31, 2012

	Building Inspection	Conservation Trust	Criminal Justice Services	Developmental Disabilities
ASSETS				
Cash and cash equivalents	\$ 949,328	\$ 2,090,949	\$ 6,074,859	\$ 14,708
Taxes receivable	-	-	-	2,955,547
Accrued interest receivable	-	-	-	-
Special assessments receivable	-	-	-	-
Due from other County funds	55,184	-	19,907	-
Due from other governmental units	2,513	-	365,154	-
Other receivables	-	-	3,173	626
Deposits	-	-	-	-
Inventories	-	-	-	-
Advances to other County funds	-	-	-	-
Cash-restricted	-	-	-	-
Total assets	\$ 1,007,025	\$ 2,090,949	\$ 6,463,093	\$ 2,970,881
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 6,572	\$ -	\$ 108,526	\$ -
Due to other County funds	12,144	75,427	459,491	-
Due to other governmental units	384	-	2,022	-
Unearned revenue	5,520	-	160,248	-
Payable from restricted assets	-	-	-	-
Advances from other County funds	-	-	-	-
Payroll accrual	90,857	-	404,407	-
Total liabilities	115,477	75,427	1,134,694	-
Deferred inflows:				
Deferred and advance payments of property taxes	-	-	-	2,970,881
Fund balances (deficits):				
Nonspendable:				
Inventories	-	-	-	-
Restricted for:				
Capital projects	-	-	-	-
Citizen initiatives	-	2,015,522	-	-
Debt service	-	-	-	-
Legislative restrictions	-	-	-	-
TABOR reserves	-	-	-	-
Committed for:				
Leisure activities	-	-	-	-
Assigned for:				
Capital projects	-	-	-	-
Leisure activities	-	-	-	-
Public assistance	-	-	-	-
Public protection	891,548	-	2,910,410	-
Roads and bridges	-	-	-	-
Subsequent year expenditures	-	-	2,417,989	-
Unassigned	-	-	-	-
Total fund balances (deficits)	891,548	2,015,522	5,328,399	-
Total liabilities, deferred inflows and fund balances	\$ 1,007,025	\$ 2,090,949	\$ 6,463,093	\$ 2,970,881

Continued on next page

Drainage	Health and Environment	Parks	Pest Control	Public Trustee	The Ranch
\$ 751,377	\$ 1,382,632	\$ 1,140,289	\$ 384,586	\$ -	\$ 17,964,092
-	2,581,177	-	447,932	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	1,897	159,253	11,455	-	-
-	806,445	76,760	62,718	-	19,639
320,059	805	19,121	4,316	-	654,068
-	-	-	-	-	248,736
-	60,792	-	-	-	-
-	-	-	-	-	-
-	-	-	-	711,975	1,414,746
\$ 1,071,436	\$ 4,833,748	\$ 1,395,423	\$ 911,007	\$ 711,975	\$ 20,301,281

\$ 11,997	\$ 32,941	\$ 38,320	\$ 6,496	\$ -	\$ 609,478
16,215	95,576	60,581	17,169	-	19,211
-	32,062	24,937	136	-	30,089
320,059	109,378	9,965	-	-	64,675
-	-	-	-	147,028	1,866,582
-	-	1,245,518	-	-	2,000,000
-	303,296	74,677	14,058	-	56,200
348,271	573,253	1,453,998	37,859	147,028	4,646,235

-	2,594,569	-	450,446	-	-
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-	60,792	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	400,491	564,947	-
-	-	-	22,211	-	-
-	-	-	-	-	717,569
-	-	-	-	-	13,400,742
-	-	-	-	-	1,142,761
-	1,042,791	-	-	-	-
-	-	-	-	-	-
723,165	-	-	-	-	-
-	562,343	-	-	-	393,974
-	-	(58,575)	-	-	-
723,165	1,665,926	(58,575)	422,702	564,947	15,655,046
\$ 1,071,436	\$ 4,833,748	\$ 1,395,423	\$ 911,007	\$ 711,975	\$ 20,301,281

LARIMER COUNTY, COLORADO
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
December 31, 2012

	West Vine Stormwater Basin	Workforce Center	General and Public Improvement Districts	Total Special Revenue Funds
ASSETS				
Cash and cash equivalents	\$ 307,633	\$ 96,853	\$ 4,199,108	\$ 35,356,414
Taxes receivable	-	-	-	5,984,656
Accrued interest receivable	-	-	17	17
Special assessments receivable	-	-	-	-
Due from other County funds	-	274,975	-	522,671
Due from other governmental units	15,028	292,297	-	1,640,554
Other receivables	-	54,962	1,419,819	2,476,949
Deposits	-	-	-	248,736
Inventories	-	-	-	60,792
Advances to other County funds	-	-	-	-
Cash-restricted	-	-	-	2,126,721
Total assets	\$ 322,661	\$ 719,087	\$ 5,618,944	\$ 48,417,510
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ 60,290	\$ 14,358	\$ 888,978
Due to other County funds	-	72,556	53,742	882,112
Due to other governmental units	-	6,895	-	96,525
Unearned revenue	-	-	1,419,819	2,089,664
Payable from restricted assets	-	-	-	2,013,610
Advances from other County funds	-	-	75,000	3,320,518
Payroll accrual	-	177,540	-	1,121,035
Total liabilities	-	317,281	1,562,919	10,412,442
Deferred inflows:				
Deferred and advance payments of property taxes	-	-	3,855	6,019,751
Fund balances (deficits):				
Nonspendable:				
Inventories	-	-	-	60,792
Restricted for:				
Capital projects	-	-	-	-
Citizen initiatives	-	-	4,025,221	6,040,743
Debt service	-	-	94,000	94,000
Legislative restrictions	322,661	-	-	1,288,099
TABOR reserves	-	-	16	22,227
Committed for:				
Leisure activities	-	-	-	717,569
Assigned for:				
Capital projects	-	-	-	13,400,742
Leisure activities	-	-	-	1,142,761
Public assistance	-	347,501	-	1,390,292
Public protection	-	-	-	3,801,958
Roads and bridges	-	-	-	723,165
Subsequent year expenditures	-	54,305	-	3,428,611
Unassigned	-	-	(67,067)	(125,642)
Total fund balances (deficits)	322,661	401,806	4,052,170	31,985,317
Total liabilities, deferred inflows and fund balances	\$ 322,661	\$ 719,087	\$ 5,618,944	\$ 48,417,510

Continued on next page

Assessment Debt	Larimer County Building Authority Debt	Open Space Debt	The Ranch Debt	Total Debt Service Funds	Capital Expenditures	Improvement District Construction
\$ 750,363	\$ 1,673,705	\$ 102,614	\$ 1,083,127	\$ 3,609,809	\$ 2,035,630	\$ 208,189
-	-	-	-	-	-	-
-	5,583	57	100	5,740	-	-
748,147	-	-	-	748,147	-	-
-	-	-	-	-	346,253	53,742
-	-	-	-	-	728,887	-
-	91	-	-	91	855	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
75,000	-	-	-	75,000	-	-
-	-	-	-	-	-	-
\$ 1,573,510	\$ 1,679,379	\$ 102,671	\$ 1,083,227	\$ 4,438,787	\$ 3,111,625	\$ 261,931
\$ -	\$ -	\$ 150	\$ -	\$ 150	\$ 64,017	\$ -
-	-	-	-	-	3,966	21,037
-	-	17	-	17	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	8,359	-
-	-	167	-	167	76,342	21,037
748,147	-	-	-	748,147	-	-
-	-	-	-	-	-	-
-	-	-	-	-	3,035,283	-
-	-	-	-	-	-	-
825,363	1,679,379	102,504	1,083,227	3,690,473	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	240,894
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
825,363	1,679,379	102,504	1,083,227	3,690,473	3,035,283	240,894
\$ 1,573,510	\$ 1,679,379	\$ 102,671	\$ 1,083,227	\$ 4,438,787	\$ 3,111,625	\$ 261,931

LARIMER COUNTY, COLORADO
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
December 31, 2012

	Replacement and Technology Projects	Total Capital Projects Funds	Total Non-major Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 23,541,259	\$ 25,785,078	\$ 64,751,301
Taxes receivable	-	-	5,984,656
Accrued interest receivable	-	-	5,757
Special assessments receivable	-	-	748,147
Due from other County funds	561,027	961,022	1,483,693
Due from other governmental units	-	728,887	2,369,441
Other receivables	-	855	2,477,895
Deposits	-	-	248,736
Inventories	-	-	60,792
Advances to other County funds	-	-	75,000
Cash-restricted	-	-	2,126,721
Total assets	\$ 24,102,286	\$ 27,475,842	\$ 80,332,139
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 12,336	\$ 76,353	\$ 965,481
Due to other County funds	141,176	166,179	1,048,291
Due to other governmental units	-	-	96,542
Unearned revenue	-	-	2,089,664
Payable from restricted assets	-	-	2,013,610
Advances from other County funds	-	-	3,320,518
Payroll accrual	4,843	13,202	1,134,237
Total liabilities	158,355	255,734	10,668,343
Deferred inflows:			
Deferred and advance payments of property taxes	-	-	6,767,898
Fund balances (deficits):			
Nonspendable:			
Inventories	-	-	60,792
Restricted for:			
Capital projects	-	3,035,283	3,035,283
Citizen initiatives	-	-	6,040,743
Debt service	-	-	3,784,473
Legislative restrictions	-	-	1,288,099
TABOR reserves	-	-	22,227
Committed for:			
Leisure activities	-	-	717,569
Assigned for:			
Capital projects	23,943,931	24,184,825	37,585,567
Leisure activities	-	-	1,142,761
Public assistance	-	-	1,390,292
Public protection	-	-	3,801,958
Roads and bridges	-	-	723,165
Subsequent year expenditures	-	-	3,428,611
Unassigned	-	-	(125,642)
Total fund balances (deficits)	23,943,931	27,220,108	62,895,898
Total liabilities, deferred inflows and fund balances	\$ 24,102,286	\$ 27,475,842	\$ 80,332,139



LARIMER COUNTY, COLORADO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2012

	Building Inspection	Conservation Trust	Criminal Justice Services	Developmental Disabilities
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ 2,955,545
Assessments	-	-	-	-
Intergovernmental	2,513	636,178	280,117	-
Licenses and permits	1,272,765	-	-	-
Charges for services	30,039	-	8,211,757	-
Interest earnings	-	12,601	46,234	-
Miscellaneous	-	-	72,283	-
Total revenues	1,305,317	648,779	8,610,391	2,955,545
EXPENDITURES				
Current:				
General government	-	-	-	-
Judicial and public safety	983,407	-	12,541,839	-
Streets and highways	-	-	-	-
Recreation	-	-	-	-
Health and human services	-	-	-	2,955,545
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	983,407	-	12,541,839	2,955,545
Excess (deficiency) of revenues over expenditures	321,910	648,779	(3,931,448)	-
OTHER FINANCING SOURCES (USES)				
Sale of assets	-	-	-	-
Transfers in	-	-	4,302,527	-
Transfers out	-	(126,475)	(740,692)	-
Total other financing sources (uses)	-	(126,475)	3,561,835	-
Net change to fund balance	321,910	522,304	(369,613)	-
Fund balance, January 1	569,638	1,493,218	5,698,012	-
Decrease in inventories	-	-	-	-
Fund balance (deficit), December 31	\$ 891,548	\$ 2,015,522	\$ 5,328,399	\$ -

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Drainage	Health and Environment	Health and Human Services	Parks	Pest Control	Public Trustee	The Ranch
\$ -	\$ 2,636,247	\$ -	\$ -	\$ 479,575	\$ -	\$ 1,971,958
-	-	-	-	-	-	-
-	3,838,579	-	668,267	68,961	-	19,639
-	480,395	-	2,084,465	-	-	-
385,731	770,189	-	232,277	241,582	623,827	4,675,984
5,064	-	-	344	-	2,113	113,075
-	394,793	-	37,489	850	3,161	15,137,367
390,795	8,120,203	-	3,022,842	790,968	629,101	21,918,023
-	-	-	-	-	584,893	-
-	-	-	-	762,852	-	-
377,083	-	-	-	-	-	-
-	-	-	3,084,690	-	-	5,995,142
-	8,227,321	-	-	-	-	-
-	-	-	397,980	138,289	-	1,777,413
-	-	-	-	-	-	-
-	-	-	-	-	-	-
377,083	8,227,321	-	3,482,670	901,141	584,893	7,772,555
13,712	(107,118)	-	(459,828)	(110,173)	44,208	14,145,468
-	-	-	15,324	26,835	-	62,116
-	-	-	373,995	-	-	252,126
(10,000)	(3,320)	(627,290)	(59,037)	(945)	(52,719)	(24,064)
(10,000)	(3,320)	(627,290)	330,282	25,890	(52,719)	290,178
3,712	(110,438)	(627,290)	(129,546)	(84,283)	(8,511)	14,435,646
719,453	1,779,712	627,290	70,971	506,985	573,458	1,219,400
-	(3,348)	-	-	-	-	-
\$ 723,165	\$ 1,665,926	\$ -	\$ (58,575)	\$ 422,702	\$ 564,947	\$ 15,655,046

LARIMER COUNTY, COLORADO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2012

	West Vine Stormwater Basin	Workforce Center	General and Public Improvement Districts	Total Special Revenue Funds
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ 8,043,325
Assessments	-	-	-	-
Intergovernmental	-	2,983,039	-	8,497,293
Licenses and permits	-	-	-	3,837,625
Charges for services	93,120	3,298,736	1,354,148	19,917,390
Interest earnings	4,624	-	30,121	214,176
Miscellaneous	-	131,017	1,161	15,778,121
Total revenues	97,744	6,412,792	1,385,430	56,287,930
EXPENDITURES				
Current:				
General government	-	-	-	584,893
Judicial and public safety	-	-	-	14,288,098
Streets and highways	495,701	-	833,038	1,705,822
Recreation	-	-	-	9,079,832
Health and human services	-	6,853,452	-	18,036,318
Capital outlay	-	3,350	-	2,317,032
Debt service:				
Principal	-	-	70,000	70,000
Interest	-	-	32,350	32,350
Total expenditures	495,701	6,856,802	935,388	46,114,345
Excess (deficiency) of revenues over expenditures	(397,957)	(444,010)	450,042	10,173,585
OTHER FINANCING SOURCES (USES)				
Sale of assets	-	-	-	104,275
Transfers in	-	448,993	15,817	5,393,458
Transfers out	-	-	-	(1,644,542)
Total other financing sources (uses)	-	448,993	15,817	3,853,191
Net change to fund balance	(397,957)	4,983	465,859	14,026,776
Fund balance, January 1	720,618	396,823	3,586,311	17,961,889
Decrease in inventories	-	-	-	(3,348)
Fund balance (deficit), December 31	\$ 322,661	\$ 401,806	\$ 4,052,170	\$ 31,985,317

Continued on next page

Assessment Debt	Larimer County Building Authority Debt	Open Space Debt	The Ranch Debt	Total Debt Service Funds	Capital Expenditures	Improvement District Construction
\$ -	\$ 3,447,407	\$ 1,229,807	\$ 4,313,814	\$ 8,991,028	\$ 1,795,573	\$ -
86,637	-	-	-	86,637	-	-
-	-	-	-	-	74,219	197,675
-	-	-	-	-	-	-
-	-	-	-	-	256,405	54,142
36,213	96,621	1,723	5,621	140,178	66,185	-
-	-	-	-	-	36,202	-
122,850	3,544,028	1,231,530	4,319,435	9,217,843	2,228,584	251,817
-	-	-	-	-	2,092,237	-
-	-	-	-	-	-	-
374	-	-	-	374	-	390,355
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	13,585,788	-
88,373	7,450,000	925,000	3,025,000	11,488,373	-	3,460
26,768	396,735	306,513	570,899	1,300,915	-	-
115,515	7,846,735	1,231,513	3,595,899	12,789,662	15,678,025	393,815
7,335	(4,302,707)	17	723,536	(3,571,819)	(13,449,441)	(141,998)
-	-	-	-	-	-	-
-	4,302,031	-	-	4,302,031	2,949,366	-
-	-	-	-	-	-	(21,037)
-	4,302,031	-	-	4,302,031	2,949,366	(21,037)
7,335	(676)	17	723,536	730,212	(10,500,075)	(163,035)
818,028	1,680,055	102,487	359,691	2,960,261	13,535,358	403,929
-	-	-	-	-	-	-
\$ 825,363	\$ 1,679,379	\$ 102,504	\$ 1,083,227	\$ 3,690,473	\$ 3,035,283	\$ 240,894

LARIMER COUNTY, COLORADO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2012

	Replacement and Technology Projects	Total Capital Projects Funds	Total Non-major Governmental Funds
REVENUES			
Taxes	\$ -	\$ 1,795,573	\$ 18,829,926
Assessments	-	-	86,637
Intergovernmental	44,305	316,199	8,813,492
Licenses and permits	-	-	3,837,625
Charges for services	22,055	332,602	20,249,992
Interest earnings	-	66,185	420,539
Miscellaneous	131,715	167,917	15,946,038
Total revenues	198,075	2,678,476	68,184,249
EXPENDITURES			
Current:			
General government	1,090,101	3,182,338	3,767,231
Judicial and public safety	-	-	14,288,098
Streets and highways	-	390,355	2,096,551
Recreation	-	-	9,079,832
Health and human services	-	-	18,036,318
Capital outlay	1,840,289	15,426,077	17,743,109
Debt service:			
Principal	-	3,460	11,561,833
Interest	-	-	1,333,265
Total expenditures	2,930,390	19,002,230	77,906,237
Excess (deficiency) of revenues over expenditures	(2,732,315)	(16,323,754)	(9,721,988)
OTHER FINANCING SOURCES (USES)			
Sale of assets	117,853	117,853	222,128
Transfers in	4,880,589	7,829,955	17,525,444
Transfers out	(1,137,627)	(1,158,664)	(2,803,206)
Total other financing sources (uses)	3,860,815	6,789,144	14,944,366
Net change to fund balance	1,128,500	(9,534,610)	5,222,378
Fund balance, January 1	22,815,431	36,754,718	57,676,868
Decrease in inventories	-	-	(3,348)
Fund balance (deficit), December 31	\$ 23,943,931	\$ 27,220,108	\$ 62,895,898

LARIMER COUNTY, COLORADO
BUILDING INSPECTION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - ACTUAL AND BUDGET
Year Ended December 31, 2012

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 2,513	\$ 2,513
Licenses and permits	840,982	958,017	1,272,765	314,748
Charges for services	11,792	14,609	30,039	15,430
Total revenues	852,774	972,626	1,305,317	332,691
EXPENDITURES				
Judicial and public safety:				
Personnel	643,506	763,803	755,622	8,181
Operating	209,258	215,086	227,785	(12,699)
Total expenditures	852,764	978,889	983,407	(4,518)
Net change to fund balance	10	(6,263)	321,910	328,173
Fund balance, January 1	263,189	569,638	569,638	-
Fund balance, December 31	\$ 263,199	\$ 563,375	\$ 891,548	\$ 328,173

**LARIMER COUNTY, COLORADO
 CONSERVATION TRUST
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - ACTUAL AND BUDGET
 Year Ended December 31, 2012**

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Intergovernmental	\$ 600,000	\$ 636,178	\$ 636,178	\$ -
Interest earnings	12,000	12,000	12,601	601
Total revenues	612,000	648,178	648,779	601
OTHER FINANCING USES				
Transfers out	(38,000)	(303,842)	(126,475)	177,367
Net change to fund balance	574,000	344,336	522,304	177,968
Fund balance, January 1	1,128,502	1,493,218	1,493,218	-
Fund balance, December 31	\$ 1,702,502	\$ 1,837,554	\$ 2,015,522	\$ 177,968

LARIMER COUNTY, COLORADO
CRIMINAL JUSTICE SERVICES
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - ACTUAL AND BUDGET
Year Ended December 31, 2012

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Intergovernmental	\$ 361,386	\$ 272,193	\$ 280,117	\$ 7,924
Charges for services	8,069,588	8,210,571	8,211,757	1,186
Interest earnings	75,000	48,527	46,234	(2,293)
Miscellaneous	84,000	67,775	72,283	4,508
Total revenues	8,589,974	8,599,066	8,610,391	11,325
EXPENDITURES				
Judicial and public safety:				
Personnel	9,909,495	9,816,860	9,734,035	82,825
Operating	3,258,869	3,313,242	2,807,804	505,438
Total expenditures	13,168,364	13,130,102	12,541,839	588,263
Excess (deficiency) of revenues over expenditures	(4,578,390)	(4,531,036)	(3,931,448)	599,588
OTHER FINANCING SOURCES (USES)				
Transfers in	4,172,217	4,302,527	4,302,527	-
Transfers out	(425,340)	(407,123)	(740,692)	(333,569)
Total other financing sources (uses)	3,746,877	3,895,404	3,561,835	(333,569)
Net change to fund balance	(831,513)	(635,632)	(369,613)	266,019
Fund balance, January 1	5,587,008	5,698,012	5,698,012	-
Fund balance, December 31	\$ 4,755,495	\$ 5,062,380	\$ 5,328,399	\$ 266,019

**LARIMER COUNTY, COLORADO
DEVELOPMENTAL DISABILITIES
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - ACTUAL AND BUDGET
Year Ended December 31, 2012**

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Taxes:				
Property	\$ 2,972,709	\$ 2,967,432	\$ 2,955,545	\$ (11,887)
EXPENDITURES				
Health and human services:				
Operating	2,972,709	2,967,432	2,955,545	11,887
Net change to fund balance	-	-	-	-
Fund balance, January 1	-	-	-	-
Fund balance, December 31	\$ -	\$ -	\$ -	\$ -

LARIMER COUNTY, COLORADO
DRAINAGE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - ACTUAL AND BUDGET
Year Ended December 31, 2012

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Taxes:				
Charges for services	\$ 356,700	\$ 367,150	\$ 385,731	\$ 18,581
Interest earnings	9,655	7,980	5,064	(2,916)
Total revenues	366,355	375,130	390,795	15,666
EXPENDITURES				
Streets and highways:				
Operating	336,602	346,789	377,083	(30,294)
Excess of revenues over expenditures	29,753	28,341	13,712	(14,629)
OTHER FINANCING USES				
Transfers out	(10,000)	(10,000)	(10,000)	-
Net change to fund balance	19,753	18,341	3,712	(14,629)
Fund balance, January 1	708,640	719,453	719,453	-
Fund balance, December 31	\$ 728,393	\$ 737,794	\$ 723,165	\$ (14,629)

LARIMER COUNTY, COLORADO
HEALTH AND ENVIRONMENT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - ACTUAL AND BUDGET
Year Ended December 31, 2012

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Taxes:				
Property	\$ 2,650,328	\$ 2,650,328	\$ 2,636,247	\$ (14,081)
Intergovernmental	3,680,678	3,908,765	3,838,579	(70,186)
Licenses and permits	449,210	465,775	480,395	14,620
Charges for services	803,640	791,110	770,189	(20,921)
Miscellaneous	404,203	437,667	394,793	(42,874)
Total revenues	7,988,059	8,253,645	8,120,203	(133,442)
EXPENDITURES				
Health and human services:				
Personnel	6,730,490	6,735,129	6,682,657	52,472
Operating	1,721,322	1,698,855	1,544,664	154,191
Total expenditures	8,451,812	8,433,984	8,227,321	206,663
Excess (deficiency) of revenues over expenditures	(463,753)	(180,339)	(107,118)	73,221
OTHER FINANCING USES				
Transfers out	-	(3,320)	(3,320)	-
Net change to fund balance	(463,753)	(183,659)	(110,438)	73,221
Fund balance, January 1	1,652,398	1,779,712	1,779,712	-
Decrease in inventories	-	-	(3,348)	(3,348)
Fund balance, December 31	\$ 1,188,645	\$ 1,596,053	\$ 1,665,926	\$ 69,873

**LARIMER COUNTY, COLORADO
HEALTH AND HUMAN SERVICES
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - ACTUAL AND BUDGET
Year Ended December 31, 2012**

	Budgeted		Actual	Variance
	Original	Final		
REVENUES	\$ -	\$ -	\$ -	\$ -
EXPENDITURES	-	-	-	-
OTHER FINANCING USES				
Transfers out	-	(627,290)	(627,290)	-
Net change to fund balance	-	(627,290)	(627,290)	-
Fund balance, January 1	-	627,290	627,290	-
Fund balance, December 31	\$ -	\$ -	\$ -	\$ -

LARIMER COUNTY, COLORADO
PARKS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - ACTUAL AND BUDGET
Year Ended December 31, 2012

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Intergovernmental	\$ 348,000	\$ 969,482	\$ 668,267	\$ (301,215)
Licenses and permits	2,043,358	2,113,810	2,084,465	(29,345)
Charges for services	209,997	246,800	232,277	(14,523)
Interest earnings	1,225	733	344	(389)
Miscellaneous	200	6,326	37,489	31,163
Total revenues	2,602,780	3,337,151	3,022,842	(314,309)
EXPENDITURES				
Recreation:				
Personnel	2,463,865	2,484,076	2,388,101	95,975
Operating	402,193	842,279	696,589	145,690
Capital outlay	-	830,891	397,980	432,911
Total expenditures	2,866,058	4,157,246	3,482,670	674,576
Excess (deficiency) of revenues over expenditures	(263,278)	(820,095)	(459,828)	360,267
OTHER FINANCING SOURCES (USES)				
Sale of assets	50,000	15,324	15,324	-
Transfers in	230,525	609,546	373,995	(235,551)
Transfers out	(87,737)	(63,113)	(59,037)	4,076
Total other financing sources (uses)	192,788	561,757	330,282	(231,475)
Net change to fund balance	(70,490)	(258,338)	(129,546)	128,792
Fund balance, January 1	1,296,349	1,316,489	70,971	(1,245,518)
Fund balance (deficit), December 31	\$ 1,225,859	\$ 1,058,151	\$ (58,575)	\$ (1,116,726)

LARIMER COUNTY, COLORADO
PEST CONTROL
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - ACTUAL AND BUDGET
Year Ended December 31, 2012

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Taxes:				
Property	\$ 451,069	\$ 448,239	\$ 447,234	\$ (1,005)
Other	32,500	31,500	32,341	841
Intergovernmental	45,335	68,961	68,961	-
Charges for services	243,800	239,663	241,582	1,919
Miscellaneous	-	850	850	-
Total revenues	772,704	789,213	790,968	1,755
EXPENDITURES				
Judicial and public safety:				
Personnel	501,238	556,070	540,735	15,335
Operating	202,827	227,736	222,117	5,619
Capital outlay	62,000	138,289	138,289	-
Total expenditures	766,065	922,095	901,141	20,954
Excess (deficiency) of revenues over expenditures	6,639	(132,882)	(110,173)	22,709
OTHER FINANCING SOURCES (USES)				
Sale of assets	-	26,835	26,835	-
Transfers out	-	(1,251)	(945)	306
Total other financing sources (uses)	-	25,584	25,890	306
Net change to fund balance	6,639	(107,298)	(84,283)	23,015
Fund balance, January 1	435,154	506,985	506,985	-
Fund balance, December 31	\$ 441,793	\$ 399,687	\$ 422,702	\$ 23,015

**LARIMER COUNTY, COLORADO
PUBLIC TRUSTEE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - ACTUAL AND BUDGET
Year Ended December 31, 2012**

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Charges for services	\$ 650,000	\$ 650,000	\$ 623,827	\$ (26,173)
Interest earnings	6,000	4,000	2,113	(1,887)
Miscellaneous	1,000	1,000	3,161	2,161
Total revenues	657,000	655,000	629,101	(25,899)
EXPENDITURES				
General government:				
Personnel	500,000	485,000	472,041	12,959
Operating	120,000	125,000	112,852	12,148
Total expenditures	620,000	610,000	584,893	25,107
Excess of revenues over expenditures	37,000	45,000	44,208	(792)
OTHER FINANCING USES				
Transfers out	(23,458)	(24,458)	(52,719)	(28,261)
Net change to fund balance	13,542	20,542	(8,511)	(29,053)
Fund balance, January 1	573,458	573,458	573,458	-
Fund balance, December 31	\$ 587,000	\$ 594,000	\$ 564,947	\$ (29,053)

Colorado Revised Statutes (C.R.S.) 29-1-102

"Expenditure" shall not include the payment or transfer of money's by the office of the Public Trustee created in Section 38-37-101, C.R.S., that are received from and required to be paid to another person or entity pursuant to the requirements of Article 37, 38 or 39 or Title 38 C.R.S., including, but not limited to, recording fees and publication costs pursuant to sections 38-38-101 and 38-39-102, C.R.S., and transfers of excess funds to the County Treasurer made pursuant to section 38-37-104 (3), C.R.S.

LARIMER COUNTY, COLORADO
THE RANCH
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - ACTUAL AND BUDGET
Year Ended December 31, 2012

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Taxes:				
Sales	\$ 643,416	\$ 1,715,777	\$ 1,692,698	\$ (23,079)
Other	106,150	283,068	279,260	(3,808)
Intergovernmental	-	-	19,639	19,639
Charges for services	4,616,901	4,690,901	4,675,984	(14,917)
Interest earnings	32,434	83,155	113,075	29,920
Miscellaneous	190,300	15,064,000	15,137,367	73,367
Total revenues	5,589,201	21,836,901	21,918,023	81,122
EXPENDITURES				
Recreation:				
Personnel	1,425,360	1,384,702	1,390,307	(5,605)
Operating	4,626,876	4,961,770	4,604,835	356,935
Capital outlay	122,800	1,139,859	1,777,413	(637,554)
Total expenditures	6,175,036	7,486,331	7,772,555	(286,224)
Excess (deficiency) of revenues over expenditures	(585,835)	14,350,570	14,145,468	(205,102)
OTHER FINANCING SOURCES (USES)				
Sale of assets	-	-	62,116	62,116
Transfers in	252,126	252,126	252,126	-
Transfers out	(23,678)	(23,678)	(24,064)	(386)
Total other financing sources (uses)	228,448	228,448	290,178	61,730
Net change to fund balance	(357,387)	14,579,018	14,435,646	(143,372)
Fund balance, January 1	2,451,401	1,219,400	1,219,400	-
Fund balance, December 31	\$ 2,094,014	\$ 15,798,418	\$ 15,655,046	\$ (143,372)

**LARIMER COUNTY, COLORADO
WEST VINE STORMWATER BASIN
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - ACTUAL AND BUDGET
Year Ended December 31, 2012**

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Charges for services	\$ 90,000	\$ 90,000	\$ 93,120	\$ 3,120
Interest earnings	8,000	4,500	4,624	124
Total revenues	98,000	94,500	97,744	3,244
EXPENDITURES				
Streets and highways:				
Operating	13,000	495,500	495,701	(201)
Net change to fund balance	85,000	(401,000)	(397,957)	3,043
Fund balance, January 1	712,953	720,618	720,618	-
Fund balance, December 31	\$ 797,953	\$ 319,618	\$ 322,661	\$ 3,043

LARIMER COUNTY, COLORADO
WORKFORCE CENTER
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - ACTUAL AND BUDGET
Year Ended December 31, 2012

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Intergovernmental	\$ 2,756,775	\$ 3,049,031	\$ 2,983,039	\$ (65,992)
Charges for services	3,298,463	3,361,089	3,298,736	(62,353)
Miscellaneous	53,000	118,323	131,017	12,694
Total revenues	6,108,238	6,528,443	6,412,792	(115,651)
EXPENDITURES				
Health and human services:				
Personnel	4,134,679	4,256,568	4,228,693	27,875
Operating	2,437,297	2,939,416	2,624,759	314,657
Capital outlay	-	3,350	3,350	-
Total expenditures	6,571,976	7,199,334	6,856,802	342,532
Excess (deficiency) of revenues over expenditures	(463,738)	(670,891)	(444,010)	226,881
OTHER FINANCING SOURCES				
Transfers in	382,444	448,993	448,993	-
Net change to fund balance	(81,294)	(221,898)	4,983	226,881
Fund balance, January 1	121,000	396,823	396,823	-
Fund balance, December 31	\$ 39,706	\$ 174,925	\$ 401,806	\$ 226,881

LARIMER COUNTY, COLORADO
GENERAL IMPROVEMENT DISTRICTS AND PUBLIC IMPROVEMENT DISTRICTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - ACTUAL AND BUDGET
Year Ended December 31, 2012

	Budgeted		Actual (Includes Transfers)	Variance
	Original (Includes Transfers)	Final (Includes Transfers)		
ARAPAHOE PINES				
Revenues	\$ 13,090	\$ 13,090	\$ 12,670	\$ (420)
Streets and highways:				
Operating	1,808	57,408	57,360	48
BLUFFS, THE				
Revenues	25,368	25,368	25,310	(58)
Streets and highways:				
Operating	4,642	4,642	2,450	2,192
BONNELL WEST				
Revenues	66,505	66,505	65,557	(948)
Streets and highways:				
Operating	9,750	26,250	25,503	747
BRUNS				
Revenues	6,450	6,450	5,848	(602)
Streets and highways:				
Operating	3,350	6,650	6,086	564
CARRIAGE HILLS				
Revenues	68,522	68,522	67,540	(982)
Streets and highways:				
Operating	66,229	106,229	53,708	52,521
CENTRO BUSINESS PARK				
Revenues	135,724	134,924	135,512	588
Streets and highways:				
Operating	118,347	118,348	113,094	5,254
CHARLES HEIGHTS				
Revenues	14,748	14,748	14,552	(196)
Streets and highways:				
Operating	14,948	14,947	13,231	1,716
CLUB ESTATES				
Revenues	13,862	13,862	13,324	(538)
Streets and highways:				
Operating	2,237	5,237	4,137	1,100
CLYDSEDALE ESTATES				
Revenues	3,819	3,819	3,807	(12)
Streets and highways:				
Operating	1,788	1,788	246	1,542

Continued on next page

	Budgeted		Actual (Includes Transfers)	Variance
	Original (Includes Transfers)	Final (Includes Transfers)		
CLYDSEDALE PARK				
Revenues	\$ 80,858	\$ 80,858	\$ 80,714	\$ (144)
Streets and highways:				
Operating	16,827	16,827	16,542	285
COTTONWOOD SHORES				
Revenues	33,298	33,298	33,364	66
Streets and highways:				
Operating	8,142	8,142	4,043	4,099
COUNTRY MEADOWS				
Revenues	27,648	27,648	25,850	(1,798)
Streets and highways:				
Operating	2,663	3,663	3,310	353
CROWN POINT				
Revenues	3,525	3,525	3,501	(24)
Streets and highways:				
Operating	1,244	1,244	224	1,020
EAGLE RANCH ESTATES				
Revenues	85,439	85,439	84,918	(521)
Streets and highways:				
Operating	31,006	31,006	5,209	25,797
EAGLE ROCK RANCHES				
Revenues	9,622	9,622	9,561	(61)
Streets and highways:				
Operating	9,621	9,622	7,089	2,533
ESTATES PARK ESTATES				
Revenues	11,730	11,730	11,514	(216)
Streets and highways:				
Operating	12,538	14,818	14,240	578
FOOTHILLS SHADOW				
Revenues	7,650	7,650	7,676	26
Streets and highways:				
Operating	2,990	2,990	1,177	1,813
GRAYHAWK KNOLLS				
Revenues	9,563	9,563	9,628	65
Streets and highways:				
Operating	3,613	3,613	623	2,990

Continued on next page

LARIMER COUNTY, COLORADO
GENERAL IMPROVEMENT DISTRICTS AND PUBLIC IMPROVEMENT DISTRICTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - ACTUAL AND BUDGET
Year Ended December 31, 2012

	Budgeted		Actual (Includes Transfers)	Variance
	Original (Includes Transfers)	Final (Includes Transfers)		
HIGHLAND HILLS				
Revenues	\$ 77,066	\$ 77,066	\$ 72,556	\$ (4,510)
Streets and highways:				
Operating	20,569	27,569	30,146	(2,577)
HOMESTEAD ESTATES				
Revenues	622	622	518	(104)
Streets and highways:				
Operating	8	8	8	0
IMPERIAL ESTATES				
Revenues	600	300	286	(14)
Streets and highways:				
Operating	-	-	-	-
KITCHELL SUBDIVISION				
Revenues	7,337	7,337	6,404	(933)
Streets and highways:				
Operating	1,379	1,379	386	993
KORAL HEIGHTS				
Revenues	11,679	11,579	11,448	(131)
Streets and highways:				
Operating	10,745	12,360	10,805	1,555
LITTLE VALLEY ROAD				
Revenues	67,324	67,324	67,327	3
Streets and highways:				
Operating	68,610	68,810	59,776	9,034
MEADOWDALE HILLS				
Revenues	27,096	27,096	26,797	(299)
Streets and highways:				
Operating	25,246	25,246	24,765	481
MOUNTAIN RANGE SHADOWS				
Revenues	51,101	51,101	50,900	(201)
Streets and highways:				
Operating	43,304	43,304	12,688	30,616
NAMAQUA HILLS				
Revenues	36,971	36,971	34,811	(2,160)
Streets and highways:				
Operating	8,684	8,684	5,497	3,187

Continued on next page

	Budgeted		Actual (Includes Transfers)	Variance
	Original (Includes Transfers)	Final (Includes Transfers)		
PARAGON ESTATES				
Revenues	\$ 38,699	\$ 38,699	\$ 39,010	\$ 311
Streets and highways:				
Operating	8,502	8,502	2,638	5,864
PARK HILL				
Revenues	4,992	4,992	4,994	2
Streets and highways:				
Operating	5,075	5,075	4,299	776
PINE WOOD SPRINGS				
Revenues	53,241	53,241	53,051	(190)
Streets and highways:				
Operating	55,316	55,316	48,844	6,472
POUDRE OVERLOOK				
Revenues	22,199	22,199	22,000	(199)
Streets and highways:				
Operating	7,450	7,450	6,112	1,338
PRARIE TRAILS				
Revenues	30,579	30,579	30,395	(184)
Streets and highways:				
Operating	12,979	32,979	28,415	4,564
PTARMIGAN				
Revenues	131,639	131,639	125,372	(6,267)
Streets and highways:				
Operating	58,345	58,345	25,692	32,653
PUEBLA VISTA ESTATES				
Revenues	65,025	140,140	64,920	(75,220)
Streets and highways:				
Operating	9,727	191,727	189,857	1,870
RAINBOW LAKE ESTATES				
Revenues	28,954	28,954	29,477	523
Streets and highways:				
Operating	7,883	7,883	1,914	5,969
RED FEATHER				
Revenues	16,960	16,960	17,020	60
Streets and highways:				
Operating	16,365	16,365	9,537	6,828

Continued on next page

LARIMER COUNTY, COLORADO
GENERAL IMPROVEMENT DISTRICTS AND PUBLIC IMPROVEMENT DISTRICTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - ACTUAL AND BUDGET
Year Ended December 31, 2012

	Budgeted		Actual (Includes Transfers)	Variance
	Original (Includes Transfers)	Final (Includes Transfers)		
SADDLEBACK				
Revenues	\$ 10,888	\$ 10,888	\$ 10,582	\$ (306)
Streets and highways:				
Operating	1,172	61,062	60,574	488
SOLAR RIDGE				
Revenues	34,387	34,387	33,975	(412)
Streets and highways:				
Operating	5,635	33,185	32,430	755
TERRY COVE				
Revenues	9,312	9,312	9,126	(186)
Streets and highways:				
Operating	3,594	3,594	590	3,004
TROTWOOD				
Revenues	11,700	11,700	11,074	(626)
Streets and highways:				
Operating	4,200	5,710	5,203	507
VENNER RANCH				
Revenues	26,763	26,763	25,983	(780)
Streets and highways:				
Operating	29,206	29,206	26,144	3,062
VINE DRIVE				
Revenues	13,050	13,050	12,959	(91)
Streets and highways:				
Operating	12,190	12,190	10,851	1,339
WAGON WHEEL				
Revenues	4,185	4,185	4,121	(64)
Streets and highways:				
Operating	1,270	1,270	266	1,004
WESTRIDGE				
Revenues	26,923	26,923	25,295	(1,628)
Streets and highways:				
Operating	9,201	10,301	9,679	622
Net change to fund balance	688,315	339,684	465,859	126,175
Fund balance, January 1	3,453,728	3,586,311	3,586,311	-
Fund balance (deficits), December 31	\$ 4,142,043	\$ 3,925,995	\$ 4,052,170	\$ 126,175

LARIMER COUNTY, COLORADO
ASSESSMENT DEBT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - ACTUAL AND BUDGET
Year Ended December 31, 2012

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Assessments	\$ 55,720	\$ 84,987	\$ 86,637	\$ 1,650
Interest earnings	38,481	38,481	36,213	(2,268)
Total revenues	94,201	123,468	122,850	(618)
EXPENDITURES				
Streets and highways:				
Operating	-	75,375	374	75,001
Debt service:				
Principal	52,623	88,141	88,373	(232)
Interest	27,258	26,983	26,768	215
Total expenditures	79,881	190,499	115,515	74,984
Net change to fund balance	14,320	(67,031)	7,335	74,366
Fund balance, January 1	823,156	818,028	818,028	-
Fund balance, December 31	\$ 837,476	\$ 750,997	\$ 825,363	\$ 74,366

LARIMER COUNTY, COLORADO
LARIMER COUNTY BUILDING AUTHORITY DEBT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - ACTUAL AND BUDGET
Year Ended December 31, 2012

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Taxes:				
Sales	\$ 2,973,108	\$ 2,973,108	\$ 2,918,393	\$ (54,715)
Other	490,491	490,491	529,014	38,523
Interest earnings	2,773	2,773	96,621	93,848
Total revenues	3,466,372	3,466,372	3,544,028	77,656
EXPENDITURES				
Debt service:				
Principal	7,450,000	7,450,000	7,450,000	-
Interest	396,735	396,735	396,735	-
Total expenditures	7,846,735	7,846,735	7,846,735	-
Excess (deficiency) of revenues over expenditures	(4,380,363)	(4,380,363)	(4,302,707)	77,656
OTHER FINANCING SOURCES				
Transfers in	4,380,363	4,380,363	4,302,031	(78,332)
Net change to fund balance	-	-	(676)	(676)
Fund balance, January 1	1,680,055	1,680,055	1,680,055	-
Fund balance, December 31	\$ 1,680,055	\$ 1,680,055	\$ 1,679,379	\$ (676)

LARIMER COUNTY, COLORADO
OPEN SPACE DEBT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - ACTUAL AND BUDGET
Year Ended December 31, 2012

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Taxes:				
Sales	\$ 1,056,390	\$ 1,056,390	\$ 1,055,674	\$ (716)
Other	174,251	174,251	174,133	(118)
Interest earnings	555	555	1,723	1,168
Total revenues	1,231,196	1,231,196	1,231,530	334
EXPENDITURES				
Debt service:				
Principal	925,000	925,000	925,000	-
Interest	306,513	306,513	306,513	-
Total expenditures	1,231,513	1,231,513	1,231,513	-
Net change to fund balance	(317)	(317)	17	334
Fund balance, January 1	102,209	102,487	102,487	-
Fund balance, December 31	\$ 101,892	\$ 102,170	\$ 102,504	\$ 334

LARIMER COUNTY, COLORADO
THE RANCH DEBT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - ACTUAL AND BUDGET
Year Ended December 31, 2012

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Taxes:				
Sales	\$ 4,134,580	\$ 3,702,914	\$ 3,702,914	\$ -
Other	682,429	610,900	610,900	-
Interest earnings	4,292	4,794	5,621	827
Total revenues	4,821,301	4,318,608	4,319,435	827
EXPENDITURES				
Debt service:				
Principal	3,115,000	3,025,000	3,025,000	-
Interest	1,524,869	570,899	570,899	-
Total expenditures	4,639,869	3,595,899	3,595,899	-
Net change to fund balance	181,432	722,709	723,536	827
Fund balance, January 1	710,763	359,691	359,691	-
Fund balance, December 31	\$ 892,195	\$ 1,082,400	\$ 1,083,227	\$ 827

LARIMER COUNTY, COLORADO
CAPITAL EXPENDITURES
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - ACTUAL AND BUDGET
Year Ended December 31, 2012

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Taxes:				
Sales	\$ -	\$ 1,551,950	\$ 1,510,021	\$ (41,929)
Other	-	256,034	285,552	29,518
Intergovernmental	54,373	70,262	74,219	3,957
Charges for services	326,471	326,471	256,405	(70,066)
Interest earnings	150,000	151,448	66,185	(85,263)
Miscellaneous	-	12,214	36,202	23,988
Total revenues	530,844	2,368,379	2,228,584	(139,795)
EXPENDITURES				
General government:				
Personnel	237,440	147,637	176,009	(28,372)
Operating	307,393	2,645,421	1,916,228	729,193
Capital outlay	-	13,851,100	13,585,788	265,312
Total expenditures	544,833	16,644,158	15,678,025	966,133
Excess (deficiency) of revenues over expenditures	(13,989)	(14,275,779)	(13,449,441)	826,338
OTHER FINANCING SOURCES				
Transfers in	75,000	3,049,924	2,949,366	(100,558)
Net change to fund balance	61,011	(11,225,855)	(10,500,075)	725,780
Fund balance, January 1	13,215,352	13,535,358	13,535,358	-
Fund balance, December 31	\$ 13,276,363	\$ 2,309,503	\$ 3,035,283	\$ 725,780

LARIMER COUNTY, COLORADO
IMPROVEMENT DISTRICT CONSTRUCTION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - ACTUAL AND BUDGET
Year Ended December 31, 2012

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ 201,532	\$ 197,675	\$ (3,857)
Charges for services	47,500	47,500	54,142	6,642
Total revenues	47,500	249,032	251,817	2,785
EXPENDITURES				
Streets and highways:				
Operating	2,300	400,119	390,355	9,764
Debt service:				
Principal	-	-	3,460	(3,460)
Total expenditures	2,300	400,119	393,815	6,304
Excess (deficiency) of revenues over expenditures	45,200	(151,087)	(141,998)	9,089
OTHER FINANCING USES				
Transfers out	(45,000)	(45,000)	(21,037)	23,963
Net change to fund balance	200	(196,087)	(163,035)	33,052
Fund balance, January 1	199,859	403,929	403,929	-
Fund balance, December 31	\$ 200,059	\$ 207,842	\$ 240,894	\$ 33,052

LARIMER COUNTY, COLORADO
REPLACEMENT AND TECHNOLOGY PROJECTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - ACTUAL AND BUDGET
Year Ended December 31, 2012

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ 44,305	\$ 44,305	\$ -
Charges for services	4,900	4,900	22,055	17,155
Miscellaneous	-	121,048	131,715	10,667
Total revenues	4,900	170,253	198,075	27,822
EXPENDITURES				
General government:				
Personnel	103,591	86,099	83,817	2,282
Operating	3,972,321	4,134,565	1,006,284	3,128,281
Capital outlay	3,637,223	4,350,035	1,840,289	2,509,746
Total expenditures	7,713,135	8,570,699	2,930,390	5,640,309
Excess (deficiency) of revenues over expenditures	(7,708,235)	(8,400,446)	(2,732,315)	5,668,131
OTHER FINANCING SOURCES (USES)				
Sale of assets	200,000	200,000	117,853	(82,147)
Transfers in	4,663,804	4,382,566	4,880,589	498,023
Transfers out	-	(854,365)	(1,137,627)	(283,262)
Total other financing sources (uses)	4,863,804	3,728,201	3,860,815	132,614
Net change to fund balance	(2,844,431)	(4,672,245)	1,128,500	5,800,745
Fund balance, January 1	17,149,164	23,129,220	22,815,431	(313,789)
Fund balance, December 31	\$ 14,304,733	\$ 18,456,975	\$ 23,943,931	\$ 5,486,956

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

LOCAL HIGHWAY FINANCE REPORT		City or County: Larimer County
		YEAR ENDING : December 2012
This Information From The Records Of County of Larimer Colorado:	Prepared By: Phone:	Lisa Bangs 970-498-5656

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)	5,313,051
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	10,465,916
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	0
2. General fund appropriations	0	b. Snow and ice removal	940,226
3. Other local imposts (from page 2)	9,069,108	c. Other	1,207,021
4. Miscellaneous local receipts (from page 2)	413,918	d. Total (a. through c.)	2,147,247
5. Transfers from toll facilities		4. General administration & miscellaneous	1,432,676
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	0
a. Bonds - Original Issues	0	6. Total (1 through 5)	19,358,890
b. Bonds - Refunding Issues	0	B. Debt service on local obligations:	
c. Notes	0	1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	0
7. Total (1 through 6)	9,483,026	b. Redemption	0
B. Private Contributions	200,000	c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	8,025,968	2. Notes:	
D. Receipts from Federal Government (from page 2)	2,731,510	a. Interest	0
E. Total receipts (A.7 + B + C + D)	20,440,504	b. Redemption	0
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	0
		C. Payments to State for highways	0
		D. Payments to toll facilities	0
		E. Total disbursements (A.6 + B.3 + C + D)	19,358,890

IV. LOCAL HIGHWAY DEBT STATUS (Show all entries at par)				
	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)	0	0	0	0
1. Bonds (Refunding Portion)		0	0	
B. Notes (Total)	0	0	0	0

V. LOCAL ROAD AND STREET FUND BALANCE					
	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	17,366,462	20,440,504	19,358,890	18,448,076	0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT		STATE: Colorado	
		YEAR ENDING (mm/yy): December 2012	
II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments	2,573,446	a. Interest on investments	0
b. Other local imposts:		b. Traffic Fines & Penalties	0
1. Sales Taxes	0	c. Parking Garage Fees	0
2. Infrastructure & Impact Fees	100,000	d. Parking Meter Fees	0
3. Liens	0	e. Sale of Surplus Property	0
4. Licenses	0	f. Charges for Services	38,498
5. Specific Ownership &/or Other	6,395,662	g. Other Misc. Receipts	373,425
6. Total (1. through 5.)	6,495,662	h. Other	1,995
c. Total (a. + b.)	9,069,108	i. Total (a. through h.)	413,918
	(Carry forward to page 1)		(Carry forward to page 1)
ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	7,643,424	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	416,880
a. State bond proceeds		b. FEMA	0
b. Project Match		c. HUD	0
c. Motor Vehicle Registrations	382,544	d. Federal Transit Admin	0
d. Other (Specify) - DOLA Grant		e. U.S. Corps of Engineers	0
e. Other (Specify)		f. Other Federal	2,314,630
f. Total (a. through e.)	382,544	g. Total (a. through f.)	2,731,510
4. Total (1. + 2. + 3.f)	8,025,968	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	23,506	23,506
b. Engineering Costs	0	560,413	560,413
c. Construction:			
(1). New Facilities	0	0	0
(2). Capacity Improvements	0	1,678,369	1,678,369
(3). System Preservation	0	3,050,763	3,050,763
(4). System Enhancement & Operation	0	0	0
(5). Total Construction (1) + (2) + (3) + (4)	0	4,729,132	4,729,132
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	5,313,051	5,313,051
			(Carry forward to page 1)
Notes and Comments:			

LARIMER COUNTY, COLORADO
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
December 31, 2012

	Employee Benefits	Facilities and Information Technology Division	Fleet Services
ASSETS			
Current Assets:			
Cash and cash equivalents	\$ 15,363,845	\$ 20,101,874	\$ 6,500,580
Accrued interest receivable	-	-	-
Due from other County funds	-	240,000	33,454
Due from other governmental units	-	17,955	56,701
Other receivables	9,365	2,306	30,460
Prepays and deposits	20,000	74,131	-
Inventories	-	30,181	252,729
Total current assets	15,393,210	20,466,447	6,873,924
Noncurrent assets:			
Long-term investment	-	-	-
Capital assets:			
Buildings, improvements, and equipment, net	-	3,459,306	3,705,057
Total noncurrent assets	-	3,459,306	3,705,057
Total assets	15,393,210	23,925,753	10,578,981
LIABILITIES			
Current liabilities:			
Accounts payable	50,473	269,538	258,126
Due to other County funds	-	18,490	26,620
Due to other governmental units	-	134,909	3,367
Payroll accrual	10,735	357,436	58,702
Claims payable	2,713,861	-	-
Compensated absences	3,352	114,673	25,269
Total current liabilities	2,778,421	895,046	372,084
Noncurrent liabilities:			
Claims payable	-	-	-
Compensated absences	28,425	972,344	214,267
Total noncurrent liabilities	28,425	972,344	214,267
Total liabilities	2,806,846	1,867,390	586,351
NET POSITION			
Net investment in capital assets	-	3,459,306	3,705,057
Unrestricted	12,586,364	18,599,057	6,287,573
Total net position	\$ 12,586,364	\$ 22,058,363	\$ 9,992,630

Risk Management	Unemployment	Total Internal Service Funds
\$ 9,162,506	\$ 676,455	\$ 51,805,260
15,489	-	15,489
2,894	-	276,348
-	-	74,656
-	-	42,131
364,788	-	458,919
-	-	282,910
<u>9,545,677</u>	<u>676,455</u>	<u>52,955,713</u>
1,433,363	-	1,433,363
-	-	7,164,363
<u>1,433,363</u>	<u>-</u>	<u>8,597,726</u>
<u>10,979,040</u>	<u>676,455</u>	<u>61,553,439</u>
33,568	-	611,705
74,214	-	119,324
7,257	-	145,533
10,417	-	437,290
1,709,175	263,375	4,686,411
1,875	-	145,169
<u>1,836,506</u>	<u>263,375</u>	<u>6,145,432</u>
1,085,636	55,898	1,141,534
15,902	-	1,230,938
<u>1,101,538</u>	<u>55,898</u>	<u>2,372,472</u>
<u>2,938,044</u>	<u>319,273</u>	<u>8,517,904</u>
-	-	7,164,363
8,040,996	357,182	45,871,172
<u>\$ 8,040,996</u>	<u>\$ 357,182</u>	<u>\$ 53,035,535</u>

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

	Employee Benefits	Facilities and Information Technology Division	Fleet Services	Risk Management
Operating revenues:				
Intergovernmental	\$ -	\$ 5,890	\$ -	\$ -
Charges for services	17,353,258	5,439,993	4,330,639	2,644,349
Total operating revenues	17,353,258	5,445,883	4,330,639	2,644,349
Operating expenses:				
Contract services	641,499	1,799,972	48,612	52,665
Depreciation	-	964,933	947,519	-
Insurance and claims	16,415,405	73,134	19,166	1,687,927
Operating supplies	87,043	870,680	3,108,243	5,343
Personnel	233,732	8,027,292	1,390,911	235,452
Rent	36,112	189,159	8,795	1,872
Repair and maintenance	355	1,105,387	267,119	86
Subscriptions and dues	1,789	57,962	5,097	4,252
Training and travel	6,482	106,803	1,597	5,216
Utilities	10,818	1,415,242	41,378	1,856
Other	76,786	89,488	94,299	25,859
Total operating expenses	17,510,021	14,700,052	5,932,736	2,020,528
Operating income (loss)	(156,763)	(9,254,169)	(1,602,097)	623,821
Nonoperating revenues (expenses):				
Compensation for loss	-	-	46,375	112,125
Gain (loss) on disposition of assets	-	(104,197)	90,110	-
Interest earnings	107,876	-	-	67,292
Miscellaneous revenues	154,825	7,120	5,219	10,733
Total nonoperating revenues (expenses)	262,701	(97,077)	141,704	190,150
Income (loss) before capital contributions and transfers	105,938	(9,351,246)	(1,460,393)	813,971
Capital contributions	-	93,300	-	-
Transfers in	-	13,168,533	1,598,840	-
Transfers out	-	(688,391)	(26,393)	-
Change in net position	105,938	3,222,196	112,054	813,971
Total net position-beginning	12,480,426	18,836,167	9,880,576	7,227,025
Total net position-ending	\$ 12,586,364	\$ 22,058,363	\$ 9,992,630	\$ 8,040,996

Total	
Unemployment	Internal Service Funds
\$ -	\$ 5,890
509,585	30,277,824
509,585	30,283,714
-	2,542,748
-	1,912,452
314,436	18,510,068
-	4,071,309
-	9,887,387
-	235,938
-	1,372,947
-	69,100
-	120,098
-	1,469,294
-	286,432
314,436	40,477,773
195,149	(10,194,059)
-	158,500
-	(14,087)
4,158	179,326
-	177,897
4,158	501,636
199,307	(9,692,423)
-	93,300
-	14,767,373
-	(714,784)
199,307	4,453,466
157,875	48,582,069
\$ 357,182	\$ 53,035,535

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

	Employee Benefits	Facilities and Information Technology Division	Fleet Services
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from external customers	\$ 1,089	\$ 293,834	\$ 389,404
Cash received from internal customers	17,374,778	5,043,678	3,855,978
Cash payments to external suppliers for goods and services	(16,343,065)	(4,611,085)	(3,445,839)
Cash payments to internal suppliers for goods and services	(9,557)	(1,084,642)	(183,980)
Cash payments to employees for services	(196,741)	(7,954,507)	(1,368,802)
Miscellaneous revenues	154,825	7,120	51,594
Net cash provided (used) by operating activities	981,329	(8,305,602)	(701,645)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers in	-	12,038,513	-
Transfers out	-	-	(26,393)
Net cash provided (used) by noncapital financing activities	-	12,038,513	(26,393)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of capital assets	-	(1,053,004)	(1,173,684)
Proceeds from sale of assets	-	7,360	228,120
Transfers in	-	1,130,020	1,598,840
Transfers out	-	(688,391)	-
Net cash provided (used) by capital and related financing activities	-	(604,015)	653,276
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on investments	107,876	-	-
Purchase of investments	-	-	-
Sale of investments	-	-	-
Net cash provided (used) by investing activities	107,876	-	-
Net increase (decrease) in cash and equivalents	1,089,205	3,128,896	(74,762)
Cash balances, January 1	14,274,640	16,972,978	6,575,342
Cash balances, December 31	\$ 15,363,845	\$ 20,101,874	\$ 6,500,580

Continued on next page

Risk Management	Unemployment	Total Internal Service Funds
\$ -	\$ -	\$ 684,327
2,658,828	510,715	29,443,977
(1,960,984)	(437,247)	(26,798,220)
26,805	-	(1,251,374)
(231,162)	-	(9,751,212)
117,645	-	331,184
611,132	73,468	(7,341,318)
-	-	12,038,513
-	-	(26,393)
-	-	12,012,120
-	-	(2,226,688)
-	-	235,480
-	-	2,728,860
-	-	(688,391)
-	-	49,261
67,292	4,158	179,326
4,693	-	4,693
100,000	-	100,000
171,985	4,158	284,019
783,117	77,626	5,004,082
8,379,389	598,829	46,801,178
\$ 9,162,506	\$ 676,455	\$ 51,805,260

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

	Employee Benefits	Facilities and Information Technology Division	Fleet Services
Reconciling of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ (156,763)	\$ (9,254,169)	\$ (1,602,097)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation expense	-	964,933	947,519
Miscellaneous nonoperating revenues	154,825	7,120	51,594
Assets (increase) decrease:			
Accrued interest receivable	-	-	-
Due from other County funds	30,885	(104,869)	(29,801)
Due from other governmental units	1,089	(4,495)	(28,860)
Other receivables	(9,365)	993	(26,597)
Prepays and deposits	-	48,387	-
Inventories	-	(7,131)	(19,668)
Liabilities increase (decrease):			
Accounts payable	161	2,694	(19,325)
Due to other County funds	-	12,444	3,592
Due to other governmental units	-	(44,295)	(111)
Accrued compensated absences	28,276	23,912	14,460
Claims payable	923,506	-	-
Payroll accrual	8,715	48,874	7,649
Total adjustments	1,138,092	948,567	900,452
Net cash provided (used) by operating activities	\$ 981,329	\$ (8,305,602)	\$ (701,645)
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES			
Contribution of fixed assets	\$ -	\$ 93,300	\$ -

Risk Management	Unemployment	Total Internal Service Funds
\$ 623,821	\$ 195,149	\$ (10,194,059)
-	-	1,912,452
122,858	-	336,397
(5,213)	-	(5,213)
14,479	1,130	(88,176)
-	-	(32,266)
-	-	(34,969)
21,411	-	69,798
-	-	(26,799)
22,834	-	6,364
59,779	-	75,815
(912)	-	(45,318)
3,121	-	69,769
(252,215)	(122,811)	548,480
1,169	-	66,407
(12,689)	(121,681)	2,852,741
\$ 611,132	\$ 73,468	\$ (7,341,318)
\$ -	\$ -	\$ 93,300

LARIMER COUNTY, COLORADO
SOLID WASTE
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND
NET POSITION - ACTUAL AND BUDGET
BUDGET BASIS
Year Ended December 31, 2012

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Charges for services	\$ 4,274,772	\$ 4,849,997	\$ 5,883,823	\$ 1,033,826
Interest earnings	200,000	150,000	153,278	3,278
Miscellaneous	13,110	178,110	181,774	3,664
Total revenues	4,487,882	5,178,107	6,218,875	1,040,768
EXPENSES				
Personnel	1,532,801	1,522,644	1,506,846	15,798
Operating:				
Contract services	743,379	809,336	627,735	181,601
Insurance and claims	31,575	31,575	25,940	5,635
Operating supplies	176,962	162,538	105,796	56,742
Rent	26,040	26,040	15,884	10,156
Repair and maintenance	675,925	895,532	773,572	121,960
Subscriptions and dues	42,050	63,400	55,098	8,302
Training and travel	45,035	43,562	16,691	26,871
Utilities	79,166	79,866	48,534	31,332
Other	340,648	365,748	336,051	29,697
Total operating	2,160,780	2,477,597	2,005,301	472,296
Capital outlay	722,672	1,097,724	1,134,633	(36,909)
Total expenses	4,416,253	5,097,965	4,646,780	451,185
Income before other financing sources (uses)	71,629	80,142	1,572,095	1,491,953
OTHER FINANCING SOURCES (USES)				
Sale of assets	25,000	195,000	236,664	41,664
Transfers in	-	-	7,038	7,038
Transfers out	(30,000)	(50,208)	(76,025)	(25,817)
Total other financing sources (uses)	(5,000)	144,792	167,677	22,885
Net income	66,629	224,934	1,739,772	1,514,838
Net position, January 1	19,410,951	20,800,174	20,800,174	-
Net position, December 31	\$ 19,477,580	\$ 21,025,108	\$ 22,539,946	\$ 1,514,838

LARIMER COUNTY, COLORADO
EMPLOYEE BENEFITS
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND
NET POSITION - ACTUAL AND BUDGET
Year Ended December 31, 2012

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Charges for services	\$ 17,505,325	\$ 17,096,800	\$ 17,353,258	\$ 256,458
Interest earnings	146,400	100,000	107,876	7,876
Miscellaneous	158,400	154,825	154,825	-
Total revenues	17,810,125	17,351,625	17,615,959	264,334
EXPENSES				
Personnel	174,005	240,123	233,732	6,391
Operating:				
Contract services	593,809	658,564	641,499	17,065
Insurance and claims	14,193,100	18,742,600	16,415,405	2,327,195
Operating supplies	32,600	107,500	87,043	20,457
Rent	38,283	36,412	36,112	300
Repair and maintenance	610	790	355	435
Subscriptions and dues	2,950	2,037	1,789	248
Training and travel	6,399	5,849	6,482	(633)
Utilities	10,013	10,998	10,818	180
Other	67,900	86,465	76,786	9,679
Total operating	14,945,664	19,651,215	17,276,289	2,374,926
Total expenses	15,119,669	19,891,338	17,510,021	2,381,317
Net income (loss)	2,690,456	(2,539,713)	105,938	2,645,651
Net position, January 1	13,036,395	12,480,426	12,480,426	-
Net position, December 31	\$ 15,726,851	\$ 9,940,713	\$ 12,586,364	\$ 2,645,651

LARIMER COUNTY, COLORADO
FACILITIES AND INFORMATION TECHNOLOGY DIVISION
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND
NET POSITION - ACTUAL AND BUDGET
BUDGET BASIS
Year Ended December 31, 2012

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 5,890	\$ 5,890
Charges for services	5,252,577	5,383,829	5,439,993	56,164
Miscellaneous	14,600	10,733	7,120	(3,613)
Total revenues	5,267,177	5,394,562	5,453,003	58,441
EXPENSES				
Personnel	7,969,333	8,001,317	8,003,381	(2,064)
Operating:				
Contract services	1,686,119	2,287,323	1,799,972	487,351
Insurance and claims	73,119	73,119	73,134	(15)
Operating supplies	1,308,581	771,129	877,811	(106,682)
Rent	176,702	181,802	189,159	(7,357)
Repair and maintenance	1,193,483	1,223,625	1,105,387	118,238
Subscriptions and dues	48,595	23,600	57,962	(34,362)
Training and travel	194,225	166,874	106,803	60,071
Utilities	1,518,732	1,525,203	1,415,242	109,961
Other	673,831	557,363	89,487	467,876
Total operating	6,873,387	6,810,038	5,714,957	1,095,081
Capital outlay	1,534,004	2,078,020	1,053,004	1,025,016
Total expenses	16,376,724	16,889,375	14,771,342	2,118,033
Loss before other financing sources (uses)	(11,109,547)	(11,494,813)	(9,318,339)	2,176,474
OTHER FINANCING SOURCES (USES)				
Sale of assets	-	-	7,360	7,360
Transfers in	12,029,361	12,876,119	13,168,533	292,414
Transfers out	(683,185)	(718,185)	(688,391)	29,794
Total other financing sources (uses)	11,346,176	12,157,934	12,487,502	329,568
Net income	236,629	663,121	3,169,163	2,506,042
Net position, January 1	13,911,320	16,509,781	16,509,781	-
Increase in inventories	-	-	7,131	7,131
Net position, December 31	\$ 14,147,949	\$ 17,172,902	\$ 19,686,075	\$ 2,513,173

LARIMER COUNTY, COLORADO
FLEET SERVICES
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND
NET ASSETS - ACTUAL AND BUDGET
BUDGET BASIS
Year Ended December 31, 2012

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Charges for services	\$ 3,869,000	\$ 4,514,000	\$ 4,330,639	\$ (183,361)
Miscellaneous	-	-	51,594	51,594
Total revenues	3,869,000	4,514,000	4,382,233	(131,767)
EXPENSES				
Personnel	1,378,252	1,388,202	1,376,451	11,751
Operating:				
Contract services	43,900	47,796	48,612	(816)
Insurance and claims	19,166	19,166	19,166	-
Operating supplies	2,538,325	3,111,639	3,127,911	(16,272)
Rent	10,060	8,600	8,795	(195)
Repair and maintenance	231,348	274,965	267,119	7,846
Subscriptions and dues	2,400	6,500	5,097	1,403
Training and travel	3,100	3,100	1,597	1,503
Utilities	50,850	56,079	41,378	14,701
Other	70,456	78,810	94,299	(15,489)
Total operating	2,969,605	3,606,655	3,613,974	(7,319)
Capital outlay	1,515,105	1,599,355	1,173,684	425,671
Total expenses	5,862,962	6,594,212	6,164,109	430,103
Loss before other financing sources (uses)	(1,993,962)	(2,080,212)	(1,781,876)	298,336
OTHER FINANCING SOURCES (USES)				
Sale of assets	100,000	100,000	228,120	128,120
Transfers in	1,508,593	1,534,843	1,598,840	63,997
Transfers out	(22,151)	(22,151)	(26,393)	(4,242)
Total other financing sources (uses)	1,586,442	1,612,692	1,800,567	187,875
Net income (loss)	(407,520)	(467,520)	18,691	486,211
Net position, January 1	6,242,459	6,488,750	6,488,750	-
Increase in inventories	-	-	19,668	19,668
Net position, December 31	\$ 5,834,939	\$ 6,021,230	\$ 6,527,109	\$ 505,879

LARIMER COUNTY, COLORADO
RISK MANAGEMENT
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND
NET POSITION - ACTUAL AND BUDGET
Year Ended December 31, 2012

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Charges for services	\$ 2,696,137	\$ 2,696,140	\$ 2,644,349	\$ (51,791)
Interest earnings	100,000	50,000	67,292	17,292
Miscellaneous	50,000	86,000	122,858	36,858
Total revenues	2,846,137	2,832,140	2,834,499	2,359
EXPENSES				
Personnel	230,860	246,541	235,452	11,089
Operating:				
Contract services	73,031	77,993	52,665	25,328
Insurance and claims	2,466,383	2,624,143	1,687,927	936,216
Operating supplies	24,200	20,500	5,343	15,157
Rent	2,050	2,350	1,872	478
Repair and maintenance	-	100	86	14
Subscriptions and dues	7,350	7,350	4,252	3,098
Training and travel	19,473	19,273	5,216	14,057
Utilities	5,540	5,540	1,856	3,684
Other	17,250	28,350	25,859	2,491
Total operating	2,615,277	2,785,599	1,785,076	1,000,523
Total expenses	2,846,137	3,032,140	2,020,528	1,011,612
Net income (loss)	-	(200,000)	813,971	1,013,971
Net position, January 1	6,136,821	7,227,025	7,227,025	-
Net position, December 31	\$ 6,136,821	\$ 7,027,025	\$ 8,040,996	\$ 1,013,971

LARIMER COUNTY, COLORADO
UNEMPLOYMENT
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND
NET ASSETS - ACTUAL AND BUDGET
Year Ended December 31, 2012

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Charges for services	\$ 463,300	\$ 465,500	\$ 509,585	\$ 44,085
Interest earnings	7,000	4,200	4,158	(42)
Total revenues	470,300	469,700	513,743	44,043
EXPENSES				
Operating:				
Contract services	25	25	-	25
Insurance and claims	400,000	400,000	314,436	85,564
Total operating	400,025	400,025	314,436	85,589
Net income	70,275	69,675	199,307	129,632
Net position, January 1	113,951	157,875	157,875	-
Net position, December 31	\$ 184,226	\$ 227,550	\$ 357,182	\$ 129,632

LARIMER COUNTY, COLORADO
COMBINING STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
December 31, 2012

	Checking Accounts	Commissioners' Escrow	Crime Victim Compensation	General Agency	Total Agency Funds
ASSETS					
Cash and cash equivalents	\$ -	\$ 3,720	\$ -	\$ 5,991,437	\$ 5,995,157
Cash-restricted	105,617	-	484,768	-	590,385
Due from other governmental units	-	-	-	-	-
Total assets	\$ 105,617	\$ 3,720	\$ 484,768	\$ 5,991,437	\$ 6,585,542
LIABILITIES					
Accounts payable	\$ -	\$ 3,720	\$ -	\$ 332,245	\$ 335,965
Due to other governmental units	-	-	-	5,659,192	5,659,192
Payable from restricted assets	105,617	-	484,768	-	590,385
Total liabilities	\$ 105,617	\$ 3,720	\$ 484,768	\$ 5,991,437	\$ 6,585,542

LARIMER COUNTY, COLORADO
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FIDUCIARY FUNDS
Year Ended December 31, 2012

	Balances			Balances
	1/1/12	Additions	Deductions	12/31/12
Checking accounts				
Cash-restricted	\$ 114,024	\$ 3,430,677	\$ 3,439,084	\$ 105,617
Total assets	\$ 114,024	\$ 3,430,677	\$ 3,439,084	\$ 105,617
Payable from restricted assets	\$ 114,024	\$ 3,430,677	\$ 3,439,084	\$ 105,617
Total liabilities	\$ 114,024	\$ 3,430,677	\$ 3,439,084	\$ 105,617
Commissioners' escrow				
Cash and cash equivalents	\$ 6,220	\$ -	\$ 2,500	\$ 3,720
Total assets	\$ 6,220	\$ -	\$ 2,500	\$ 3,720
Accounts payable	\$ 6,220	\$ -	\$ 2,500	\$ 3,720
Total liabilities	\$ 6,220	\$ -	\$ 2,500	\$ 3,720
Crime victim compensation				
Cash-restricted	\$ 397,525	\$ 731,392	\$ 644,149	\$ 484,768
Total assets	\$ 397,525	\$ 731,392	\$ 644,149	\$ 484,768
Payable from restricted assets	\$ 397,525	\$ 731,392	\$ 644,149	\$ 484,768
Total liabilities	\$ 397,525	\$ 731,392	\$ 644,149	\$ 484,768
General agency				
Cash and cash equivalents	\$ 6,618,706	\$ 379,704,674	\$ 380,331,943	\$ 5,991,437
Total assets	\$ 6,618,706	\$ 379,704,674	\$ 380,331,943	\$ 5,991,437
Accounts payable	\$ 268,105	\$ 21,645,394	\$ 21,581,254	\$ 332,245
Due to other governmental units	6,350,601	320,770,490	321,461,899	5,659,192
Total liabilities	\$ 6,618,706	\$ 342,415,884	\$ 343,043,153	\$ 5,991,437
Total - all agency funds				
Cash and cash equivalents	\$ 6,624,926	\$ 379,704,674	\$ 380,334,443	\$ 5,995,157
Cash-restricted	511,549	4,162,069	4,083,233	590,385
Total assets	\$ 7,136,475	\$ 383,866,743	\$ 384,417,676	\$ 6,585,542
Accounts payable	\$ 274,325	\$ 21,645,394	\$ 21,583,754	\$ 335,965
Due to other governmental units	6,350,601	320,770,490	321,461,899	5,659,192
Payable from restricted assets	511,549	4,162,069	4,083,233	590,385
Total liabilities	\$ 7,136,475	\$ 346,577,953	\$ 347,128,886	\$ 6,585,542



Recovery Efforts



LARIMER COUNTY, COLORADO
STATISTICAL SECTION
December 31, 2012

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

<u>Contents</u>	<u>Pages</u>
Financial Trends These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.	128-140
Revenue Capacity These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.	142-150
Debt Capacity These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.	152-158
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.	159-161
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.	162-169

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

LARIMER COUNTY, COLORADO
NET POSITION BY COMPONENT
(Accrual basis of accounting)
(Unaudited)
Last Ten Years

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Governmental activities				
Net investment in capital assets	\$ 91,290,946	\$ 114,895,922	\$ 133,582,530	\$ 380,978,872
Restricted	43,825,784	39,702,557	40,664,121	42,236,896
Unrestricted	81,545,285	90,972,805	90,160,293	94,652,339
Total governmental activities net position	<u>\$ 216,662,015</u>	<u>\$ 245,571,284</u>	<u>\$ 264,406,944</u>	<u>\$ 517,868,107</u>
Business-type activities				
Net investment in capital assets	\$ 4,561,086	\$ 4,683,598	\$ 3,770,476	\$ 4,634,744
Unrestricted	8,084,609	10,120,703	12,508,635	12,912,435
Total business-type activities net position	<u>\$ 12,645,695</u>	<u>\$ 14,804,301</u>	<u>\$ 16,279,111</u>	<u>\$ 17,547,179</u>
Primary government				
Net investment in capital assets	\$ 95,852,032	\$ 119,579,520	\$ 137,353,006	\$ 385,613,616
Restricted	43,825,784	39,702,557	40,664,121	42,236,896
Unrestricted	89,629,894	101,093,508	102,668,928	107,564,774
Total primary government net position	<u>\$ 229,307,710</u>	<u>\$ 260,375,585</u>	<u>\$ 280,686,055</u>	<u>\$ 535,415,286</u>

Note: Total governmental activities net position increased significantly in 2006 due to retroactive reporting of infrastructure per GASB Statement 34.

<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
\$ 406,939,641	\$ 410,824,383	\$ 420,438,307	\$ 429,161,049	\$ 443,354,479	\$ 464,217,121
39,120,908	26,356,866	23,507,502	27,274,019	26,724,176	22,061,256
102,365,656	123,202,342	137,355,778	145,883,976	163,073,205	177,797,064
<u>\$ 548,426,205</u>	<u>\$ 560,383,591</u>	<u>\$ 581,301,587</u>	<u>\$ 602,319,044</u>	<u>\$ 633,151,860</u>	<u>\$ 664,075,441</u>
\$ 5,360,413	\$ 6,474,519	\$ 6,402,241	\$ 6,695,266	\$ 6,359,317	\$ 6,549,362
14,024,674	14,370,502	16,038,612	16,428,266	17,275,831	18,853,615
<u>\$ 19,385,087</u>	<u>\$ 20,845,021</u>	<u>\$ 22,440,853</u>	<u>\$ 23,123,532</u>	<u>\$ 23,635,148</u>	<u>\$ 25,402,977</u>
\$ 412,300,054	\$ 417,298,902	\$ 426,840,548	\$ 435,856,315	\$ 449,713,796	\$ 470,766,483
39,120,908	26,356,866	23,507,502	27,274,019	26,724,176	22,061,256
116,390,330	137,572,844	153,394,390	162,312,242	180,349,036	196,650,679
<u>\$ 567,811,292</u>	<u>\$ 581,228,612</u>	<u>\$ 603,742,440</u>	<u>\$ 625,442,576</u>	<u>\$ 656,787,008</u>	<u>\$ 689,478,418</u>

LARIMER COUNTY, COLORADO
CHANGES IN NET POSITION
(Accrual basis of accounting)
(Unaudited)
Last Ten Years

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Expenses				
Governmental activities:				
General government	\$ 33,465,883	\$ 39,932,052	\$ 39,676,160	\$ 44,302,503
Judicial and public safety	43,329,341	44,472,571	52,834,026	52,174,422
Streets and highways	16,419,458	17,679,259	19,315,377	26,847,232
Recreation	10,569,040	11,979,368	11,390,587	12,291,631
Health and human services	39,822,633	41,043,131	43,122,405	44,978,997
Interest on long-term debt	6,308,474	6,179,130	5,804,762	5,425,945
Total governmental activities expenses	<u>149,914,829</u>	<u>161,285,511</u>	<u>172,143,317</u>	<u>186,020,730</u>
Business-type activities:				
Solid Waste	4,608,271	4,484,837	3,605,388	3,696,629
Total primary government expenses	<u>\$ 154,523,100</u>	<u>\$ 165,770,348</u>	<u>\$ 175,748,705</u>	<u>\$ 189,717,359</u>
Program Revenues				
Governmental activities:				
Charges for services:				
General government	\$ 11,686,763	\$ 10,723,676	\$ 12,081,628	\$ 11,085,706
Judicial and public safety	5,285,033	6,949,392	6,251,206	8,572,442
Streets and highways	2,241,984	2,173,518	2,186,409	2,242,315
Recreation	2,226,752	5,767,825	7,785,719	6,117,539
Health and human services	1,400,946	1,397,759	1,680,660	2,130,056
Operating grants and contributions	42,793,554	40,847,855	45,158,414	46,988,144
Capital grants and contributions	1,782,780	12,628,549	1,524,129	1,778,581
Total governmental activities program revenues	<u>67,417,812</u>	<u>80,488,574</u>	<u>76,668,165</u>	<u>78,914,783</u>
Business-type activities:				
Solid Waste	6,373,927	6,540,764	4,709,862	4,434,995
Total primary government program revenues	<u>\$ 73,791,739</u>	<u>\$ 87,029,338</u>	<u>\$ 81,378,027</u>	<u>\$ 83,349,778</u>
Net (Expense)/Revenue				
Governmental activities	\$ (82,497,017)	\$ (80,796,937)	\$ (95,475,152)	\$ (107,105,947)
Business-type activities	1,765,656	2,055,927	1,104,474	738,366
Total primary government net expense	<u>\$ (80,731,361)</u>	<u>\$ (78,741,010)</u>	<u>\$ (94,370,678)</u>	<u>\$ (106,367,581)</u>

Continued on next page

<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
\$ 43,715,440	\$ 44,445,289	\$ 43,076,610	\$ 45,800,074	\$ 33,884,266	\$ 39,678,181
55,674,548	58,376,571	60,289,594	62,454,522	63,130,631	65,716,338
21,043,339	23,049,689	28,639,015	25,937,922	25,419,247	30,762,598
12,838,308	12,929,681	13,588,949	14,871,356	16,649,276	14,831,064
48,359,513	52,222,201	59,506,473	57,196,100	56,495,527	57,216,435
4,879,697	4,509,065	3,443,540	3,033,961	2,625,435	1,398,095
186,510,845	195,532,496	208,544,181	209,293,935	198,204,382	209,602,711
3,836,525	3,949,326	2,797,933	3,789,033	5,246,966	4,382,059
\$ 190,347,370	\$ 199,481,822	\$ 211,342,114	\$ 213,082,968	\$ 203,451,348	\$ 213,984,770
\$ 12,061,342	\$ 12,468,661	\$ 12,864,549	\$ 15,141,767	\$ 13,429,235	\$ 15,444,025
9,850,486	10,765,540	11,441,132	12,603,901	12,683,853	12,032,354
2,624,181	2,886,087	1,775,716	2,393,419	2,368,114	2,729,622
6,503,356	6,154,769	6,573,646	6,683,984	7,874,690	7,585,217
1,505,503	1,381,312	1,248,649	1,496,870	1,767,681	4,962,184
45,941,848	50,852,146	64,478,608	57,085,491	55,643,693	50,254,630
7,117,218	1,238,144	3,376,676	3,591,154	2,133,598	3,006,085
85,603,934	85,746,659	101,758,976	98,996,586	95,900,864	96,014,117
4,948,614	4,848,141	3,988,941	4,069,778	5,511,558	5,883,823
\$ 90,552,548	\$ 90,594,800	\$ 105,747,917	\$ 103,066,364	\$ 101,412,422	\$ 101,897,940
\$(100,906,911)	\$(109,785,837)	\$(106,785,205)	\$(110,297,349)	\$(102,303,518)	\$(113,588,594)
1,112,089	898,815	1,191,008	280,745	264,592	1,501,764
\$ (99,794,822)	\$ (108,887,022)	\$ (105,594,197)	\$ (110,016,604)	\$ (102,038,926)	\$ (112,086,830)

LARIMER COUNTY, COLORADO
CHANGES IN NET POSITION
(Accrual basis of accounting)
(Unaudited)
Last Ten Years

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
General Revenues and Other Changes in Net Position				
Governmental activities:				
Taxes:				
Property	\$ 65,590,102	\$ 68,360,796	\$ 71,023,421	\$ 76,574,324
Sales	22,522,901	23,276,239	23,996,805	25,478,112
Other	11,742,714	12,901,563	12,904,696	13,085,187
Interest earnings	2,911,476	2,378,178	4,392,473	8,056,023
Miscellaneous	2,783,742	2,722,909	1,682,339	2,131,867
Gain (loss) on sale of capital assets	(739,797)	-	284,337	-
Transfers	19,044	66,521	26,741	108,963
Total governmental activities	<u>\$ 104,830,182</u>	<u>\$ 109,706,206</u>	<u>\$ 114,310,812</u>	<u>\$ 125,434,476</u>
Business-type activities				
Interest earnings	\$ 72,798	\$ 169,200	\$ 397,077	\$ 637,758
Miscellaneous	1,410	-	-	198
Gain (loss) on sale of capital assts	(136,110)	-	-	709
Transfers	(19,044)	(66,521)	(26,741)	(108,963)
Total business-type activities	<u>(80,946)</u>	<u>102,679</u>	<u>370,336</u>	<u>529,702</u>
Total primary government	<u>\$ 104,749,236</u>	<u>\$ 109,808,885</u>	<u>\$ 114,681,148</u>	<u>\$ 125,964,178</u>
Change in Net Position				
Governmental activities	\$ 22,333,165	\$ 28,909,269	\$ 18,835,660	\$ 18,328,529
Business-type activities	1,684,710	2,158,606	1,474,810	1,268,068
Total primary government	<u>\$ 24,017,875</u>	<u>\$ 31,067,875</u>	<u>\$ 20,310,470</u>	<u>\$ 19,596,597</u>

Note: Capital grants and contributions program revenue increased in 2004 due to the Open Lands fund receiving more Great Outdoors Colorado (GOCO) grant money for the purchase of open space than in other years. General Government expenses decreased in 2011 due to the facilities and information technology departments becoming an internal service fund. Miscellaneous revenue increased in 2012 due to The Ranch's lawsuit settlement.

<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
\$ 78,426,576	\$ 86,000,932	\$ 88,611,587	\$ 91,237,824	\$ 91,213,410	\$ 89,004,425
26,175,679	25,692,299	24,327,211	26,154,850	27,511,535	25,381,994
13,078,414	11,574,558	9,894,340	9,990,776	9,923,484	11,178,253
11,443,022	8,636,682	2,686,697	2,042,304	1,841,749	1,191,568
2,315,180	2,815,948	2,186,728	1,942,095	3,263,696	17,686,948
-	-	-	-	-	-
26,138	72,675	(3,362)	(53,043)	18,476	68,987
<u>\$ 131,465,009</u>	<u>\$ 134,793,094</u>	<u>\$ 127,703,201</u>	<u>\$ 131,314,806</u>	<u>\$ 133,772,350</u>	<u>\$ 144,512,175</u>
\$ 748,443	\$ 630,040	\$ 392,792	\$ 324,324	\$ 194,691	\$ 153,278
3,514	3,754	8,670	24,567	70,809	181,774
-	-	-	-	-	-
(26,138)	(72,675)	3,362	53,043	(18,476)	(68,987)
<u>725,819</u>	<u>561,119</u>	<u>404,824</u>	<u>401,934</u>	<u>247,024</u>	<u>266,065</u>
<u>\$ 132,190,828</u>	<u>\$ 135,354,213</u>	<u>\$ 128,108,025</u>	<u>\$ 131,716,740</u>	<u>\$ 134,019,374</u>	<u>\$ 144,778,240</u>
\$ 30,558,098	\$ 25,007,257	\$ 20,917,996	\$ 21,017,457	\$ 31,468,832	\$ 30,923,581
1,837,908	1,459,934	1,595,832	682,679	511,616	1,767,829
<u>\$ 32,396,006</u>	<u>\$ 26,467,191</u>	<u>\$ 22,513,828</u>	<u>\$ 21,700,136</u>	<u>\$ 31,980,448</u>	<u>\$ 32,691,410</u>

LARIMER COUNTY, COLORADO
FUND BALANCE, GOVERNMENTAL FUNDS
(Modified accrual accounting)
(Unaudited)
Last Ten Years

	<u>2003*</u>	<u>2004*</u>	<u>2005*</u>	<u>2006*</u>
General Fund				
Restricted				
Intergovernmental agreements	\$ -	\$ -	\$ -	\$ -
Legislative restrictions	-	-	-	-
TABOR reserves	-	-	-	-
Committed				
Capital projects	-	-	-	-
Assigned				
General government	-	-	-	-
High Park Fire recovery	-	-	-	-
Unassigned	-	-	-	-
*Prior to 2011				
Reserved	1,589,139	1,854,980	1,921,382	2,278,771
Unreserved	20,652,724	21,700,508	17,550,841	21,038,115
Total General Fund	<u>\$ 22,241,863</u>	<u>\$ 23,555,488</u>	<u>\$ 19,472,223</u>	<u>\$ 23,316,886</u>
All Other Governmental Funds				
Nonspendable				
Inventories	\$ -	\$ -	\$ -	\$ -
Restricted				
Capital projects	-	-	-	-
Citizen initiatives	-	-	-	-
Debt service	-	-	-	-
Legislative restrictions	-	-	-	-
TABOR reserves	-	-	-	-
Committed				
Capital projects	-	-	-	-
Leisure activities	-	-	-	-
Assigned				
Capital projects	-	-	-	-
Leisure activities	-	-	-	-
Public assistance	-	-	-	-
Public protection	-	-	-	-
Roads and bridges	-	-	-	-
Subsequent year expenditures	-	-	-	-
Unassigned	-	-	-	-
*Prior to 2011				
Reserved	48,134,365	36,567,944	38,645,960	40,154,882
Unreserved:				
Designated, reported in:				
Special revenue funds	38,655,114	41,753,656	39,705,896	37,117,703
Capital projects funds	22,132,501	26,113,749	32,911,079	31,274,956
Undesignated, reported in:				
Special revenue funds	(7,581)	-	-	-
Total all other governmental funds	<u>\$ 108,914,399</u>	<u>\$ 104,435,349</u>	<u>\$ 111,262,935</u>	<u>\$ 108,547,541</u>

*Fund balances for prior years not available in GASB 54 fund balance breakdown.

<u>2007*</u>	<u>2008*</u>	<u>2009*</u>	<u>2010*</u>	<u>2011</u>	<u>2012</u>
\$ -	\$ -	\$ -	\$ -	\$ 385,803	\$ 469,771
-	-	-	-	251,349	640,337
-	-	-	-	4,482,738	4,281,277
-	-	-	-	5,050,000	-
-	-	-	-	172,970	281,701
-	-	-	-	-	7,538,971
-	-	-	-	33,632,525	35,482,557
2,481,655	2,981,482	3,292,973	3,666,265	-	-
24,653,592	30,770,036	34,672,773	40,063,682	-	-
<u>\$ 27,135,247</u>	<u>\$ 33,751,518</u>	<u>\$ 37,965,746</u>	<u>\$ 43,729,947</u>	<u>\$ 43,975,385</u>	<u>\$ 48,694,614</u>
\$ -	\$ -	\$ -	\$ -	\$ 486,609	\$ 593,725
-	-	-	-	13,535,358	3,035,283
-	-	-	-	29,298,895	26,061,772
-	-	-	-	3,054,261	3,784,473
-	-	-	-	17,857,228	17,578,507
-	-	-	-	21,421	22,227
-	-	-	-	3,000,000	-
-	-	-	-	778,133	717,569
-	-	-	-	23,023,073	37,585,567
-	-	-	-	84,361	1,142,761
-	-	-	-	2,275,932	1,390,292
-	-	-	-	3,267,650	3,801,958
-	-	-	-	17,663,446	11,149,872
-	-	-	-	891,630	10,917,047
-	-	-	-	-	(125,642)
36,769,031	23,435,716	22,049,276	23,673,905	-	-
37,118,656	44,466,180	46,094,754	49,879,091	-	-
33,305,707	36,759,121	39,707,531	40,546,399	-	-
-	(13,428)	-	(380,561)	-	-
<u>\$ 107,193,394</u>	<u>\$ 104,647,589</u>	<u>\$ 107,851,561</u>	<u>\$ 113,718,834</u>	<u>\$ 115,237,997</u>	<u>\$ 117,655,411</u>

LARIMER COUNTY, COLORADO
CHANGES IN FUND BALANCE, GOVERNMENTAL FUNDS
(Modified accrual accounting)
(Unaudited)
Last Ten Years

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
REVENUES				
Taxes	\$ 99,855,717	\$ 104,538,598	\$ 107,780,908	\$ 114,972,330
Assessments	304,652	305,914	227,259	228,985
Intergovernmental	40,268,120	52,387,211	46,021,766	47,269,023
Licenses and permits	2,282,068	2,983,935	3,074,536	3,014,993
Charges for services	20,258,296	22,311,693	25,240,236	25,526,113
Interest earnings	2,911,476	2,378,177	4,357,460	8,056,023
Miscellaneous	3,760,043	4,914,815	3,395,354	4,554,242
Total revenues	169,640,372	189,820,343	190,097,519	203,621,709
EXPENDITURES				
Current:				
General government	34,852,891	35,891,001	36,249,230	40,346,736
Judicial and public safety	40,422,553	43,757,899	51,756,639	50,579,547
Streets and highways	21,443,231	20,758,348	25,266,046	26,224,384
Recreation	7,471,039	9,695,857	9,490,570	10,123,480
Health and human services	39,605,689	41,263,372	43,184,231	44,597,382
Capital outlay	58,927,067	25,713,978	5,028,486	13,155,076
Debt service:				
Issuance costs	176,202	-	-	-
Principal	7,516,830	8,136,764	8,787,878	9,153,399
Interest	6,378,204	6,248,839	5,874,471	5,495,653
Total expenditures	216,793,706	191,466,058	185,637,551	199,675,657
Excess (deficiency) of revenues over expenditures	(47,153,334)	(1,645,715)	4,459,968	3,946,052
OTHER FINANCING SOURCES (USES)				
Sale of assets	3,830,836	391,772	658,603	239,072
Financing provided by debt	5,655,651	400,000	20,150	-
Issuance of refunding bonds	-	-	-	-
Premium on refunding bonds	-	-	-	-
Payment to bond refunding escrow agent	-	-	-	-
Refunded bonds redeemed	-	-	-	-
Transfers in	41,868,098	40,139,579	42,754,321	38,248,845
Transfers out	(43,493,244)	(42,444,491)	(45,161,453)	(41,313,926)
Total other financing sources (uses)	7,861,341	(1,513,140)	(1,728,379)	(2,826,009)
Net change to fund balance	\$ (39,291,993)	\$ (3,158,855)	\$ 2,731,589	\$ 1,120,043

Debt service as a percentage
of non-capital expenditures 8.80% 8.68% 8.12% 7.85%

Note: Capital outlay in 2003-2004 included The Ranch complex, the Courthouse, and Community Corrections.
Sale of assets in 2003 included the sale of land and a building. Miscellaneous revenue in 2012 included
The Ranch's lawsuit settlement. Capital outlay in 2012 included the Midpoint Campus project.

<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
\$ 117,519,113	\$ 123,127,610	\$ 122,566,916	\$ 127,240,538	\$ 128,425,648	\$ 125,327,096
225,763	196,187	166,247	125,244	129,372	86,637
48,817,312	51,139,280	65,328,617	58,427,615	54,969,316	49,938,453
3,071,677	3,087,722	2,954,273	3,906,073	4,242,994	4,628,296
27,865,086	28,600,863	28,742,774	31,898,991	30,869,069	34,918,470
11,017,294	8,047,632	2,295,044	1,736,143	1,993,516	1,012,242
5,343,854	4,985,051	4,821,317	4,894,904	6,801,973	21,433,185
213,860,099	219,184,345	226,875,188	228,229,508	227,431,888	237,344,379
40,515,485	41,652,980	39,737,854	42,391,916	28,611,626	32,480,651
54,592,649	57,321,375	58,921,708	60,138,750	59,225,252	61,646,981
23,463,126	19,962,605	27,185,849	22,592,499	23,276,524	25,124,313
10,654,819	10,690,953	10,811,092	11,729,807	12,300,955	11,888,653
48,700,802	52,663,229	59,834,038	56,975,082	52,900,199	54,008,633
17,080,481	10,466,550	7,247,413	7,668,368	9,805,450	18,408,457
183,187	165,153	-	-	330,041	-
9,902,869	16,302,289	10,484,659	10,879,400	12,308,933	11,561,833
4,953,718	4,596,322	3,530,797	3,121,218	2,712,692	1,333,265
210,047,136	213,821,456	217,753,410	215,497,040	201,471,672	216,452,786
3,812,963	5,362,889	9,121,778	12,732,468	25,960,216	20,891,593
562,983	205,187	227,425	272,851	300,050	232,000
-	1,166,120	185,249	300,000	-	-
8,530,000	22,330,000	-	-	30,190,000	-
197,424	-	-	-	-	-
(8,549,800)	-	-	-	(30,190,000)	-
-	(22,330,000)	-	-	-	-
42,861,469	42,857,857	35,140,152	36,411,788	18,222,732	18,592,824
(44,810,815)	(45,514,891)	(37,270,378)	(38,077,478)	(42,716,385)	(32,576,426)
(1,208,739)	(1,285,727)	(1,717,552)	(1,092,839)	(24,193,603)	(13,751,602)
\$ 2,604,224	\$ 4,077,162	\$ 7,404,226	\$ 11,639,629	\$ 1,766,613	\$ 7,139,991
7.70%	10.28%	6.66%	6.74%	7.84%	6.51%

LARIMER COUNTY, COLORADO
PROGRAM REVENUES BY FUNCTION/PROGRAM
(Accrual basis of accounting)
(Unaudited)
Last Ten Years

Function/Program	2003	2004	2005	2006
Governmental activities:				
General government	\$ 12,597,544	\$ 11,662,706	\$ 12,835,756	\$ 13,192,185
Judicial and public safety	7,477,730	9,809,431	12,441,937	11,697,728
Streets and highways	11,082,429	10,044,582	9,833,627	12,390,582
Recreation	7,348,736	19,058,487	9,517,080	8,027,227
Health and human services	28,911,373	29,913,368	32,039,765	33,607,061
Total governmental activities	67,417,812	80,488,574	76,668,165	78,914,783
Business-type activities:				
Solid Waste	6,373,927	6,540,764	4,709,862	4,434,995
Total primary government	\$ 73,791,739	\$ 87,029,338	\$ 81,378,027	\$ 83,349,778

Note: Recreation revenue increased in 2004 due to the Open Lands fund receiving more Great Outdoors Colorado (GOCO) grant money for the purchase of open space than in other years.

<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
\$ 12,792,715	\$ 13,161,205	\$ 14,615,206	\$ 15,767,348	\$ 14,038,789	\$ 16,118,244
12,260,684	13,215,881	14,421,552	14,826,430	14,788,177	14,273,492
11,047,576	11,911,048	16,669,702	13,730,852	16,657,169	16,311,130
13,458,490	8,653,524	9,668,701	11,036,131	10,419,368	9,140,984
36,044,469	38,805,001	46,383,815	43,635,825	39,997,361	40,170,267
85,603,934	85,746,659	101,758,976	98,996,586	95,900,864	96,014,117
4,948,614	4,848,141	3,988,941	4,069,778	5,511,558	5,883,823
<u>\$ 90,552,548</u>	<u>\$ 90,594,800</u>	<u>\$ 105,747,917</u>	<u>\$ 103,066,364</u>	<u>\$ 101,412,422</u>	<u>\$ 101,897,940</u>

LARIMER COUNTY, COLORADO
TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS
(Modified accrual accounting)
(Unaudited)
Last Ten Years

Year	Property	Sales & Use	Other	Total
2003	\$ 65,590,102	\$ 27,075,108	\$ 7,190,507	\$ 99,855,717
2004	68,360,796	28,834,252	7,343,550	104,538,598
2005	71,023,420	29,210,592	7,546,896	107,780,908
2006	76,574,324	30,660,781	7,737,225	114,972,330
2007	78,426,576	31,339,500	7,914,593	117,680,669
2008	86,000,932	29,511,616	7,755,241	123,267,789
2009	88,611,587	26,974,621	7,246,930	122,833,138
2010	91,237,824	29,369,941	6,775,685	127,383,450
2011	91,213,410	30,941,565	6,493,454	128,648,429
2012	89,004,425	29,652,997 (1)	6,907,250	125,564,672

Change				
2003-2012	35.70%	9.52%	-3.94%	25.75%

Note: Due to fluctuations in the sales tax rate, comparability between years for sales and use tax is diminished.

(a) Voters approved a .25% County sales tax for the administration, debt repayment, acquisition, and maintenance of open space starting in 1996. This sales tax expires in 2018.

(b) Voters approved an additional .20% sales tax for the administration and debt repayment for the Larimer County Justice Center and Courthouse along with a .20% sales tax for the Larimer County Detention Center which can be used for administration, debt repayment, and jail operations starting in 1998. This sales tax expired in 2012.

(c) Voters approved a .15% increase in the County sales tax for the administration, debt repayment, and operations for a fairgrounds facility starting in 2000. This sales tax expires in 2019.

(1) Sales and Use tax collections by category are as follows:

December 31, 2012	Open Space	Courthouse Construction	Jail Expansion	Fairgrounds & Event Center	Total
Sales Tax	\$ 9,136,969	\$ 3,454,192	\$ 7,308,882	\$ 5,481,951	\$ 25,381,994
Motor Vehicle Use Tax	732,358	362,272	585,846	439,401	2,119,877
Building Use Tax	774,781	291,597	619,747	465,001	2,151,126
Total Use Tax	1,507,139	653,869	1,205,593	904,402	4,271,003
Total Sales & Use Tax	\$ 10,644,108	\$ 4,108,061	\$ 8,514,475	\$ 6,386,353	\$ 29,652,997



LARIMER COUNTY, COLORADO
ASSESSED VALUE AND ESTIMATED VALUE OF TAXABLE PROPERTY
(Unaudited)
Last Ten Years

Year Ended December 31	Residential Property	Commercial Property	Industrial Property	Agricultural	Natural Resources Oil & Gas, & Utilities	Personal Property
2003	\$ 1,627,889,490	\$ 826,707,590	\$ 109,967,760	\$ 19,856,750	\$ 94,106,880	\$ 280,954,090
2004	1,702,909,960	915,101,040	111,710,270	15,291,010	88,390,920	274,798,890
2005	1,765,704,970	935,712,490	113,792,070	15,556,060	81,237,808	273,690,849
2006	1,913,606,420	1,042,005,600	111,003,590	16,403,560	86,809,902	283,537,320
2007	1,998,127,240	1,087,444,240	111,954,530	17,243,500	87,703,917	282,913,948
2008	2,113,390,350	1,310,626,770	119,666,640	18,747,970	101,024,495	322,040,632
2009	2,160,609,780	1,384,794,970	121,315,930	18,988,750	102,501,701	333,629,268
2010	2,203,793,580	1,477,270,670	124,621,590	18,228,540	108,573,195	331,309,312
2011	2,221,615,320	1,454,920,090	123,671,010	17,961,360	106,991,638	310,757,045
2012	2,182,662,250	1,369,493,520	116,168,180	18,632,650	116,825,839	307,805,944

From 2003 to 2012, commercial real property, undeveloped land, personal property and utilities were assessed at 29% of replacement cost calculated on the base year's appraised value. Residential real property was assessed as follows:

	Assessment Percentage	Base Year
2003	9.15%	2001 appraised value
2004	7.96%	2003 appraised value
2005	7.96%	2003 appraised value
2006	7.96%	2005 appraised value
2007	7.96%	2005 appraised value
2008	7.96%	2007 appraised value
2009	7.96%	2007 appraised value
2010	7.96%	2009 appraised value
2011	7.96%	2009 appraised value
2012	7.96%	2011 appraised value

Note: All residential and commercial real properties are reappraised every two years in the odd year cycle bringing properties to the current market level of valuation. The residential assess rate is set by the Legislature and coincides with changes in the level of value. This is constitutionally required and designed to stabilize the tax burden on residential property. Colorado State Statutes and Constitution limit the annual increase in ad valorem tax yield over the previous year and prohibit any increase in the mill levy, except upon the favorable approval of the electorate. At an election held on November 2, 1999, County voters approved a measure exempting the County from any revenue or property tax increase limitation; however, tax rates cannot be increased.

Source: Larimer County Assessor's office

Total Taxable Assessed Value	Tax Exempt Property	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
\$ 2,959,482,560	\$ 883,309,680	22.563	\$ 22,382,842,209	13.22%
3,108,202,090	965,980,430	22.565	26,239,176,137	11.85%
3,185,694,247	509,850,250	22.659	27,078,737,989	11.76%
3,453,366,392	1,056,157,790	22.683	29,349,798,804	11.77%
3,585,387,375	1,177,190,260	22.552	30,575,411,815	11.73%
3,985,496,857	1,204,106,620	22.556	33,005,669,705	12.08%
4,121,840,399	1,179,516,220	22.537	33,906,203,149	12.16%
4,263,796,887	1,185,391,810	22.577	34,789,308,674	12.26%
4,235,916,463	1,194,372,080	22.666	34,855,606,211	12.15%
4,111,588,383	1,195,734,440	22.614	34,071,849,450	12.07%

LARIMER COUNTY, COLORADO
DIRECT AND OVERLAPPING PROPERTY TAX RATES
(Unaudited)
(Rate per \$1,000 of assessed value)
Last Ten Years

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
County direct rates					
General Fund	16.596	16.665	16.578	16.888	16.886
Capital Expenditures	0.342	0.326	0.318	0.294	0.287
The Ranch	0.088	-	-	-	-
Developmental Disabilities	0.750	0.750	0.750	0.750	0.750
Health and Environment	0.605	0.680	0.738	0.704	0.705
Road and Bridge	2.010	1.990	1.999	1.908	1.912
Human Services	1.930	1.910	1.938	1.777	1.781
Refund/Abate	0.100	0.102	0.196	0.220	0.089
Pest Control	0.142	0.142	0.142	0.142	0.142
Total Direct Rate	22.563	22.565	22.659	22.683	22.552
City and town rates					
Berthoud	6.678	6.301	6.636	6.440	10.735
Estes Park	1.892	1.822	1.822	1.822	1.822
Fort Collins	9.797	9.797	9.797	9.797	9.797
Johnstown	23.947	23.947	23.947	23.947	23.947
Loveland	9.564	9.564	9.564	9.564	9.564
Timnath	5.974	5.160	6.932	6.166	6.932
Wellington	18.834	18.310	13.305	14.921	14.676
Windsor	12.030	10.860	12.030	12.030	12.030
Fire districts	5.00 - 15.27	5.00 - 15.27	3.46-12.53	4.94-15.27	4.94-15.27
School districts	29.76 - 51.72	28.49 - 52.50	24.61-39.75	26.97-50.72	32.43-50.72
Other special districts	0.25 - 26.79	0.24 - 12.10	0.23-19.23	.22-137.68	.21-137.93

Source: Larimer County Assessor's office

<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
17.686	18.152	18.155	18.510	18.504
0.280	0.404	0.368	-	-
-	-	-	-	-
0.750	0.750	0.750	0.750	0.750
0.700	0.707	0.684	0.663	0.669
1.114	0.498	0.612	0.652	0.653
1.791	1.810	1.752	1.746	1.745
0.093	0.074	0.114	0.203	0.151
0.142	0.142	0.142	0.142	0.142
22.556	22.537	22.577	22.666	22.614

11.551	9.162	9.630	9.737	9.720
1.753	1.718	1.752	1.830	1.859
9.797	9.797	9.797	9.797	9.797
23.947	23.947	23.947	23.947	23.947
9.564	9.564	9.564	9.564	9.564
6.932	6.932	6.932	6.932	6.932
14.307	14.230	14.230	14.240	14.240
12.030	12.030	12.030	12.030	12.030
4.94-15.27	5.0-15.65	1.95-21.142	1.95-21.142	1.95-21.142
31.78-48.2	30.91-47.99	26.886-47.989	30.385-51.000	27.010-52.200
.197-121.97	.194-60.00	.184-60.00	.184-119.580	.184-120.866

**LARIMER COUNTY, COLORADO
PRINCIPAL PROPERTY TAX PAYERS
(Unaudited)
Current Year and Nine Years Ago**

<u>Taxpayer</u>	2012		
	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Assessed Value</u>
Anheuser-Busch, Inc.	\$ 72,694,930	1	1.77%
Dayton Hudson Corporation (Target)	44,660,000	2	1.09%
Qwest Corporation	33,454,900	3	0.81%
Public Service Company of Colorado	30,468,500	4	0.74%
Avago Technologies Holding	20,679,340	5	0.50%
G and I VI Promenade L.L.C.	20,662,500	6	0.50%
Wal-Mart Stores	20,219,400	7	0.49%
Front Range Retail Company, LLC	19,734,470	8	0.48%
Hewlett Packard	18,329,950	9	0.45%
Poudre Valley Health Care Incorporate	11,113,470	10	0.27%
Agilent Technologies Inc.	-	-	-
Wal-Mart Properties, Inc. #6019	-	-	-
Everwest	-	-	-
FC Timberline	-	-	-
Woodward-Governor Company	-	-	-
TGS (US) Realty, Incorporated	-	-	-
Total	<u>\$ 292,017,460</u>		<u>7.10%</u>
Total assessed valuation	<u>\$ 4,111,588,383</u>		

Source: Larimer County Assessor's office

2003

Taxable Assessed Value	Rank	Percentage of Total Assessed Value
\$ 79,587,440	1	2.69%
-	-	-
38,521,800	3	1.30%
19,174,000	6	0.65%
-	-	-
-	-	-
-	-	-
-	-	-
29,511,240	4	1.00%
-	-	-
39,854,690	2	1.35%
20,476,090	5	0.69%
11,871,580	7	0.40%
8,873,100	8	0.30%
8,622,780	9	0.29%
8,018,500	10	0.27%
<u>\$ 264,511,220</u>		<u>8.94%</u>
<u><u>\$ 2,959,482,560</u></u>		

LARIMER COUNTY, COLORADO
PROPERTY TAX LEVIES AND COLLECTIONS
DIRECT AND OVERLAPPING
(Unaudited)
Last Ten Years

Year Ended December 31	Taxes Levied for the Year (1)	Collected within the Year of the Levy		Adjustments in Subsequent Years	Total Collection to Date	
		Amount	Percentage of Levy		Amount (2)	Percentage of Levy
2003	\$ 251,504,105	\$ 249,598,466	99.24%	\$ (183,306)	\$ 249,415,160	99.17%
2004	262,258,780	260,386,816	99.29%	(1,270,571)	259,116,245	98.80%
2005	266,326,720	265,452,360	99.67%	(109,184)	265,343,176	99.63%
2006	282,731,355	281,176,399	99.45%	(76,900)	281,099,499	99.42%
2007	306,826,182	305,680,889	99.63%	(86,360)	305,594,529	99.60%
2008	334,971,600	332,887,066	99.38%	(28,819)	332,858,247	99.37%
2009	346,971,754	344,969,615	99.42%	(414,771)	344,554,844	99.30%
2010	360,629,761	357,844,530	99.23%	(1,006,639)	356,837,891	98.95%
2011	367,364,488	366,056,409	99.64%	(1,203,485)	364,852,924	99.32%
2012	360,391,637	358,888,370	99.58%	(488,961)	358,399,409	99.45%

(1) This does not include abatements and reappraisals during the year.

(2) Larimer County collections for statistical purposes differ from tax revenue on the financial statements due to other tax related revenues recorded on the financial statements. These include incremental financing, specific ownership and interest on tax collections.

Source: Larimer County Treasurer's office and Larimer County Assessor's office

County Only						
Taxes Levied for the Year (1)	Collected within the Year of the Levy		Adjustments in Subsequent Years	Total Collection to Date		
	Amount	Percentage of Levy		Amount (2)	Percentage of Levy	
\$ 66,718,242	\$ 66,383,426	99.50%	\$ (48,969)	\$ 66,334,457	99.42%	
70,028,020	66,393,589	94.81%	(336,719)	66,056,870	94.33%	
72,132,739	69,473,905	96.31%	(33,139)	69,440,766	96.27%	
77,216,319	76,437,170	98.99%	(18,947)	76,418,223	98.97%	
80,755,809	78,293,362	96.95%	(14,455)	78,278,907	96.93%	
89,784,360	89,195,641	99.34%	(2,365)	89,193,276	99.34%	
92,778,860	92,231,019	99.41%	(74,742)	92,156,277	99.33%	
96,143,688	95,409,758	99.24%	(183,362)	95,226,396	99.05%	
95,894,409	95,529,901	99.62%	(246,408)	95,283,493	99.36%	
92,863,616	92,456,452	99.56%	(116,109)	92,340,343	99.44%	

LARIMER COUNTY, COLORADO
PRINCIPAL SALES TAX PAYERS BY INDUSTRY
(Unaudited)
Current Year and Nine Years Ago

	<u>2012</u>		<u>2003</u>	
<u>Taxpayer</u>	<u>Rank</u>	<u>Percentage of Total Collected</u>	<u>Rank</u>	<u>Percentage of Total Collected</u>
Warehouse club and supercenter	1	1.42%	1	2.18%
Discount department store	2	1.16%	2	1.93%
New car dealer	3	1.05%	-	-
Warehouse club and supercenter	4	0.96%	-	-
Warehouse club and supercenter	5	0.90%	-	-
Department store	6	0.88%	-	-
Household appliance store	7	0.88%	7	1.27%
New car dealer	8	0.84%	6	1.33%
Home center	9	0.79%	9	1.22%
New car dealer	10	0.79%	4	1.54%
Home center	-	-	3	1.70%
New car dealer	-	-	5	1.36%
Wired telecommunications carriers	-	-	8	1.25%
Department store	-	-	10	1.19%
Total		<u>9.67%</u>		<u>14.97%</u>
Total sales tax collected		<u>\$27,522,901</u>		<u>\$22,523,382</u>

Note: Due to confidentiality issues, the names of the ten largest payers are not available. The categories presented are intended to provide alternative information regarding the sources of the County's revenue.

Source: Larimer County sales tax administrator



LARIMER COUNTY, COLORADO
RATIOS OF OUTSTANDING DEBT BY TYPE
(Unaudited)
Last Ten Years

Year	Governmental Activities				
	General Obligation Bonds	Sales Tax Revenue Bonds	Certificate of Participation Bonds	Improvement District Bonds	Notes Payable
2003	\$ -	\$ 63,564,478	\$ 67,023,885	\$ 2,195,759	\$ -
2004	-	61,034,198	61,724,456	1,818,995	400,000
2005	-	58,273,918	56,195,027	1,456,367	200,000
2006	-	55,268,637	50,420,598	1,227,869	-
2007	-	52,586,395	44,396,170	675,000	-
2008	-	49,113,566	31,726,742	1,811,373	-
2009	-	45,500,738	24,997,313	1,549,421	-
2010	-	41,707,909	18,032,884	1,640,021	-
2011	-	37,637,841	10,828,456	1,458,909	-
2012	-	33,670,293	3,379,027	1,297,076	-

(1) See page 159 for personal income and population data.

(2) Personal income information is not available.

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

Business-Type					
Activities					
Capital Lease	Capital Lease	Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)	
\$ -	\$ 221,456	\$ 133,005,578	1.544%	495	
-	-	124,977,649	1.374%	460	
14,900	-	116,140,212	1.204%	422	
-	-	106,917,104	1.029%	380	
-	-	97,657,565	0.874%	340	
-	-	82,651,681	0.710%	282	
-	-	72,047,472	0.641%	241	
-	-	61,380,814	0.531%	205	
-	-	49,925,206	-	(2)	163
-	-	38,346,396	-	(2)	124

LARIMER COUNTY, COLORADO
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
(Unaudited)
As of December, 31, 2012

Taxing Jurisdiction	General Obligation Long-Term Debt Outstanding	Estimated Percentage Applicable (1)	Overlapping Debt
School Districts			
Johnstown-Milliken RE5-J	\$ 18,915,000	0.10%	\$ 18,915
Park (Estes Park) R-3	22,270,000	93.20%	20,755,640
Poudre R-1	233,532,906	100.00%	233,532,906
St Vrain Valley RE1-J	424,925,000	0.500%	2,124,625
Thompson R2-J	106,960,000	98.65%	105,516,040
Fire Districts			
Berthoud	855,000	73.80%	630,990
Lyons	770,000	19.46%	149,842
Windsor-Severance	3,359,456	20.20%	678,610
Water Districts			
Pinewood Springs	125,000	100.00%	125,000
Cities			
Wellington	748,554	100.00%	748,554
Other Special Districts			
Centerra Metropolitan Districts 1-5	124,121,609	100.00%	124,121,609
Deer Meadows Metropolitan District	2,500,000	100.00%	2,500,000
Larimer County PID#38 Centro Business Park	595,000	100.00%	595,000
Loveland Midtown Metropolitan District	1,350,000	100.00%	1,350,000
South Timnath Metropolitan District 2	3,500,000	100.00%	3,500,000
Thompson Crossing Metropolitan District 2	4,990,000	100.00%	4,990,000
Thompson Crossing Metropolitan District 4	24,195,000	100.00%	24,195,000
Van De Water Metropolitan Districts 1-3	3,995,000	100.00%	3,995,000
Waterfront Metropolitan District	5,270,000	100.00%	5,270,000
Subtotal, overlapping debt			534,797,731
Larimer County direct debt			3,379,027
Total direct and overlapping debt			\$ 538,176,758

(1) Portion of debt applicable to Larimer County is determined by the ratio of the assessed value of the portion of the applicable district located within Larimer County to the total assessed value of the applicable taxing district.

Source: Debt amounts and percentages are provided by each governmental unit



LARIMER COUNTY, COLORADO
LEGAL DEBT MARGIN INFORMATION
(Unaudited)
Last Ten Years

Legal Debt Margin Calculation for Year 2012				
Estimated actual value			\$ 34,071,849,450	
Debt limit (3% of actual value)			1,022,155,484	
Debt applicable to limit			-	
Legal debt margin			<u>\$ 1,022,155,484</u>	
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Debt limit	\$ 671,485,266	\$ 787,175,284	\$ 812,362,140	\$ 880,493,964
Total net debt applicable to limit	-	-	-	-
Legal debt margin	<u>\$ 671,485,266</u>	<u>\$ 787,175,284</u>	<u>\$ 812,362,140</u>	<u>\$ 880,493,964</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%

Note: Debt limits are calculated based on the revised section 30-26-301, Colorado Revised Statutes, which states a county shall not be in excess of 3% of the actual value, as determined by the assessor, of the taxable property in the county.



<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
\$ 917,174,579	\$ 990,170,091	\$ 1,017,186,094	\$ 1,043,679,260	\$ 1,045,668,186	\$ 1,022,155,484
-	-	-	-	-	-
<u>\$ 917,174,579</u>	<u>\$ 990,170,091</u>	<u>\$ 1,017,186,094</u>	<u>\$ 1,043,679,260</u>	<u>\$ 1,045,668,186</u>	<u>\$ 1,022,155,484</u>
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

LARIMER COUNTY, COLORADO
PLEDGED-REVENUE COVERAGE
(Unaudited)

Last Ten Years

Open Space Sales & Use Tax Revenue Bonds

Year	Sales Tax Revenue	County Share	Pledged Revenues (1)	Debt Service		Coverage
				Principal	Interest	
2003	\$ 8,460,775	\$ 3,532,580	\$ 3,002,693	\$ 540,000	\$ 716,831	2.39
2004	9,010,705	3,750,211	3,187,679	585,000	689,831	2.50
2005	9,128,334	3,811,306	3,239,610	615,000	660,581	2.54
2006	9,581,492	3,930,771	3,341,155	645,000	629,831	2.62
2007	9,793,591	4,152,187	3,529,359	810,000	455,257	2.79
2008	9,222,378	3,956,426	3,362,962	770,000	460,913	2.73
2009	8,429,567	3,614,183	3,072,056	805,000	423,013	2.50
2010	9,178,105	3,920,058	3,332,049	845,000	383,363	2.71
2011	9,669,707	4,114,912	3,497,675	885,000	342,213	2.85
2012	10,644,108	4,485,954	3,813,061	925,000	306,513	3.10

Fairgrounds & Events Center Sales & Use Tax Revenue Bonds

Year	Sales Tax Revenue	Collection Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2003	\$ 5,076,576	\$ 19,833	\$ 5,056,743	\$ 1,685,000	\$ 2,438,719	1.23
2004	5,406,421	22,667	5,383,754	1,875,000	2,371,319	1.27
2005	5,476,987	29,002	5,447,985	2,075,000	2,296,319	1.25
2006	5,748,897	32,533	5,716,364	2,290,000	2,213,319	1.27
2007	5,876,157	63,727	5,812,430	2,515,000	2,121,719	1.25
2008	5,533,428	33,303	5,500,125	2,615,000	2,021,119	1.19
2009	5,057,742	35,925	5,021,817	2,720,000	1,916,519	1.08
2010	5,506,902	38,378	5,468,524	2,860,000	1,780,519	1.18
2011	5,800,607	38,291	5,762,316	4,037,821	1,658,969	1.24
2012	6,386,353	35,820	6,350,533	3,025,000	570,899	1.77

Improvement District Bonds

Year	Improvement District Collections	Debt Service		Coverage
		Principal	Interest	
2003	\$ 304,652	\$ 341,580	\$ 60,969	0.76
2004	305,914	376,764	75,650	0.68
2005	227,259	362,628	64,109	0.53
2006	228,987	228,499	48,712	0.83
2007	225,763	552,869	42,319	0.38
2008	279,482	247,289	55,634	0.92
2009	312,420	229,659	74,485	1.03
2010	325,173	209,400	70,077	1.16
2011	317,107	181,112	64,630	1.29
2012	258,362	158,373	59,118	1.19

(1) Pledged revenues equal 85% of County's share.

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements. Principal for 2011 of \$1,052,851 for the Fairgrounds & Events Center Revenue Bonds was paid from other sources of refunding thus it is not included in the coverage calculation. The refunding causes principal and interest payments to be lower in 2012 and future years. See note on page 140 for more details regarding the sales tax.

LARIMER COUNTY, COLORADO
DEMOGRAPHIC AND ECONOMIC STATISTICS
(Unaudited)
Last Ten Years

Year	Population	Personal Income (1)	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2003	268,671	\$8,614,398,273	\$ 32,063	33.50	41,279	5.1%
2004	271,830	9,094,888,140	33,458	33.70	41,290	4.7%
2005	275,477	9,643,898,816	35,008	34.00	41,589	4.5%
2006	281,215	10,391,737,895	36,953	34.20	42,012	3.9%
2007	286,927	11,169,781,183	38,929	34.40	42,121	3.4%
2008	292,889	11,641,166,194	39,746	34.60	42,478	4.2%
2009	298,382	11,235,574,210	37,655	35.10	42,955	7.0%
2010	299,630	11,549,537,980	38,546	35.60	43,392	7.4%
2011	305,525	-	- (2)	35.70	44,340	6.8%
2012	308,439 (3)	-	- (2)	35.80 (3)	45,090	6.4%

(1) Computation of per capita personal income multiplied by population.

(2) Information not available.

(3) Estimate.

Source: Population, per capita personal income, and school enrollment provided by Larimer County Compass; median age provided by Colorado Department of Local Affairs; unemployment rate provided by U.S. Department of Labor

**LARIMER COUNTY, COLORADO
PRINCIPAL EMPLOYERS
(Unaudited)
Current Year and Nine Years Ago**

Employer	2012		
	Number of Employees	Rank	Percentage of Total County Employment
Colorado State University	6,183	1	3.44%
Poudre Valley Health Care	4,414	2	2.45%
Poudre R-1 School District	4,030	3	2.24%
Thompson R2-J School District	3,388	4	1.88%
Larimer County	2,224	5	1.24%
Center Partners	2,000	6	1.11%
Wal-Mart (including Greeley)	2,000	7	1.11%
City of Fort Collins	1,643	8	0.91%
Hewlett-Packard	1,500	9	0.83%
Banner Health Systems	1,180	10	0.66%
Agilent Technologies Inc.	-	-	-
Eastman Kodak	-	-	-
McKee Medical	-	-	-
	<u>28,562</u>		<u>15.88%</u>
Total Larimer County Labor Force	<u>179,885</u>		

Note: 2012 is based on most current information available (2010). The information provided for Wal-Mart included Greeley which is in Weld County. Total percentages may not foot due to rounding.

Source: Current year number of employees provided by Larimer County Compass; 2003 number of employees provided by Larimer County Finance CAFR; total Larimer County labor force provided by Federal Reserve Bank of St. Louis

2003		
Number of Employees	Rank	Percentage of Total County Employment
7,945	1	4.98%
2,785	4	1.75%
3,014	3	1.89%
1,888	6	1.18%
1,384	9	0.87%
-	-	-
-	-	-
1,864	7	1.17%
3,182	2	1.99%
-	-	-
2,454	5	1.54%
1,840	8	1.15%
950	10	0.60%
<u>27,306</u>		<u>17.12%</u>
<u>159,525</u>		

**LARIMER COUNTY, COLORADO
 FULL-TIME EQUIVALENT COUNTY GOVERNMENT
 EMPLOYEES BY FUNCTION/PROGRAM**

(Unaudited)

Last Ten Years

<u>Function/Program</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
General Government						
Assessor	49	51	52	56	52	50
Board of County Commissioners	11	11	12	12	12	12
Clerk and Recorder	75	75	75	74	76	76
County Attorney	*	*	*	*	*	*
Facilities & Information Technology	87	87	86	90	83	87
Financial Services	18	19	19	19	22	21
Fleet Services	17	18	19	17	18	19
Human Resources	13	14	14	15	14	18
Treasurer	14	12	15	14	15	15
Judicial and Public Safety						
Criminal Justice Services	34	41	55	66	84	95
Coroner	6	6	5	5	5	5
District Attorney	54	57	59	64	72	77
Sheriff	375	388	393	399	417	405
Planning and Building	38	41	41	41	39	36
Streets and Highways						
Engineering	32	31	33	32	29	29
Road and Bridge	54	56	59	56	53	49
Recreation						
The Ranch	8	11	13	14	14	15
Parks and Open Lands	29	36	37	34	40	38
Health and Human Services						
Extension	3	2	3	3	3	3
Health and Environment	81	90	87	94	90	93
Health and Human Services	9	8	10	11	14	12
Human Services	256	257	266	276	307	341
Workforce Center	55	61	66	64	66	67
Business-type						
Solid Waste	28	24	21	22	22	22
Total	<u>1,346</u>	<u>1,396</u>	<u>1,440</u>	<u>1,478</u>	<u>1,547</u>	<u>1,585</u>

*No data is available because the County Attorney became an in-house department in 2009.

Note: The numbers presented above are the number of FTE's (full-time equivalents) rounded to the nearest whole number. These numbers are from the final payroll of each respective year at December 31. The numbers do not take into account the fluctuations in staffing throughout the year, nor do they include vacancies at year end. The Alternative Sentencing Unit moved from the Sheriff's Office to Criminal Justice Services in 2010.

Source: Larimer County Human Resources

<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
48	47	46	46
12	12	11	13
74	69	76	80
16	14	15	15
91	95	94	97
22	23	22	22
19	18	19	19
16	16	15	17
15	15	14	14
97	145	147	150
5	6	6	6
78	77	69	71
404	367	362	374
33	31	28	29
30	31	32	31
54	60	58	64
15	14	16	16
40	39	40	42
3	3	3	4
95	103	100	95
13	2	-	-
334	321	326	336
74	70	71	76
22	20	18	20
<u>1,610</u>	<u>1,598</u>	<u>1,588</u>	<u>1,637</u>

LARIMER COUNTY, COLORADO
OPERATING INDICATORS BY FUNCTION/PROGRAM
(Unaudited)
Last Nine Years

Function/Program	2004	2005	2006	2007
General Government				
Assessor				
Property transfers	16,361	19,836	16,806	15,864
Public Trustee				
Number of new foreclosures recorded	780	939	1,253	1,624
Clerk and Recorder				
Motor vehicle transactions	411,509	418,031	410,959	426,487
Voter registration	199,129	186,503	195,636	187,745
Judicial and Public Safety				
Sheriff				
Detention center average daily population	489	513	489	489
Incidents handled by patrol and investigations	68,124	62,756	61,802	60,080
District Attorney				
Adult felonies filed	3,673	3,923	2,040	2,081
Juvenile cases filed	1,360	1,341	1,611	1,660
Juvenile diversion cases	***	***	***	***
Misdemeanors and traffic cases filed	***	***	***	***
Planning and Building				
Number of building permits issued	2,757	2,459	2,356	2,262
Streets and Highways				
Road and Bridge				
County maintained roads (miles)*	1,072	1,866	1,887	1,652
Bridges**	386	209	210	208
Recreation				
Parks and Open Lands				
Park permits	130,165	120,889	123,920	121,950
Acquired acres of open space	15,347	-	1,362	1,480
Conservation easements	926	496	309	-
The Ranch				
Total complex attendance	800,000	800,000	750,000	850,000
County fair attendance	84,000	55,000	75,000	75,000

Continued on next page

<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
12,941	16,620	14,537	12,812	13,176
1,644	2,037	1,824	1,329	1,102
318,607	424,971	427,542	447,083	459,465
210,899	213,231	219,128	220,400	241,124
472	459	470	458	453
63,115	62,058	58,622	58,865	62,980
2,195	1,792	1,814	1,790	1,967
1,950	1,241	1,136	1,011	983
***	539	570	515	428
***	***	***	***	12,718
2,238	2,031	2,264	2,667	2,675
1,590	1,578	1,577	1,573	1,564
207	203	202	200	201
112,565	122,454	138,452	142,215	131,960
-	-	-	-	-
-	353	443	603	-
865,000	885,000	750,000	800,000	835,000
40,000	74,436	90,000	96,000	101,000

LARIMER COUNTY, COLORADO
OPERATING INDICATORS BY FUNCTION/PROGRAM
(Unaudited)
Last Nine Years

Function/Program	2004	2005	2006	2007
Health and Human Services				
Health and Environment				
Immunizations - routine	12,046	11,498	9,401	13,515
Immunizations - outbreak related	-	-	-	-
Food service inspected and licensed	1,334	1,391	1,427	1,525
Human Services				
Families receiving food assistance	3,244	4,689	4,759	4,790
Seniors receiving Old Age Pension assistance	4,086	4,106	5,108	4,530
Children receiving subsidized day care	1,476	1,418	1,135	1,162
Child abuse or neglect cases reported	4,877	4,180	4,591	3,640
Extension				
Master gardeners volunteer hours	4,444	3,207	4,611	5,554
Educational workshops and consultations ****	52	37	38	42
4-H youth development program participants	2,474	2,992	2,054	1,082
Business-type				
Solid Waste				
Recycled tons processed	27,342	30,602	36,759	35,187

* In 2004 the county maintained roads were calculated using lane miles. Going forward the calculation is based on center lane miles.

** In 2004 the number of bridges included major and minor structures. Going forward the number includes only major structures.

*** Information not available

**** Added workshops starting in 2009

Note: Operating indicators by function/program are not available for 2003.

Source: Individual Larimer County departments

<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
24,504	14,635	13,573	8,431	8,617
-	15,509	12,795	-	-
1,615	1,591	1,646	1,971	1,844
5,324	7,028	8,592	9,587	10,124
1,804	1,110	1,252	1,097	1,144
1,343	1,424	539	336	561
4,175	4,503	5,062	4,847	4,852
5,760	6,573	6,517	5,985	5,673
40	601	533	733	1,020
1,093	1,010	1,082	1,891	1,874
32,248	31,361	33,533	35,740	36,918

LARIMER COUNTY, COLORADO
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
(Unaudited)

Last Ten Years

Function/Program	2003	2004	2005	2006
General Government				
Land	\$ 6,941,118	\$ 7,458,851	\$ 7,458,851	\$ 7,458,851
Construction in progress	85,525,004	129,212	359,295	573,312
Other assets	-	-	-	127,007
Buildings	41,512,836	68,695,796	68,695,796	69,037,002
Improvements	6,292,956	8,055,411	8,841,319	13,337,331
Equipment	12,131,684	13,695,912	14,073,810	15,066,323
Total General Government	152,403,598	98,035,182	99,429,071	105,599,826
Judicial and Public Safety				
Land	1,695,049	1,695,049	1,695,049	1,695,049
Construction in progress	365,112	-	-	-
Other Assets	-	-	-	-
Buildings	12,809,045	12,804,648	12,804,648	12,804,648
Improvements	16,600,017	17,861,227	17,861,227	17,861,227
Equipment	1,757,317	2,101,633	1,849,620	1,891,912
Total Judicial and Public Safety	33,226,540	34,462,557	34,210,544	34,252,836
Streets and Highways				
Land	323,001	429,710	607,217	6,845,260
Construction in progress	6,884,841	2,958,566	1,454,096	4,771,969
Other assets	-	-	-	-
Buildings	735,316	735,317	735,316	1,089,565
Improvements	846,075	846,074	977,072	977,072
Equipment	14,857,961	15,756,677	15,719,143	16,779,578
Infrastructure	7,209,280	13,790,325	23,250,233	276,464,128
Total Streets and Highways	30,856,474	34,516,669	42,743,077	306,927,572
Recreation				
Land	30,719,076	47,901,154	48,034,855	48,137,233
Construction in progress	344,554	1,736,513	1,282,032	693,532
Other assets	-	1,370,795	1,370,795	1,370,795
Buildings	2,510,280	53,313,016	53,690,394	57,535,599
Improvements	1,486,011	7,228,071	8,723,947	9,534,411
Equipment	2,263,373	2,569,868	2,657,338	2,736,764
Total Recreation	37,323,294	114,119,417	115,759,361	120,008,334
Health and Human Services				
Land	-	-	-	-
Construction in progress	-	-	-	-
Buildings	1,700	1,700	1,700	1,700
Improvements	-	-	-	-
Equipment	78,399	70,916	66,457	57,398
Total Health and Human Services	80,099	72,616	68,157	59,098
Total governmental	\$ 253,890,005	\$ 281,206,441	\$ 292,210,210	\$ 566,847,666
Business-type				
Solid Waste				
Land	\$ 380,733	\$ 380,733	\$ 390,733	\$ 1,695,533
Construction in progress	-	-	-	111,524
Other assets	-	-	-	-
Buildings	3,544,213	3,544,213	1,725,980	1,725,980
Improvements	162,082	162,082	162,082	162,082
Equipment	2,961,446	3,038,847	3,931,070	3,966,157
Total Solid Waste	\$ 7,048,474	\$ 7,125,875	\$ 6,209,865	\$ 7,661,276

Note: General government construction in progress in 2003 included The Ranch complex, the Courthouse, and Community Corrections. The County fully implemented GASB 34 for infrastructure, including right-of-ways under land, in 2006. Recreation buildings increased in 2004 due to construction of The Ranch complex. Judicial and Public Safety increased in 2012 due to a new Alternative Sentencing Building and improvements to the Community Corrections and Sheriff Administration buildings.

Source: Larimer County Finance department

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
\$	5,914,080	\$ 5,914,080	\$ 5,914,080	\$ 5,885,934	\$ 5,885,934	\$ 5,885,934
	62,989	2,215,346	3,230,637	1,136,341	567,456	-
	127,007	127,007	127,007	-	-	759,116
	69,037,002	68,791,546	68,784,386	62,601,324	62,601,324	62,601,324
	14,448,543	14,804,992	15,167,607	12,244,820	13,221,763	15,070,951
	17,318,383	17,093,343	17,644,537	17,427,405	17,914,337	18,334,234
	<u>106,908,004</u>	<u>108,946,314</u>	<u>110,868,254</u>	<u>99,295,824</u>	<u>100,190,814</u>	<u>102,651,559</u>
	1,695,049	1,695,049	1,695,049	1,695,049	1,695,049	1,695,049
	-	-	17,000	149,790	3,855,982	109,974
	-	-	-	94,735	94,735	151,168
	12,804,648	13,050,104	13,049,357	17,950,797	17,950,797	27,806,079
	17,967,923	17,967,923	17,941,505	22,285,329	22,285,329	27,496,019
	2,077,447	2,690,775	3,148,028	3,296,331	3,841,975	4,415,144
	<u>34,545,067</u>	<u>35,403,851</u>	<u>35,850,939</u>	<u>45,472,031</u>	<u>49,723,867</u>	<u>61,673,433</u>
	7,083,935	7,181,218	7,214,681	7,268,068	7,272,062	9,058,336
	6,731,599	805,354	1,938,854	589,906	3,754,821	863,105
	430,900	430,900	430,900	430,900	430,900	430,900
	1,089,565	1,089,565	1,163,298	1,403,012	1,403,012	1,403,012
	1,041,796	1,041,797	1,270,452	1,199,406	1,199,406	1,199,406
	17,157,390	18,130,785	18,801,977	19,404,576	19,696,753	20,075,624
	279,700,445	271,513,210	270,836,025	271,632,969	272,562,780	273,105,970
	<u>313,235,630</u>	<u>300,192,829</u>	<u>301,656,187</u>	<u>301,928,837</u>	<u>306,319,734</u>	<u>306,136,353</u>
	62,394,552	62,387,856	62,541,354	64,016,311	63,816,105	63,816,105
	888,149	4,170,567	2,585,955	2,685,652	338,231	1,520,911
	1,549,871	1,549,871	1,583,122	1,526,077	1,526,077	1,637,255
	57,535,599	57,688,080	60,192,434	59,480,972	60,429,929	60,171,030
	9,535,852	10,113,275	11,125,217	12,825,289	15,270,246	15,813,040
	2,866,016	2,940,373	3,096,456	3,336,229	3,438,974	4,150,610
	<u>134,770,039</u>	<u>138,850,022</u>	<u>141,124,538</u>	<u>143,870,530</u>	<u>144,819,562</u>	<u>147,108,951</u>
	-	-	-	19,000	19,000	19,000
	-	896,960	-	-	-	-
	1,700	1,700	-	1,204,191	1,204,191	1,204,191
	-	658,055	1,569,007	2,478,200	2,478,200	2,478,200
	68,248	105,984	107,870	110,455	145,088	167,254
	69,948	1,662,699	1,676,877	3,811,846	3,846,479	3,868,645
\$	<u>589,528,688</u>	<u>585,055,715</u>	<u>591,176,795</u>	<u>594,379,068</u>	<u>604,900,456</u>	<u>621,438,941</u>
\$	1,695,533	\$ 1,695,533	\$ 1,695,533	\$ 1,695,533	\$ 1,695,533	\$ 1,695,533
	-	-	-	576,843	-	-
	18,900	18,900	18,900	-	-	-
	2,489,048	2,497,658	2,497,658	2,327,632	2,327,632	2,327,632
	248,980	248,980	247,135	340,694	917,537	917,537
	3,156,723	4,160,095	4,168,478	4,179,159	4,144,586	4,350,221
\$	<u>7,609,184</u>	<u>8,621,166</u>	<u>8,627,704</u>	<u>9,119,861</u>	<u>9,085,288</u>	<u>9,290,923</u>





A Professional Corporation of
Certified Public Accountants

Independent Auditors' Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters, Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards*

Board of County Commissioners
Larimer County, Colorado

We have audited in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Larimer County and the related notes to the financial statements as of and for the year ended December 31, 2012, and have issued our report thereon dated June 19, 2013.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

Purpose of this Report

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

Anderson & Whitney, P.C.

June 19, 2013